



**Orange County  
Board of Commissioners**

**Agenda**

**Virtual Business Meeting**

April 21, 2020

7:00 p.m.

**Note:** Background Material on all abstracts available in the Clerk’s Office

Due to current public health concerns, the Board of Commissioners is conducting a Virtual Business meeting on April 21, 2020. Members of the Board of Commissioners will be participating in the meeting remotely. As in prior meetings, members of the public will be able to view and listen to the meeting via live streaming video at [orangecountync.gov/967/Meeting-Videos](http://orangecountync.gov/967/Meeting-Videos) and on Orange County Gov-TV on channels 1301 or 97.6 (Spectrum Cable).

In this new virtual process, there are two methods for public comment.

- Written submittals by email
- Speaking during the virtual meeting

**Detailed public comment instructions for each method are provided at the bottom of this agenda. (Pre-registration is required.)**

**Compliance with the “Americans with Disabilities Act”** - Interpreter services and/or special sound equipment are available on request. Call the County Clerk’s Office at (919) 245-2130. If you are disabled and need assistance with reasonable accommodations, contact the ADA Coordinator in the County Manager’s Office at (919) 245-2300 or TDD# 919-644-3045.

**1. Additions or Changes to the Agenda**

**PUBLIC CHARGE**

*The Board of Commissioners pledges its respect to all present. The Board asks those attending this meeting to conduct themselves in a respectful, courteous manner toward each other, county staff and the commissioners. At any time should a member of the Board or the public fail to observe this charge, the Chair will take steps to restore order and decorum. Should it become impossible to restore order and continue the meeting, the Chair will recess the meeting until such time that a genuine commitment to this public charge is observed. The BOCC asks that all electronic devices such as cell phones, pagers, and computers should please be turned off or set to silent/vibrate. Please be kind to everyone.*

**Arts Moment** – No Arts Moment will be available for this meeting.

**2. Public Comments (Limited to One Hour)**

(We would appreciate you signing the pad ahead of time so that you are not overlooked.)

- a. Matters not on the Printed Agenda (Limited to One Hour – THREE MINUTE LIMIT PER SPEAKER – Written comments may be submitted to the Clerk to the Board.)

*Petitions/Resolutions/Proclamations and other similar requests submitted by the public will not be acted upon by the Board of Commissioners at the time presented. All such requests will be referred for Chair/Vice Chair/Manager review and for recommendations to the full Board at a later date regarding a) consideration of the request at a future Board meeting; or b) receipt of the request as information only.*



*Submittal of information to the Board or receipt of information by the Board does not constitute approval, endorsement, or consent.*

b. **Matters on the Printed Agenda**

(These matters will be considered when the Board addresses that item on the agenda below.)

- 3. Announcements, Petitions and Comments by Board Members (Three Minute Limit Per Commissioner)**
- 4. Proclamations/ Resolutions/ Special Presentations**
- 5. Public Hearings**
- 6. Regular Agenda**
  - a. Proposed Orange County Five-Year Consolidated Plan, FY 2020-2021 Annual Action Plan, and FY 2020-2021 HOME Activities
  - b. Climate Action Tax Recommendations for FY 2019-20 – School Solar Update
- 7. Reports**
- 8. Consent Agenda**
  - Removal of Any Items from Consent Agenda
  - Approval of Remaining Consent Agenda
  - Discussion and Approval of the Items Removed from the Consent Agenda
  - a. Minutes
  - b. Fair Housing Month Proclamation
  - c. Refunding a Portion of the Solid Waste Programs Fee for Residents Being Provided Curbside Recycling Service by the City of Mebane
  - d. Approval of a Grace Period for the Registration and Renewal Process for Orange County Beverage Licenses through July 15, 2020
  - e. Adoption of the Final Financing Resolution Authorizing the Issuance of \$40,750,000 in Installment Purchase Financing for Various Capital Investment Plan Projects
  - f. Fiscal Year 2019-20 Budget Amendment #8
  - g. Approval of a Lease for a Section of the Roof and Wall of the Sportsplex to Cellco Partnership (Verizon Wireless) for Installation of a Mini Cell Phone Tower
  - h. Change in BOCC Meeting Schedule for 2020
- 9. County Manager's Report**
- 10. County Attorney's Report**
- 11. \*Appointments**
- 12. Information Items**
  - April 7, 2020 BOCC Meeting Follow-up Actions List
  - April 1, 2020 Alcoholic Beverage Control (ABC) Board Letter to Board of Commissioners
  - Memorandum - Financial Report for Third Quarter of FY 2019-20



### 13. Closed Session

### 14. Adjournment

*Note:* Access the agenda through the County's web site, [www.orangecountync.gov](http://www.orangecountync.gov)

#### **\*Subject to Being Moved to Earlier in the Meeting if Necessary**

Orange County Board of Commissioners' meetings and work sessions are available via live streaming video at [orangecountync.gov/967/Meeting-Videos](http://orangecountync.gov/967/Meeting-Videos) and Orange County Gov-TV on channels 1301 or 97.6 (Spectrum Cable).

## **Public Comment Instructions**

### **Public Comment – Written**

#### **(for Items not on the Agenda, Agenda Items and Public Hearings)**

Members of the public may provide written public comment by submitting it to the [ocbocc@orangecountync.gov](mailto:ocbocc@orangecountync.gov) email address by 3:00 PM on the afternoon of the meeting.

When submitting the comment, include the following:

- The date of the meeting
- The agenda item (example: 6-a) you wish to comment on
- Your name, address, email and phone number

The Orange County Board of Commissioners, County Manager, County Attorney and Clerk to the Board, will be copied on all of the emails that are submitted.

### **Public Comment – Verbal**

#### **(for Items not on the Agenda, Agenda Items and Public Hearings)**

Members of the public will be asked to contact the Clerk to the Board using the email address [ocpubliccomment@orangecountync.gov](mailto:ocpubliccomment@orangecountync.gov) no later than 3:00 PM on the day of the meeting and indicate they wish to speak during the meeting.

When submitting the request to speak, include the following:

- The date of the meeting
- The agenda item (example: 6-a) you wish to speak on
- Your name, address, email and phone number
- The phone number must be the number you plan to call in from if participating by phone

Prior to the meeting, speakers will be emailed a participant link to be able to make comments during the live meeting. Speakers may use a computer (with camera and/or microphone) or phone to make comments. Speakers using the phone for comments must use the provided PIN/Password number.



The public speaker's audio and video will be muted until the BOCC gets to the respective agenda item(s). Individuals who have pre-registered will then be brought into the public portion of the meeting one at a time.

If a member of the public encounters any concerns prior to or during the meeting related to speaking, please contact Greg Wilder at 919-245-2314.

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** April 21, 2020

**Action Agenda  
Item No.** 6-a

**SUBJECT:** Proposed Orange County Five-Year Consolidated Plan, FY 2020-2021 Annual Action Plan, and FY 2020-2021 HOME Activities

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**DEPARTMENT:** Housing and Community  
Development

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**ATTACHMENT(S):**

Attachment 1: Resolutions  
Attachment 2: Draft Consolidated Plan  
Summary  
Attachment 3: Draft FY 2020-2021 Annual  
Action Plan Summary  
Attachment 4: Summary Sheet for FY  
2020-2021 Proposed  
Projects

**INFORMATION CONTACT:**

Emila Sutton, Director, Housing and  
Community Development, (919) 245-  
2490

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**PURPOSE:** To consider:

- 1) Adoption of a Resolution approving the draft Five-Year Consolidated Plan for FY 2020-2021 through FY 2024-2025 and FY 2020-2021 Annual Action Plan;
- 2) Adoption of a Resolution approving the proposed HOME Program Activities for FY 2020-2021; and
- 3) Authorizing the County Manager to implement the HOME Program as approved by the BOCC, including the ability to execute agreements with partnering nonprofit organizations after consultation with the County Attorney and based on the allocation received from HUD.

**BACKGROUND:**

*Consolidated Plan and Annual Action Plan*

Every five years, state and local governments (“Participating Jurisdictions”) that receive HOME Investment Partnerships Program funds from the U.S. Department of Housing and Urban Development (“HUD”) are required to complete a Consolidated Plan that assesses the housing and community development needs of their jurisdiction, analyzes market conditions, and lays out a strategic plan that identifies priority needs and associated goals and anticipated allocations of federal and other funds. Additionally, Participating Jurisdictions must complete an Annual Action Plan showing how they will work to fulfill the goals and address the priorities in the Consolidated Plan in each program year.

The Orange County HOME Consortium (also called the Local Government Affordable Housing Collaborative), consisting of the County and the Towns of Carrboro, Chapel Hill, and Hillsborough, completed the Consolidated Plan and Annual Action Plan through extensive data analysis and community engagement conducted in partnership with Apiary Community Consulting and University of North Carolina researchers.

FY 2020-2021 HOME Program Activities

For FY 2020-2021, Orange County anticipates receiving the following HOME resources:

FY 2020-2021 HOME Funds	\$ 374,851
HOME Program Income	\$ 13,000
Local Match (25% of HOME)	\$ 93,712
<b>Total</b>	<b>\$ 481,563</b>

The above amounts are estimates and may be adjusted according to the actual allocation received from HUD.

The HOME Consortium, comprised of one (1) elected official and staff members from Orange County and the Towns of Carrboro, Chapel Hill, and Hillsborough, reviewed the received applications for the FY 2020-2021 HOME Program on March 26, 2020 and made the following funding recommendations for consideration by each of the jurisdictions' elected bodies:

Habitat for Humanity – Homeownership Assistance	\$ 94,138
CASA – Rental Development	\$ 200,000
EmPOWERment – Rental Development	\$ 56,228
Local Match – Rental Assistance	\$ 93,712
Administration	\$ 37,485
<b>Total</b>	<b>\$ 481,563</b>

The above amounts may still be adjusted according to the actual allocation received from HUD.

In accordance with the Orange County HOME Consortium Agreement, approved in May 2011, the HOME Program Design for each year must be approved by all jurisdictions prior to submission to HUD. The HOME Program Design is scheduled for approval by the:

- Town of Carrboro on April 21, 2020;
- Town of Chapel Hill on April 22, 2020; and
- Town of Hillsborough on May 11, 2020.

The Board of Commissioners is therefore asked to consider approval of the attached HOME Program Design Resolution.

The Consolidated Plan and FY 2020-2021 Annual Action Plan must be submitted to HUD on or before May 15, 2020.

HOME Program Implementation

After approval of the FY 2020-2021 HOME Program Design by all Consortium participants, authorization is requested to allow the Orange County Manager, based on the HUD allocation received, to execute agreements with partnering nonprofit organizations as necessary to implement the approved HOME Program Design. All agreements will be reviewed and approved by the County Attorney's Office.

**FINANCIAL IMPACT:** There are no financial impacts anticipated with this item.

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this item:

- **GOAL: FOSTER A COMMUNITY CULTURE THAT REJECTS OPPRESSION AND INEQUITY**  
The fair treatment and meaningful involvement of all people regardless of race or color; religious or philosophical beliefs; sex, gender or sexual orientation; national origin or ethnic background; age; military service; disability; and familial, residential or economic status.
- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**  
The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.
- **GOAL: CREATE A SAFE COMMUNITY**  
The reduction of risks from vehicle/traffic accidents, childhood and senior injuries, gang activity, substance abuse and domestic violence.

**ENVIRONMENTAL IMPACT:** There are no Orange County Environmental Responsibility Goal impacts applicable to this item. Before implementation, all proposed HOME projects will undergo Environmental Review according to HUD requirements.

**RECOMMENDATION(S):** The Manager recommends that the Board:

- 1) Adopt a Resolution approving the draft Five-Year Consolidated Plan for FY 2020-2021 through FY 2024-2025 and FY 2020-2021 Annual Action Plan;
- 2) Adopt and authorize the Chair to sign a Resolution approving the proposed HOME Program Activities for FY 2020-2021; and
- 3) Authorize the County Manager to implement the HOME Program as approved by the BOCC, including the ability to execute agreements with partnering nonprofit organizations after consultation with the County Attorney and based on the allocation received from HUD.

**RESOLUTION AUTHORIZING THE SUBMISSION OF THE  
FY 2020-2025 CONSOLIDATED PLAN AND FY 2020-2021 ANNUAL ACTION PLAN  
FOR ORANGE COUNTY, NORTH CAROLINA**

BE IT RESOLVED, by the Orange County Board of Commissioners, as a member of the Orange County HOME Consortium, that the Commissioners authorize the County Manager to submit the Orange County Consolidated Plan for FY 2020-2025 and the Annual Action Plan for FY 2020-2021 to the U.S. Department of Housing and Urban Development, including all understandings, assurances, and certifications required therein.

BE IT FURTHER RESOLVED, that the County Manager is hereby designated as the authorized representative of the County to act in connection with the submission of these plans and to provide such additional information as may be required by the U.S. Department of Housing and Urban Development.

This is the \_\_\_ day of \_\_\_\_\_, 2020

NOW THEREFORE BE IT ORDAINED by the Orange County Board of Commissioners that this resolution is effective upon approval. Upon motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing resolution was adopted this the \_\_\_ day of \_\_\_\_\_, 2020.

I, Donna S. Baker, Clerk to the Board of Commissioners for the County of Orange, North Carolina, DO THEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Board at a meeting held on \_\_\_\_\_, 2020, as relates in any way to the adoption of the foregoing and that said proceedings are recorded in Minute Book No. \_\_\_\_\_ of the minutes of said Board.

WITNESS my hand and seal of said County, the \_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Donna Baker, Clerk to the Board

SEAL

**RESOLUTION AUTHORIZING  
THE ORANGE COUNTY FY 2020-2021 HOME PROGRAM DESIGN**

BE IT RESOLVED, by the Orange County Board of Commissioners, as a member of the Orange County HOME Consortium, that the Commissioners approve the following activities for the FY 2020-2021 HOME Program:

**Homeownership Assistance**

Funds will be allocated to Orange County Habitat for Humanity to provide deferred payment zero interest mortgages for an estimated three (3) homes in the Fairview Community in Hillsborough and the Northside Neighborhood in Carrboro. Homes will be sold to households earning between thirty percent (30%) and sixty percent (60%) of the area median income.  
(Requested amount: \$390,000) **\$94,138**

**Rental Development**

Funds will be allocated to CASA to provide gap financing for an eighty-four (84) unit rental development on Merritt Mill Road in Chapel Hill and Carrboro. Units will be leased to households earning between thirty percent (30%) and sixty percent (60%) of the area median income.  
(Requested amount: \$350,000) **\$200,000**

**Predevelopment Loan**

Funds will be allocated to EmPOWERment, Inc. as a predevelopment loan for a proposed rental development with eight (8) to ten (10) units on Johnson Street in Carrboro. Units will be leased to households earning between thirty percent (30%) and eighty percent (80%) of the area median income.  
(Requested amount: \$200,000) **\$56,228**

**Program Administration**

**\$37,485**

BE IT FURTHER RESOLVED, that the County Manager is hereby designated as the authorized representative of the County to act in connection with the HOME Program and to provide such additional information as may be required by the U.S. Department of Housing and Urban Development.

This is the \_\_\_ day of \_\_\_\_\_, 2020

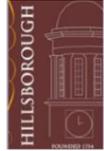
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Penny Rich, Chair  
Orange County Board of Commissioners

SEAL



Orange County, North Carolina  
HOME Consortium



# 2020 – 2025 Consolidated Plan Summary

## Background

The Orange County HOME Consortium (or, the Local Government Affordable Housing Collaborative) receives federal funds for affordable housing through the HOME Investment Partnerships Program (HOME). The Consortium has four members: Orange County (the lead entity) and the Towns of Carrboro, Chapel Hill, and Hillsborough. Chapel Hill also receives federal Community Development Block Grant (CDBG) funding. Like HOME, CDBG funds can be used for affordable housing, and also broader community development activities.

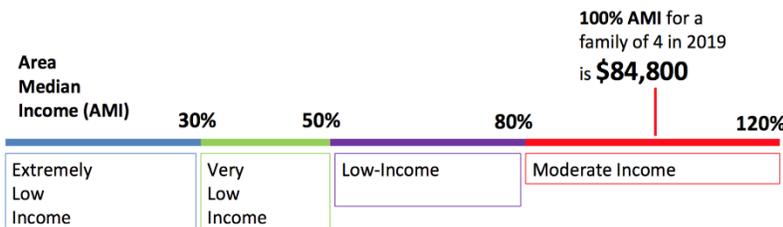
The Consolidated Plan lays out how the Consortium and Chapel Hill will use HOME and CDBG funds over the next five years. The Plan is required to include three main components: Needs Assessment, Market Analysis, and Strategic Plan.

Summaries of each component are on the back of this page. See the infographics below from the North Carolina Housing Coalition for more context on the term “affordable housing.”

## What is Affordable Housing?



**Rent/Mortgage + Utilities < 30% of income**



**1,082** families in Orange County faced an eviction filing this year...

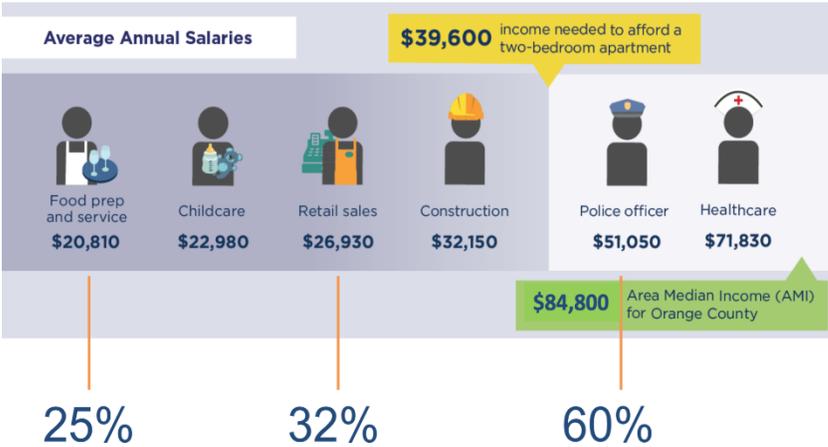
**11.6%** of all cost-burdened renters.

To afford a modest two-bedroom apartment at:  
**\$990/month**

A family needs to earn:  
**\$39,600/year**

But the average renter can only afford a rent of:  
**\$711/month**

## Average Orange County Salaries



## Needs Assessment

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### **Cost burden is the most common housing problem**

- 21% of homeowners and 43% of renters pay more than 30% of their income for housing
- 40% of households with cost burden are elderly
- 69% of households earning below 30% AMI are cost burdened
- Within certain income groups, Hispanic and Asian households are disproportionately cost burdened, and black households are more likely to be cost-burdened than any other racial/ethnic group

### **Homelessness in Orange County remains stubbornly high**

- Black households are disproportionately likely to experience homelessness (they make up 11.6% of the population as a whole and 54% of people experiencing homelessness)
- The following homeless system gaps exist: (1) a best practice, fully funded rapid re-housing program; (2) income-based rental housing; (3) drop-in day center with integrated services; (4) street outreach program; (5) 24-hour bathrooms; (6) coordinated entry staff; (7) medical respite beds; (8) memorial service funding; and (9) youth host homes

### **Orange County has many people with unique housing needs, such as the elderly and people with disabilities**

- Quality of life for these groups is harmed by a lack of quality, affordable housing near transit options
- There is a need for ADA accessibility in public facilities and infrastructure

## Market Analysis

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### **The housing market in Orange County is high-cost**

- A substantial proportion of housing stock was built since 2000
- Housing costs have increased 15% since the previous Consolidated Plan
- Only 5% of units are affordable to households at 30% AMI

### **There are some, but not enough, subsidized units**

- Public Housing: 336 units in Chapel Hill and Carrboro, targeted to households earning below 50% AMI
- Housing Choice Vouchers (Section 8): 623 vouchers issued by the Orange County Housing Authority, targeting households earning below 50% AMI
- Low-Income Housing Tax Credits: 11 properties in the county with 680 units; two properties (200 total units) are reserved for elderly/disabled households
- HOME: 23 developments in Orange County constructed with HOME funding
- Community Home Trust: 318 permanently affordable homes, targeted to households below 80% AMI
- Inter-Faith Council for Social Services: 52-bed facility for men experiencing homelessness

### **Orange County's economic base lies in healthcare, education, and professional services, in addition to retail and service sectors that accommodate them**

- As such, the county's workforce has high educational attainment and low unemployment
- The greatest shortages of jobs are in lower-paying sectors that rely on less-trained workers
- These workers are likely unable to afford the high cost of housing in Orange County

## Strategic Plan

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Based on the Needs Assessment, Market Analysis, and community and stakeholder input, the Strategic Plan establishes the following priorities:

- Housing for People Experiencing Homelessness
- Housing for Low- and Moderate-Income Households
- Integrated Housing for People with Service Needs
- Community Development and Services **(CDBG only)**

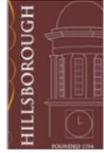
Activities to address these priority needs will be: rental construction, rental assistance, housing rehabilitation/preservation, home ownership construction, and home buyer assistance. With CDBG funds, additional activities may be pursued: supportive and youth services, code enforcement and neighborhood revitalization, and infrastructure.



Orange County, North Carolina  
HOME Consortium



**FY 2020 – 2021**



# Annual Action Plan Summary

## Annual Goals and Objectives

	Goal Name	Start Year	End Year	Category	Needs Addressed	Funding	Goal Outcome Indicator
1	Rental Construction	2020	2024	Affordable Housing Homeless Non-Homeless Special Needs	Housing for People Experiencing Homelessness Housing for Low- and Moderate-Income Households Integrated Housing for People with Service Needs	HOME: \$256,228	Rental units constructed: 56 Household Housing Unit
2	Home Buyer Assistance	2020	2024	Affordable Housing	Housing for Low- and Moderate-Income Households	HOME: \$94,138	Direct Financial Assistance to Homebuyers: 3 Households Assisted

## Projects

#	Project Name	Description
1	Habitat for Humanity – Home Buyer Assistance	Funds will be allocated to Habitat for Humanity of Orange County to provide deferred payment, zero interest second mortgage loans for an estimated three newly constructed homes in the Fairview community in Hillsborough and the Northside neighborhood in Carrboro/Chapel Hill.
2	CASA – Rental Construction	Funds will be allocated to CASA as gap financing for a 48-unit rental community on Merritt Mill Road in Carrboro/Chapel Hill. Five of these units will be considered HOME-assisted (based on the proportion of HOME funds to total funding in the project). Nine units total will be set aside for people with disabilities, with priority for people experiencing homelessness.
3	EmPOWERment – Rental Construction (Predevelopment)	Funds will be allocated to CASA as a predevelopment loan an 8- to 10-unit rental community on Johnson Street in Chapel Hill.

## Affordable Housing

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	50
Special-Needs	9
<b>Total</b>	<b>59</b>

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	56
Rehab of Existing Units	0
Acquisition of Existing Units	5
<b>Total</b>	<b>59</b>

## Summary of Proposed FY 2020-2021 HOME Projects

	Habitat for Humanity	CASA	EmPOWERment
<b>Funding Request</b>	\$390,000	\$350,000	\$200,00
<b>Funding Award</b>	\$94,138	\$200,000	\$56,228
<b>Project Description</b>	Second mortgage assistance for Habitat home buyers	Gap financing for Merritt Mill, a 48 unit rental project with some units set aside for people with disabilities	Financing for 107 Johnson Street, an 8 to 10 unit rental project
<b>Income Targeting</b>	9 units for households earning up to 50% AMI and 4 units up to 80% AMI	9 units for households earning up to 30% AMI and 39 units for households earning up to 80% AMI	2 units for households earning up to 30% AMI, 7 units up to 50% AMI, and 1 unit at 80% AMI
<b>Population Targeting</b>	Low-income seniors and people with disabilities will be targeted in 2 units (15%)	People with disabilities will be targeted in 9 units (19%)	None, but of their existing portfolio, 48% of residents are voucher holders
<b>Project Location</b>	Fairview community in Hillsborough and Northside neighborhood in Carrboro	Merritt Mill Road in Carrboro/ Chapel Hill	Pine Knolls neighborhood in Chapel Hill
<b>Leveraging</b>	Total non-HOME project funding is \$1.5 million	Total non-HOME project funding is \$8.6 million	Total non-HOME project funding is \$2.4 million

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** April 21, 2020

**Action Agenda  
Item No. 6-b**

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**SUBJECT:** Climate Action Tax Recommendations for FY 2019-20 – School Solar Update

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**DEPARTMENT:** Asset Management Services,  
Financial and Administrative  
Services

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**ATTACHMENT(S):**

1. Climate Action Tax Projects and Scoring Report FY 2019-20 – Revised
2. Answers to Board Members' Questions on Solar for Schools Grant Program

**INFORMATION CONTACT:**

Brennan Bouma, (919) 245-2626  
Paul Laughton, (919) 245-2152

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**PURPOSE:** To:

- 1) Receive additional information on the Solar for Schools Grant program that could be funded through the FY 2019-20 Orange County Climate Action Tax in response to Board members' questions at the February 4, 2020 Board Business Meeting; and
- 2) Approve funding for the recommended Solar for Schools Grant program for FY 2019-20 as outlined in the attached report.

**BACKGROUND:** As part of the FY 2019-20 budget, the Board of Commissioners authorized an additional ¼ cent property tax to provide an estimated \$469,272 dedicated to accelerating climate change mitigation through the new Climate Change Mitigation Project in the Capital Investment Plan.

When the tax was authorized, the BOCC stated that it would decide the final prioritization of projects to be funded, and the Board requested that the Commission for the Environment (CFE) provide feedback on prospective projects in advance of BOCC review.

The CFE completed its initial scoring, and the BOCC reviewed a report that outlined the recommended projects at its Business meeting on February 4<sup>th</sup>. At that meeting the Board approved funding for two of the four recommended projects, and at the request of school leadership, temporarily deferred taking any action on the two projects which make up the proposed Solar for Schools grant program. Attachment 1 is a copy of this report revised in accordance with the comments received from the BOCC.

During the discussion of the Solar for Schools grant program, Board members asked several questions in preparation for additional discussion in the future. In response, staff revised the

report and had discussions with staff in both school districts. Attachment 2 is a list of the Board members' questions and follow-up responses on the recommended Solar for Schools Grant Program.

The Board considered the item again at its April 7, 2020 Business meeting. However, some additional concerns were raised by both school systems. The Board once again deferred action on the two proposed Solar for Schools projects to allow additional communication between both school districts and County staff, and also to allow both Boards of Education to consider the proposed rooftop solar projects.

The Chapel Hill-Carrboro City Schools (CHCCS) Board of Education met on April 16, 2020 and expressed support for its rooftop solar project. The Orange County Schools (OCS) Board of Education is scheduled to meet on April 20, 2020 to discuss its rooftop solar project, and County staff will provide an update to the BOCC on any actions taken at that OCS meeting.

**FINANCIAL IMPACT:** The Climate Action Tax is projected to generate \$469,272 in funds in FY 2019-20. The top two recommended projects have already been approved to use \$169,272 of these funds, and the remaining \$300,000 is recommended to fund two Solar for Schools grants for \$150,000 each.

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this item:

- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**

The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

Local investments in energy efficiency and renewable energy in Orange County provides direct reduction of monthly energy bills and supports jobs and investments in clean energy technologies. These cost reductions lead to improved affordability for County school facilities and ensure responsible stewardship of Orange County taxpayer resources.

- **GOAL: ESTABLISH SUSTAINABLE AND EQUITABLE LAND-USE AND ENVIRONMENTAL POLICIES**

The fair treatment and meaningful involvement of people of all races, cultures, incomes and educational levels with respect to the development and enforcement of environmental laws, regulations, policies, and decisions. Fair treatment means that no group of people should bear a disproportionate share of the negative environmental consequences resulting from industrial, governmental and commercial operations or policies.

Reducing energy usage from the electric grid improves air quality impacts. Improving local air quality helps to protect the health of vulnerable populations in Orange County whose health is disproportionately affected by ground-level ozone and other emissions.

**ENVIRONMENTAL IMPACT:** The following Orange County Environmental Responsibility Goal impacts are applicable to this item:

- **ENERGY EFFICIENCY AND WASTE REDUCTION**

Initiate policies and programs that: 1) conserve energy; 2) reduce resource consumption; 3) increase the use of recycled and renewable resources; and 4) minimize waste stream impacts on the environment.

Investing in local climate change mitigation actions will conserve energy, reduce resource consumption, and increase the use of renewable resources.

- **RESULTANT IMPACT ON NATURAL RESOURCES AND AIR QUALITY**

Assess and where possible mitigate adverse impacts created to the natural resources of the site and adjoining area. Minimize production of greenhouse gases.

The Solar for Schools climate change mitigation projects will minimize the production of greenhouse gases, reducing Orange County's contribution to the adverse impacts of climate change on human and natural resources both inside and outside of the County.

**RECOMMENDATION(S):** The Manager recommends that the Board

- 1) Receive additional information on the Solar for Schools Grant program that could be funded through the FY 2019-20 Orange County Climate Action Tax in response to Board members' questions at the February 4, 2020 Board Business Meeting; and
- 2) Approve funding for the recommended Solar for Schools Grant program for FY 2019-20 as outlined in the attached report.



February 4, 2020

### Climate Action Tax Projects and Scoring Report FY 2019-20

#### Executive Summary:

As part of the FY20 budget, the Board of Orange County Commissioners authorized an additional ¼ cent property tax to provide an estimated \$469,272 dedicated to accelerating climate change mitigation through the new Climate Change Mitigation Project in the Capital Investment Plan. This funding adds to the County's ongoing investments in clean technology and will support an expansion of climate change mitigation projects that build on Orange County's long history of sustainable actions. Following the Board's direction, the Orange County Commission for the Environment (CFE) has scored an initial list of climate mitigation projects using a formula that prioritizes social justice and racial equity. The full project scoring table completed by the CFE is included as Appendix A. Based on their ranking, the resulting project recommendations are listed in the following table:

<b>Project</b>	<b>CFE Rank</b>	<b>Cost Estimate</b>
Supplemental Weatherization for Low Income Households	1	\$150,000
Countywide LED Campaign	2	\$19,272
Rooftop solar - OCS	3	\$150,000
Rooftop solar - CHCCS	3	\$150,000
<b>Total</b>		<b>\$469,272</b>

Each project would be implemented to maximize project efficiency and minimize impacts on Orange County staff resources:

- The weatherization project would focus primarily on providing additional energy efficiency assistance to Orange County residents with manufactured homes and homes already being repaired under existing programs in partnership with the Orange County Affordable Housing Coalition, Orange County Home Preservation Coalition, and Orange County Housing and Community Development.
- The LED Campaign would connect with Orange County residents primarily through partnering with the Low Income Energy Assistance Program (LIEAP) of the Department of Social Services as well as the Family Success Alliance and its affiliated non-profits.
- The rooftop solar projects for the schools are proposed to work through a grant program to provide the schools with flexibility while preserving the ability of the County to track progress and impact.

#### History of County Sustainability Actions:

These projects we propose to fund through the FY20 Climate Action Tax add to a long history of sustainability actions by Orange County. For decades, County staff have been safeguarding taxpayer and environmental resources by outfitting of County buildings with energy efficient technologies such as energy efficient lighting and HVAC systems, low-flow water fixtures, rainwater and greywater harvesting

systems, and geothermal systems). Since 2015, the Orange County Sustainability program has pulled in more than \$325,000 in grant funding to provide additional support for Orange County's investments in innovative sustainability projects.

The County made an internal commitment in 2010 to aim for reductions in energy and water usage per square foot and was able to achieve a 22% reduction in energy use and a 39% reduction in water use by 2017. Here are some milestones in the recent history of Orange County's commitment to energy efficiency and renewable energy:

- 2005 Greenhouse Gas Emissions inventory, 2017 update underway.
- 2009 The Justice Center renovation includes County's first major geothermal installation, paving the way for 4 additional facilities to be retrofitted with geothermal HVAC systems by 2016. Combined, these systems allow the County to spend \$37,000 less per year on energy bills and reduce the wear and tear on our HVAC systems.
- 2010 Electric Vehicle charging network installed with 16 free chargers across 4 locations to incentivize a market transformation.
- 2017 SolSmart Silver Designation attained including a solar rooftop feasibility study for County facilities, how-to checklist on solar installation for homeowners.
- 2017 Commitment to Paris Climate Accord - 26% reduction in total emissions by 2025.
- 2017 Commitment to transition to 100% renewable energy countywide by 2050.
- 2018 Triangle Regional Resilience Assessment – In 2018, the Town of Chapel Hill, City of Raleigh, City of Durham, Durham County, Orange County and the Town of Cary completed a joint assessment of our region's resilience to the hazards we all experience. This will guide plans that will help us withstand future anticipated disruptions.
- 2019 Climate Action Tax – The Board of Orange County Commissioners levied a ¼ cent property tax to accelerate priority actions on climate change.

#### **Current Projects:**

Orange County is building on its strong history of leadership in sustainability, and has been accelerating its efforts in several parallel projects:

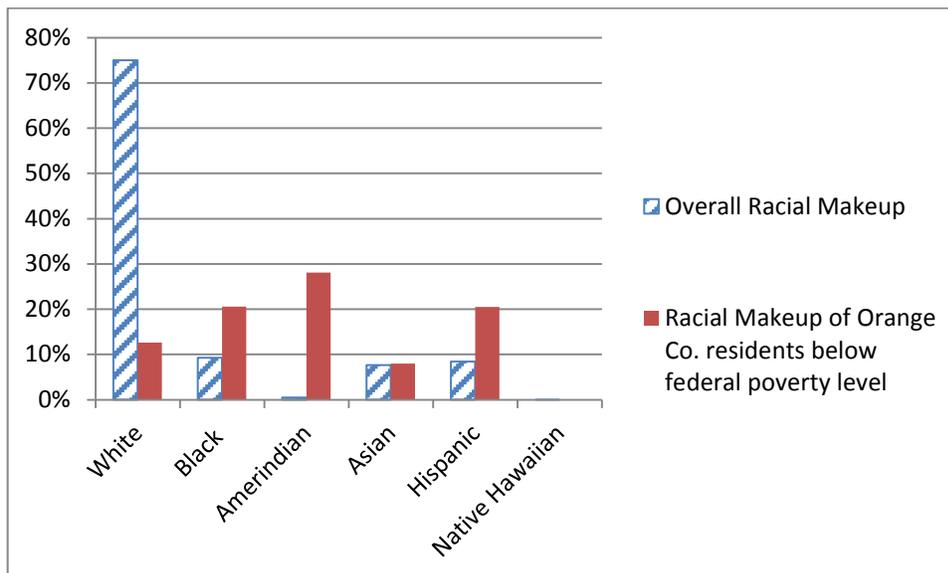
- Four new facilities which are currently under development will be the first County buildings to include rooftop photovoltaic systems: The Orange County Detention Center, the Environment and Agricultural Center, the Efland EMS sub-station, and the Parks Operations Base. The largest of these facilities will also be equipped with a highly efficient geothermal HVAC system.
- The County has now committed to the 3<sup>rd</sup> party commissioning process for every major construction project to ensure new buildings are performing as efficiently as they were designed. This practice is estimated by the NC Department of Environmental Quality (NCDEQ) to pay for itself within 1-3 years.
- More than \$150,000 in grant funding has been secured in just 2018 and 2019 to support the County in procuring electric fleet vehicles and upgrading and expanding our network of electric vehicle charging stations.
- The emissions for flights taken by all County staff as well as the car trips taken by the County's pool of CarShare vehicles will be offset by investments in documented carbon reduction projects being installed in North Carolina.

### Future Actions Recommended:

Even with all of the current and previous projects, the Board of Orange County Commissioners (BOCC) recognize the need for further investment in energy efficiency to reduce our impact, renewable energy to power the necessary services we provide, and offsets for any unavoidable emissions.

Many current climate change mitigation projects will extend into the future, and entirely new opportunities will arise as well. With that in mind, on June 11<sup>th</sup>, 2019, the Board levied an additional ¼ cent property tax to provide an estimated \$469,272 dedicated to accelerating climate change mitigation through the new Climate Change Mitigation Project in the Capital Investment Plan. During the approval of this Climate Action Tax, the BOCC requested that the CFE provide their feedback on initial project ideas in advance of BOCC review using a formula that prioritized social justice and racial equity. The BOCC has regularly emphasized the need to consider justice and equity, so that those who benefit most directly from the County's actions and investments are the people who most need assistance. This scoring formula was created to assess project ideas and a rubric reflecting that formula was used by the CFE to rank order the climate action projects (see Appendix A).

**Table 1: Orange County Racial Distribution and Poverty Status by Race**



Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.

### Assessment Criteria:

Projects were assessed by the CFE based on 6 key criteria. Bullet points below each criterion help to describe how the CFE was directed to apply them along with their relevant expertise. Social justice and racial equity is the criterion that holds the highest weight.

Low-income households have fewer resources to help them avoid or adapt to the impacts of climate change, and recent census figures show that racial minorities make up a more significant portion of the Orange County's residents below the federal poverty line (see Table 1).

Not all County residents below the poverty line are people of color. Both socio-economic status and racial identity are key factors that will be used to target and track the positive impacts of these programs.

The following is the list of criteria and guidance provided to the CFE in scoring the projects:

- **Social Justice and Racial Equity (0 to 3pts):**
  - Who benefits most directly? If it is likely to be a racial minority or underserved population, score high.
  - Are there negative side effects of the project? If these may impact a racial minority or underserved population, score low.
- **Emissions reduced (0 to 2 pts):**
  - Consider quantity and location.
    - Higher scores should go to emissions reduced within Orange County, instead of at a power plant, due to greater health co-benefits.
- **Efficient use of Funds (0 to 2 pts):**
  - What is the return on investment?
  - Does this project build on successful existing programs or leverage other funding?
  - Will this project help to generate other funds or support future grant funding?
- **Time to complete (0 to 1 pt):**
  - Projects that can be completed or show clear deliverables within one year should score higher.
- **Ease of understanding, visibility, and messaging (0 to 1 pt):**
  - Projects that are easier to explain to Orange County taxpayers should score higher.
- **Likelihood of success (0 to 1 pt):**
  - Projects that are within the direct control of the County and which have minimal complexity should score higher.

**Project descriptions:**

**Supplemental Weatherization for Low Income Households:**

Due to the number of non-profit and for-profit service providers in the affordable housing field and the unique needs of each home, it is recommended that \$150,000 within this capital project be directed by Orange County Housing and Community Development (OCHCD). After discussions with OCHCD, we recommend these funds be used by OCHCD in collaboration with established partners in the Orange County Home Preservation Coalition (OCHPC) and the Orange County Affordable Housing Coalition (OCAHC).

In addition to utilizing the funds to increase the energy efficiency upgrades within the ongoing low-income housing rehabilitation work being completed by OCHCD, the department would work in partnership with the OCHPC to complete additional weatherization activities for low income households in Orange County. The OCHPC is a collaboration of non-profit and government entities engaged in rehabilitation of homes for low income seniors and people with disabilities in Orange County. Each organization has different programs and funding streams that can fund specific activities to rehabilitate homes for eligible households. The aim of the coalition is to bring together all agencies engaged in these activities to leverage funds and maximize outcomes. Each month, members meet to share their current caseloads and discuss what agency has capacity and funding to address needed repairs on a case-by-case basis.

Because members are already assisting low-income families and individuals with a wide variety of repairs and improvements that reduce energy costs and improve the comfort level of residents, this additional funding would allow coalition members to add weatherization and energy saving up-fits that existing funding does not allow for. This would include activities like sealing cracks and ductwork,

improving insulation, purchasing energy star-rated replacement windows and appliances, as well as more efficient HVAC systems. In recent years, the needs of the houses served have often been so extensive that the projects reach their funding limits before all energy efficiency upgrades can be completed. This project would provide additional resources for these energy efficiency investments to increase the future affordability of the home. This portion of the project funding is initially estimated to cover these additional energy efficiency improvements in up to 60 houses depending on the level of need of the houses identified. Each of the service providers in the Coalition focuses on different elements of home repair and enhancement, but all would be able to enhance their energy efficiency improvements with additional funding. Partners in this effort include (and is not limited to) Orange County Housing and Community Development, Orange County Department on Aging, Rebuilding Together, Habitat for Humanity, the Jackson Center, and the Triangle J Council of Governments. The coalition model is considered a best practice in the industry as it maximizes the efficiency of services, minimizing waitlists and administrative costs.

In partnership with the both the OCHPC and the Orange County Affordable Housing Coalition (OCAHC) additional resources would assist with their mobile home preservation efforts. The energy efficiency performance of manufactured housing is often much lower than housing built on-site and therefore the energy cost per square foot is higher. At the same time, low-cost repairs such as resealing the seams and ductwork of a manufactured home can make a big improvement in energy efficiency and quality of life. This project will help continue targeted outreach, assessments and low-cost energy efficiency improvements, and help with early identification of any further needs that might be met through the County's existing Urgent Repair Program such as roof leaks and septic issues.

#### **Rooftop Solar for Schools:**

The rooftop solar projects proposed for each school district is proposed to work through a grant to provide the schools with flexibility while preserving the ability of the County to track progress and impact. Proposed requirements of the grant would be:

- 1.) That the solar projects maximize the purchase power of the grant funding by considering leasing of the solar panels in the arrangement laid out in 2017 by H.B. 589, and report to the County on the decision that was made to purchase or lease.
- 2.) The grantees must report the total solar energy generated as well as the percent of each facility's energy use that was served by the solar system. This would provide pressure for continued focus on energy efficiency along with the renewable energy.
- 3.) The grantees must have a monitor showing the live energy performance of their systems in a public location with a sign noting that the system was paid for by proceeds of the Orange County Climate Action Tax.

Adding solar to the rooftop of County school buildings would currently allow the schools to leverage up to \$75,000 in solar incentives per project from Duke Energy. Adding solar to the schools would provide the additional benefit of exposing hundreds of Orange County students and parents to the practical application of sustainable technologies.

#### **Countywide LED campaign (Proposed by the CFE):**

An important part of Orange County's efforts to combat climate change will be encouraging residents and businesses to adopt practices that reduce their greenhouse gas emissions. This pilot campaign would focus on retrofitting Orange County households with LED light bulbs. According to the US Energy Information Agency as of 2017 about 10% of all household electricity is used for lighting. For the same

amount of light, LEDs use about 75% less energy than incandescent bulbs and 5-10% less than fluorescents, all while minimizing heat output and lasting 10 times longer. According to the US Department of Energy, currently about 15% of US residents have adopted LEDs. While the adoption rate is probably higher in Orange County, there would still be room for improvement making this easy-to-install energy-saving technology a good focus for an energy efficiency campaign.

The project would be run by the Orange County Sustainability Program in partnership with several Orange County departments and non-profits that directly serve the County's low-income households. The Low Income Energy Assistance Program (LIEAP) run by the Orange County Department of Social Services helps Orange County residents to pay their energy bills in an emergency. This program is open to working with the Sustainability Program to distribute LED lightbulbs to those who request assistance. The Family Success Alliance and their affiliated non-profit partners are also open to distributing LEDs through their networks.

This proposed campaign would be rolled out in 3 steps:

- 1.) **Create and test a pledge form** - In order to receive bulbs, an interested resident would fill out a brief pledge that would allow them to indicate the number and type of bulbs that they pledge to replace with LEDs. The pledge form would be designed and tested to protect the identity of participants while allowing the program to estimate the energy efficiency impact. This form and other outreach materials would also suggest further low or no-cost ways to reduce energy bills such as moderating thermostat settings and changing air filters, and it would inform residents of other related utility savings programs such as OWASA's Affordability Outreach Program.
- 2.) **Purchase bulbs** – LED bulbs would be purchased in bulk to reduce costs and then stored until they are distributed. Ordering and distribution may occur in multiple rounds depending on the storage space available.
- 3.) **Distribute** – This program will leverage an existing program from Duke Energy to provide a box of 15 free LED bulbs every 5 years to each customer who requests one. With the assistance of staff administering the LIEAP and FSA as well as partnering non-profits, all applicable clients would apply for Duke Energy's free LEDs. If a household is served by Piedmont Electric, or if the bulbs Duke provides would not replace all the bulbs in the household, the County would provide LED bulbs.

Non-profits and County staff who have access and permission to enter clients' houses may be able to provide a higher level of service and replace the bulbs directly. County staff will work with these partners to supply bulbs they need.

Including the cost of promotional materials it is estimated that the LED campaign would cost just over \$19,000 to serve up to 3,000 households. Based on initial data from the 2017 Orange County GHG inventory, retrofitting a household with LEDs could save 400-1000 kwh/year, reduce the electric bill by \$40-\$100/year, and reduce CO<sub>2</sub>e emissions by 300-700 pounds/year.

**Small hydropower feasibility study (\*Not included in recommended projects due to low CFE ranking\*):**

According to County engineer, Chris Sandt, Lake Orange may be a good candidate for the installation of a small hydropower generator. The upcoming spillway repair project funded in the CIP may be a good opportunity to leverage committed funds to install energy generation equipment. A 3<sup>rd</sup> party engineering study would help to confirm the total power output expected and the overall feasibility of this project.

**Appendix A: Complete CFE Project Scoring Table:**

<b>Project</b>	<b>Cost Estimate</b>	<b>Social Justice / Racial Equity (0 to 3 pts)</b>	<b>Emissions Reduced (0 to 2 pts)</b>	<b>Efficient use of Funds (0 to 2 pts)</b>	<b>Time to Complete (0 to 1 pt):</b>	<b>Ease of understanding and messaging (0 to 1 pt):</b>	<b>Likelihood of success (0 to 1 pt):</b>	<b>Total</b>	<b>Rank*</b>
Supplemental Weatherization for Low Income Households	\$150,000	3	1	2	1	1	1	9	1
Countywide LED Campaign	\$19,272	3	1	2	1	1	1	9	2
Rooftop solar - OCS	\$150,000	2	1	2	1	1	1	8	3
Rooftop solar - CHCCS	\$150,000	2	1	2	1	1	1	8	3
Small hydropower feasibility study	\$30,000	1	1	1	1	1	1	6	4
<b>Total (Max for 2019-20 is \$469,272)</b>	<b>\$499,272</b>								

\*All projects, including those that tied in their scoring and those that exceeded the FY20 funding limit were placed in rank order by CFE voting.

**Appendix B: Other projects that might be considered for future funding:**

These projects were not reviewed by the CFE, but as the County moves forward these and other ideas may be good candidates for elaboration and review:

- Assisting OWASA in the development of a biodigester to make productive use of the waste gases at their water treatment plant that are currently flared.
- Investments in resiliency for vulnerable communities as determined by the ongoing update to the Eno-Haw Hazard Mitigation Plan.
- Energy Efficiency Grant Program or Revolving Loan Fund

**Questions and Answers on the Recommended FY19-20 Solar for Schools Grant Program:**

During the discussion of the recommended Solar for Schools Grant Program at the meeting of the Board of County Commissioners on February 4, 2020, Board members asked several questions in preparation for future discussion. Below is a list of those questions and the follow-up responses. When the responses came directly from staff at the Schools, they are labelled as Orange County Schools (OCS) and Chapel Hill Carrboro City Schools (CHCCS).

**1. How much solar energy could be generated with \$150,000?**

Based on recent price figures from the National Renewable Energy Laboratory of \$1.83 per watt installed ([NREL, Q1 2018 Commercial System Benchmark](#)), \$150K would buy an 82kW system if it were purchased outright.

Using OWASA's solar projects as a current local example, if \$150,000 were used as a down-payment in a lease arrangement the system it could purchase would be larger than 180kW.

It would not be uncommon for a school facility to have an energy demand of 200kW or larger, so a lease would allow for a solar array to match the energy needs of a facility much more closely.

**2. Are there Duke Energy Solar Incentives that apply to this project?**

Duke Energy will provide up to \$75K in incentives for public entities to install solar energy systems >100kW. Assuming these potential projects offset a school's total energy demand, these projects are likely to be eligible for that level of incentives (see this [fact sheet](#) for more info).

That incentive is locked in after the design phase once Duke approves an interconnection agreement, so projects could be designed with a budget of \$225,000. Some project money would be spent on design before the incentive was guaranteed, but there could be a clause that would allow the remainder of project funds to be contingent on Duke solar incentive approval.

Orange County Schools (OCS) staff said that 7 of their 13 schools receive their electricity from Duke Energy, and that these might therefore make the best candidates while that incentive program is in place (currently through 2021).

**3. What are the schools' overall reactions to the recommended FY19-20 Solar for Schools grant program?**

Staff from both Orange County Schools (OCS) and Chapel Hill Carrboro City Schools (CHCCS) had a similar reaction. Overall they feel this funding is something that they welcome and that they feel confident in their ability to utilize it for the benefit of their facilities and students. School staff are active participants

in the Orange County Climate Council and said that they look forward to exploring further alignment of our sustainability goals and projects.

In the future, more open dialogue between County and school staff during the project scoping phase would improve everyone's comfort with the process and also likely improve the effectiveness of potential climate action projects chosen. School staff felt that such discussions could happen with the full knowledge that the Commissioners would make the final funding decisions and that no undue expectations would be set.

CHCCS staff made the additional point that once this item was confirmed as an item to go before the Commissioners, it would have been best if County staff had called to confirm our initial conversation about this project idea, and let them know that it was moving ahead.

**4. How do the schools feel about the proposed grant requirements on considering leasing as well as monitoring, reporting, and displaying the information about solar energy generated?**

Staff from both OCS and CHCCS agreed that they would be open to considering leasing as one option and wanted to learn more about it.

They also agreed that most solar power systems these days are being built with connectivity to a web-based energy monitoring platform of some kind and that installing a display monitor to show the live energy production is not likely to be difficult. The ability to track live energy usage along with generation in one system may be more involved and expensive, but it is something staff agreed to explore as the project moves forward so that energy efficiency remains a focus along with renewable energy production.

CHCCS already has experience with a complex and interactive live energy monitoring platform similar to the one that Commissioner Marcoplos described. In their experience with this one platform, it seemed that after some initial excitement it was rarely used.

**5. What are the potential benefits of leasing a solar installation instead of purchasing one?**

Within this proposed grant program, the schools would work directly with solar companies bidding to win this project, and County staff would assist as desired. Both leasing and outright purchasing are financing options to explore.

Leasing is a way to finance a solar installation that allows you to install a larger solar system by turning your up-front investment into a down-payment (see question #7). With the right size down-payment, lease payments can be smaller than the amount of energy cost avoided, creating immediate overall savings.

Solar panels have a 25 year life expectancy, and the leasing company often only owns the panels for the first 5-10 years. The schools have the option to write into the lease agreement that the solar company will manage any repairs and maintenance either during the time the system is owned by the solar company or for the entire life of the panels. After an agreed-upon period of time, the lease agreement should allow the Schools to make one of the following choices:

- 1.) Purchase the panels at a much reduced cost;
- 2.) Renegotiate a new lease agreement;
- 3.) Ask the solar company to remove the panels at no cost.

#### **6. What can the schools expect in terms of lifetime costs if they lease instead of owning their systems?**

Leasing a solar installation from a private 3rd party entity would allow the schools to take advantage of significant federal tax incentives that are inaccessible to public entities if they were to purchase the system outright.

As part of the RFP process, the schools can ask solar companies to run lifecycle cost analyses as part of their bid package. These analyses change from site to site based on various factors including space available, total on-site energy demand, shading, and electricity rates. Running these analyses is a normal part of the RFP bidding process that solar companies are prepared to undertake.

Local example - OWASA has gone through an RFP process and is currently designing solar installations at 5 locations through all lease agreements. As a package and based on the terms that they negotiated, their solar installations have a positive net present value within their expected 25-year life (3% discount rate). They expect to break even around year 15 and save more than \$200,000 in avoided energy bills over the life of the systems. (See full details in OWASA Agenda Packet from Sept 26, 2019).

#### **7. How do the schools feel about the potential for ground-mounted solar in comparison to a rooftop system?**

Both OCS and CHCCS staff felt that a ground-mounted solar installation may be possible, but more research will be needed to determine what space is available and best-suited for this purpose. A list of potential rooftop and ground-mount sites can be proposed in the RFP that the schools release and solar companies can provide further feasibility information.

#### **8. What specific school buildings or grounds might be good candidates for a solar installation?**

OCS: There are plans underway to replace roof membranes on 3 schools this summer which may make them good candidates for solar. OCS staff wants to ensure that the installation of solar panels will not complicate the roof replacement work which has already been bid out and approved.

OCS staff also pointed out that they already own and operate solar panels on the auxiliary gym at Cedar Ridge, and there are plans underway for a new addition at that school which might also make a good candidate for solar to be included in the design.

CHCCS: Northside Elementary is likely to be the best location for a rooftop solar installation since it has:

- The proper orientation
- Solar-ready construction (i.e. - already has electrical conduit installed to accommodate a rooftop solar installation)
- A flat roof with decades of life left in the roof membrane
- A current emphasis on environmental education

**9. Does installing a solar energy system on a roof impact the roof's warranty?**

No. When installed per the specifications of the roof system manufacturer, a solar array will not void the roof's warranty. When there is no pre-existing specification are for a particular combination of solar and roof systems, solar companies can work directly with the roof system manufacturer on a case-by-case basis. The maintenance of roof warranties can be written as a requirement in an RFP.

**10. Are there any relevant restrictions on solar in our Unified Development Ordinance (UDO)?**

A third-party review of the solar regulations within Orange County's UDO was conducted in 2017 when the County was being certified as a SolSmart community at the Silver Level. According to that review at that time, there were several sections that might influence the design, function, and aesthetics of a school solar array depending on its size, type, and location. Orange County Sustainability staff plans to reach out to Planning staff for an updated review during the creation of the County's climate action plan.

With more than 500 solar installations of various sizes currently operating throughout Orange County, solar developers are finding ways to work with Orange County's regulations.

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** April 21, 2020

**Action Agenda  
Item No. 8-a**

**SUBJECT:** Minutes

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**DEPARTMENT:** Board of County  
Commissioners

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**ATTACHMENT(S):**  
Draft Minutes (Under Separate Cover)

**INFORMATION CONTACT:**  
Donna Baker, Clerk to the Board  
919-245-2130

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**PURPOSE:** To correct and/or approve the draft minutes as submitted by the Clerk to the Board as listed below.

**BACKGROUND:** In accordance with 153A-42 of the General Statutes, the Governing Board has the legal duty to approve all minutes that are entered into the official journal of the Board's proceedings.

April 7, 2020

BOCC Virtual Business Meeting

**FINANCIAL IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The Manager recommends the Board approve minutes as presented or as amended.

1  
2  
3 **DRAFT**

**MINUTES**  
**BOARD OF COMMISSIONERS**  
**VIRTUAL BUSINESS MEETING**  
**April 7, 2020**  
**7:00 p.m.**

9 The Orange County Board of Commissioners met for a Virtual Business Meeting on Tuesday,  
 10 April, 7 2020 at 7:00 p.m.

11  
 12 **COUNTY COMMISSIONERS PRESENT:** Chair Rich and Commissioners Jamezetta Bedford,  
 13 Mark Dorosin, Sally Greene, Earl McKee, Mark Marcoplos, and Renee Price

14 **COUNTY COMMISSIONERS ABSENT:**

15 **COUNTY ATTORNEYS PRESENT:** John Roberts

16 **COUNTY STAFF PRESENT:** County Manager Bonnie Hammersley, Deputy County Manager  
 17 Travis Myren and Clerk to the Board Donna Baker (All other staff members will be identified  
 18 appropriately below)

19  
 20 Chair Rich called the meeting to order at 7:00 p.m.

21  
 22 Due to current public health concerns, the Board of Commissioners conducted a Virtual  
 23 Business meeting on April 7, 2020 utilizing Zoom. Members of the Board of Commissioners  
 24 participated in the meeting remotely. As in prior meetings, members of the public were able to  
 25 view and listen to the meeting via live streaming video at [orangecountync.gov/967/Meeting-](http://orangecountync.gov/967/Meeting-Videos)  
 26 [Videos](http://orangecountync.gov/967/Meeting-Videos) and on Orange County Gov-TV on channels 1301 or 97.6 (Spectrum Cable).

27  
 28 In this new virtual process, there were two methods for public comment.

- 29 • Written submittals by email
- 30 • Speaking during the virtual meeting

31  
 32 **Detailed public comment instructions for each method are provided at the bottom of this**  
 33 **agenda. (Pre-registration is required.)**

34  
 35  
 36 **1. Additions or Changes to the Agenda**

37  
 38 Chair Rich said it is recommended by the Board's financial advisors, that the Board  
 39 remove Item 8-h: Adoption of the Final Financing Resolution Authorizing the Issuance of  
 40 Approximately \$40,000,000 in Installment Purchase Financing for Various Capital Investment  
 41 Plan Projects and that the bank placement will offer the same or lower interest rate and  
 42 eliminate the risk of a public sale in an unstable bond market.

43  
 44 A motion was made by Commissioner McKee, seconded by Commissioner Price to  
 45 remove Item 8-h from the agenda.

46  
 47 **VOTE: UNANIMOUS**

48  
 49 **PUBLIC CHARGE**

50 The Chair acknowledged the public charge

51

1 **Arts Moment**

2 No Arts Moment will be available for this meeting.

3  
4 **2. Public Comments**

5  
6 **a. Matters not on the Printed Agenda**

7  
8 **b. Matters on the Printed Agenda**

9 (These matters will be considered when the Board addresses that item on the agenda  
10 below.)

11  
12 **3. Announcements, Petitions and Comments by Board Members**

13 Commissioner McKee had no comments.

14 Commissioner Bedford said it would be wise to prepare the Vice Chair, as part of the  
15 process on COVID-19, in case the Chair should fall ill.

16 Chair Rich said that would be a petition.

17 Commissioner Greene said she is glad the Board can meet this way. She attended the  
18 Chamber of Commerce's zoom discussion, where there was a lot of interest in the small  
19 business loans. She said she was impressed the way Aaron and his staff understood the  
20 application process.

21 Commissioner Marcoplos said he attended a climate change webinar today, with  
22 people from all over the country. He said it was interesting to hear all the ways this problem is  
23 being tackled, and there was a lot of interest in the County's climate council and climate tax.

24 Commissioner Price piggybacked on Commissioner Greene's comments about the  
25 SBA grants and loans, and she has been on some town hall meetings about this as well. She  
26 said she has asked if the Chambers and Economic Development staff can help spread the  
27 word, and they can, but people will have to go directly to the lender.

28 Commissioner Price said she attended another local meeting about evictions, and  
29 wanted to know what was happening in Orange County in this regard.

30 Commissioner Dorosin said it would be helpful to get a periodic update on the  
31 emergency loan program, and how the County is getting the message out.

32 Commissioner Dorosin said he has three specific petitions, with the first two being time  
33 sensitive:

- 34  
35
- 36 • He said he had previously mentioned that the ABC board is considering whether to  
37 adjust its pay scale to meet the new living wage threshold, and he fears it is leaning  
38 against because of costs in adjusting the entire scale to avoid compression. He said the  
39 Board should strongly encourage (by resolution/letter) that the ABC board to adopt the  
40 new living wage scale, even if it means a potential reduction in total funds returned to the  
41 general fund (he said he does not know that it will, since sales continue to rise). And  
42 they will need to discuss this soon as the ABC board will also be preparing their budget  
43 soon.
  - 44 • He said that the recent election has highlighted important electoral issues with  
45 continuing to have a multi-seat election. He said there were significant numbers of  
46 undervotes in the district 1 race, and it is also inconsistent that in non-presidential years  
47 it is a single seat race (thereby changing the nature of the election depending which year  
48 one runs). He said the Board has talked several times about revisiting the method of  
49 election, but have failed to take any votes. He said he believes the County needs to  
50 change its electoral process to eliminate the multi-district seat. He said there are various  
51 ways to do that, which have already been researched. He said since Commissioner  
Marcoplos already has a voting petition on the action item list, this could easily be added

1 to that. He said if the Board agrees to make a change, it would need to decide by end of  
 2 this fiscal year, so that it could be put on the ballot in November and be in place for the  
 3 2022 election.

- 4 • Not time sensitive: Commissioner Dorosin said he would like to have a report  
 5 and discussion of (and potentially consider changing) the policy of housing federal  
 6 inmates in the Orange County jail.

7  
 8 John Roberts agreed and said the vote would have to be conducted at an election  
 9 where all precincts are open, i.e.: a general election.

10 Commissioner Dorosin said he wants to get rid of the multi-seat elections.

11 Commissioner Dorosin referred to the climate change item, and petitioned the Board to  
 12 look at a policy to incentivize private developers and private property owners to install charging  
 13 stations.

14 Chair Rich said it would be helpful to talk with the towns as well.

15 Commissioner Greene said when Chapel Hill has a rezoning, it negotiates with  
 16 developers to put in charging stations.

17 Chair Rich said she would like a report from Board of Elections to understand if they  
 18 are capable of handling a large amount of mail in voting ballots or absentee ballots. She said  
 19 this may be needed in upcoming elections.

20 Chair Rich said the Mayors/Managers/Chairs (MMC) meeting was postponed by  
 21 Chapel Hill. She said this meeting is about the Greene tract, and the MMC has gone through  
 22 one reiteration of the memorandum of understanding and attorneys were working on this, but  
 23 the health crisis occurred.

24 Bonnie Hammersley said she has not heard yet about the next meeting.

25 Chair Rich said she has been sending a lot of emails to the Board to keep all  
 26 Commissioners in the loop. She said for the Board to please contact her if it has any additional  
 27 questions.

28 Commissioner Greene thanked the Chair for sending the most recent local EOC notes  
 29 to the Board, and said they were so informative. She asked if these notes are available to the  
 30 public.

31 Chair Rich said, as of now, these notes are only going to the internal staff and elected  
 32 boards.

33 Bonnie Hammersley said staff will work with Todd McGee, Community Relations  
 34 Director, on this request.

35 Commissioner Marcoplos asked if the Greene Tract meetings going to continue through  
 36 the summer.

37 Chair Rich said she does not know at this point. She said she and Bonnie Hammersley  
 38 can check with the group at large, and report back to the Board.

39  
 40 **4. Proclamations/ Resolutions/ Special Presentations**  
 41 **NONE**

42  
 43 **5. Public Hearings**  
 44 **NONE**

45  
 46 **6. Regular Agenda**

47  
 48 **a. Climate Action Tax Recommendations for FY 2019-20 – School Solar Update**

49 The Board received additional information on the Solar for Schools Grant program that  
 50 could be funded through the FY 2019-20 Orange County Climate Action Tax in response to  
 51 Board members' questions at the February 4, 2020 Board Business Meeting; and consider

1 voting to approve funding for the recommended Solar for Schools Grant program for FY 2019-  
2 20 as outlined in the attached report.

3  
4 Travis Myren presented this item.

5  
6 **BACKGROUND:** As part of the FY 2019-20 budget, the Board of Commissioners authorized an  
7 additional ¼ cent property tax to provide an estimated \$469,272 dedicated to accelerating  
8 climate change mitigation through the new Climate Change Mitigation Project in the Capital  
9 Investment Plan.

10  
11 When the tax was authorized, the BOCC stated that it would decide the final prioritization of  
12 projects to be funded, and the Board requested that the Commission for the Environment (CFE)  
13 provide feedback on prospective projects in advance of BOCC review.

14 The CFE completed its initial scoring, and the BOCC reviewed a report that outlined the  
15 recommended projects at its Business meeting on February 4th. At that meeting the Board  
16 approved funding for two of the four recommended projects, and at the request of school  
17 leadership, temporarily deferred taking any action on the two projects which make up the  
18 proposed Solar for Schools grant program. Attachment 1 is a copy of this report revised in  
19 accordance with the comments received from the BOCC.

20  
21 During the discussion of the Solar for Schools grant program, Board members asked several  
22 questions in preparation for additional discussion in the future. In response, staff has revised the  
23 report and has had discussions with staff in both school districts.

24 Attachment 2 is a list of the Board members' questions and follow-up responses on the  
25 recommended Solar for Schools Grant Program.

26  
27 **FINANCIAL IMPACT:** The Climate Action Tax is projected to generate \$469,272 in funds in FY  
28 2019-20. The top two recommended projects have already been approved to use \$169,272 of  
29 these funds, and the remaining \$300,000 is recommended to fund two Solar for Schools grants  
30 for \$150,000 each.

31  
32 Chair Rich said the recommendation that was in the published agenda abstract is not  
33 what is happening now. She said the schools contacted the County Manager and declined to  
34 participate in the solar arrays project. She said the current recommendation is to send this  
35 process back to the CFE to come up with additional suggestions for the climate mitigation tax.

36 Travis Myren said it would not be useful to go forward with the recommendation for the  
37 schools.

38 Commissioner Price asked if there is a reason preventing further discussions with the  
39 schools about other climate mitigation projects.

40 Chair Rich said the original process included scoring, and the schools have not added  
41 any additional projects yet. She said if the schools did have additional projects, they could  
42 submit them to the CFE to be scored.

43 Chair Rich said it is important to utilize the process set up for the CFE to review and  
44 score potential projects, as the process focuses on social justice and racial equality.

45 Chair Rich said it is a climate mitigation fund and the Orange County Board of  
46 Commissioners decides what to do with the funds, based on recommendations from the CFE.

47 Commissioner Price asked if the Board of County Commissioners (BOCC) is going to  
48 send a letter to the Boards of Education inviting them to submitting potential projects to be  
49 scored.

50 Chair Rich said she and Bonnie Hammersley have already spoken with the two schools  
51 Boards, and both are aware of the open invitation to submit projects for consideration.

1 Commissioner Price asked if the BOCC can send a letter asking the school boards to  
2 submit ideas.

3 Chair Rich said if the Board chooses to vote that way, it would be fine. She said there  
4 were other projects that the CFE considered, which may move to the top of the list.

5 Commissioner Marcoplos said due to the scheduling issue that has arisen due to health  
6 crisis, he proposed to allow a brief time to re-visit the solar arrays on the schools  
7

8 **PUBLIC COMMENT:**

9 Bill Ward, CFE, joined the meeting via Zoom, and said it is a disappointment that the  
10 schools declined the funds to do the solar arrays. He said the CFE would welcome further  
11 interchange with the schools about how the schools may be able to mitigate climate change in  
12 other ways. He gave statistics on the carbon emissions in Orange County, and said the County  
13 needs to curtail emissions by three ways: decarbonization of electricity, improved efficiency,  
14 and beneficial electrification. He said this is true throughout the country, and there are many  
15 ideas that could be reviewed and replicated in the County. He said the CFE is open to all  
16 submissions, and would like to get the best bang for the buck. He said he hoped to have a  
17 forum where the CFE could have some give and take with the BOCC in order to understand in  
18 greater detail the CFE's thinking and prioritization process.

19 Commissioner Marcoplos said he was trying to figure out why this went off the rails, and  
20 it seems CHCCS wanted to decide on its own how to spend these funds. He said the OCS, and  
21 Sarah Pitts point person on this project, had been scheduled to meet with Orange County staff  
22 on this issue and OCS was open to the idea. He said the current health crisis has led to  
23 confusion.

24 Commissioner Marcoplos proposed allowing two weeks to answer any question that  
25 OCS may have about the solar arrays. He said the process has come this far, and it would be a  
26 waste to throw it away, as it is crucial to reduce the carbon footprint and greenhouse emissions.  
27 He said it is a unique opportunity.

28 Commissioner Price talked to members on both school boards, and all agreed that solar  
29 arrays are good, but there were other issues that they were looking at for their buildings. She  
30 said both districts had not been brought up to speed on these projects, and the COVID-19 crisis  
31 has only caused greater interruption. She said there is no guarantee that the Board would vote  
32 in favor of the solar arrays, and she feels it is important to consider the best use of funds at this  
33 time and the greatest priorities.

34 Chair Rich said this was voted in as a climate tax and needs to be used for climate  
35 mitigation. She said the Board must not go outside the parameters of the uses.

36 John Roberts said it was a tax increase that was part of the Board's general taxing  
37 power, and this exact amount was directed to this climate purpose. He said a deviation from  
38 this purpose should not happen outside a vote of the full Board.

39 Commissioner McKee said he is going to speak to the question as to whether the Board  
40 can move the money. He said it is his understanding that only through County referendum can  
41 tax funds be dedicated for a specific use. He said this was not decided through a referendum,  
42 thus a BOCC vote is sufficient to change the use of this money. He said this board cannot bind  
43 future boards, and they are not legally bound to spend the money on climate change.

44 John Roberts said the Board is not restricted with this tax more than any other tax  
45 revenue. He said it is called a climate tax, but it is no different than the standard taxation that  
46 exists. He said the only difference is that the BOCC pledged by a vote to spend the funds on  
47 environmental purposes, and a Board vote would be appropriate to change that pledge. He  
48 said this Board is not bound by the prior vote.

49 Commissioner McKee said if the Board were to spend this money for weatherization,  
50 LED, etc. in schools that provided reductions in greenhouse emissions, the Board would still be  
51 spending money on those items it pledged to spend it on.

1 Commissioner Dorosin said he reviewed the process the Board had done last spring.  
2 He said maybe one or both schools do not want to go forward with the proposed projects. He  
3 said if the project is not done, then the monies go back into the pot to be considered for new  
4 projects. He said the \$150,000 was based on this solar array project. He said if the schools  
5 have other projects that they want to fund, these projects can be submitted and go through the  
6 same process. He suggested the \$150,000 for CHCCS should be returned to the pot, and  
7 CHCCS invited to submit new projects. He said if OCS wants to additional weeks to decide,  
8 that is fine, and then can move ahead or not. He said there was one project that the Board did  
9 not fund (the small hydropower feasibility study), which can now be moved up on the list if the  
10 schools do not want the funding for solar arrays. He said, instead of starting all over from  
11 scratch, the Board should move ahead with the project it has.

12 Commissioner Marcoplos said he agreed with moving up the hydropower feasibility  
13 study. He said in his discussion with Will Atherton, OCS Chair, it was clear to him that OCS  
14 would take the two weeks to firmly decide whether or not to use the monies.

15 Commissioner Price said when she mentioned COVID-19 she was just making a  
16 statement that other considerations should be taken into effect, not that monies should be  
17 shifted. She said this money was pledged to climate change mitigation, and it should be used  
18 as such.

19 Commissioner Price said to Commissioner Marcoplos that OCS may well make a  
20 decision within two weeks, but it may not be in favor of solar arrays.

21 Commissioner Price said she would be in favor of a RFP for school projects, and she  
22 would like to look at all the existing projects again. She said she did not mean to imply moving  
23 these funds away from climate change mitigation.

24 Commissioner Greene said she agreed with Commissioner Dorosin. She asked if he  
25 intends for the BOCC to move ahead with the hydropower project, or give it back to the CFE.  
26 She said either way it makes sense to her. She said it is clear that CHCCS is not ready to  
27 accept the recommendation of the CFE for the solar arrays, and there should be a reopening of  
28 process for what money is left.

29 Commissioner Bedford said it is her understanding that neither of the school boards had  
30 any proposals given to them, and CHCCS did not submit any projects, so she is not sure how  
31 this process worked. She said she liked the CFE matrix, and concurred approval of the  
32 hydropower project. She said the Board needs to do some more work on this process, since it  
33 is already April. She said she needs to know how this all works and it is not too late to start  
34 developing projects for next year. She said she agreed with Commissioner Marcoplos about  
35 giving OCS their two weeks, and also the same for CHCCS, for solar arrays project only. She  
36 said she would not substitute any new projects this round, but rather start over in the next  
37 budget year.

38 Chair Rich agreed with offering to both school districts the two weeks to consider the  
39 solar array projects only.

40 Commissioner McKee said he is concerned that the Board may be off track, because it  
41 received an email from CHCCS that it no longer supports solar projects.

42 Chair Rich said Patrick Abele, acting CHCCS Superintendent, said CHCCS has not  
43 declined, but in the original conversations had them not partaking at this point.

44 Commissioner McKee asked if the Board received something specific

45 Chair Rich said yes, today from Acting Superintendent Patrick Abele.

46 Commissioner McKee read the bottom 1/3 of an email from Patrick Abele, CHCCS  
47 Acting Superintendent to Bonnie Hammersley this afternoon:

48  
49 "We are hearing that there is discussion in the public today that we have turned down the solar  
50 funds from the BOCC. To clarify, we have never turned down a solar project. We asked the  
51 last time this came up on the agenda that the BOCC allow the Board of Education an

1 opportunity to review and to provide feedback on this type of project. We do not currently have  
2 a solar project identified.

3  
4 A better format would be to provide the funding for sustainability projects (not just solar) which is  
5 in line with the district capital initiatives already presented in our Capital Investment Plan. You  
6 also mentioned having a grant process where funds are reserved and the schools could apply  
7 for the funds when projects are identified. Either of these options would be more suitable to  
8 establishing sustainable outcomes.

9  
10 I appreciate you allowing me to clarify our current knowledge of the item being placed on the  
11 BOCC agenda this evening. “

12  
13 Sincerely,  
14 Patrick Abele  
15 Acting Superintendent  
16 Cc: CHCCS Board of Education (BOE)

17  
18 Commissioner McKee said the email does not say anything about declining the solar  
19 arrays project. He said Board wants to give a two weeks deadline, but the process may take  
20 longer than two weeks. He said he will not give their partners an ultimatum, and would rather let  
21 the superintendents, Manager and staffs have discussions on this. He said he will not vote for  
22 this.

23 Commissioner Marcoplos said there was not an ultimatum for OCS, and they were open  
24 to deal with this at their April 20<sup>th</sup> BOE meeting. He said in CHCCS there was confusion and the  
25 staff was open to it before, but the BOE wanted the funds for other projects, and thus they are  
26 trying to follow the bouncing ball. He said it has been a clunky process, and there have been  
27 several bumps along the way.

28 Commissioner Marcoplos said it is fair to give two weeks for both school districts.

29 Commissioner Marcoplos said he would be in favor of adding more projects, but the  
30 Board needs to make sure this gets out to all segments of the community (UNC, OWASA, etc.)  
31 and not just the schools.

32 Commissioner Dorosin said he was suggesting that the Board vote on the hydropower  
33 project tonight. He referred to the school projects, and said if the projects are not going forward,  
34 this money will go back into the pot. He said the Board never suggested that it would give  
35 monies to the schools to do whatever they wanted to do with the \$150,000. He said the  
36 schools may not want to do solar arrays, but they do not get to take the money and do as they  
37 please, but rather can come back with other suggestions for the funds.

38 Commissioner Dorosin asked if the Board approves the hydropower project, is it the goal  
39 to distribute the entire \$450,000 this year or to carry over some monies till next year. He said  
40 the desire was to get the monies out quickly and he asked if this should be the goal, and that  
41 anyone can propose a project to get the monies moving as soon as possible. He summarized  
42 with the following:

- 43 • does the Board want to vote on \$30,000 on hydropower project
- 44 • to give the schools 2 weeks to decide. If schools choose to proceed with solar, go  
45 ahead; if not, open the project process again expeditiously
- 46 • maybe not give out all of the funds this year

47 He said he would be in favor of the first two points.

48 Bonnie Hammersley said when this was passed for the 19-20 budget, staff knew it would  
49 take time to put a process in place in a quickened manner. She said this process will not be the  
50 same process going forward. She said the County needs to spend the monies in the year they

1 collect it. She said in 2020-21 the process will be a grant process, and the CFE will rank them  
2 for the Orange County Board of Commissioners.

3 Commissioner Greene said she heartily supports Commissioner Dorosin's timeline and  
4 getting the monies out this year.

5 Commissioner Greene said she was thankful for the Manager's clarification of the  
6 process, because she thought the process was open to all, and wondered where the idea for  
7 solar arrays came from in the first place.

8 Commissioner Greene said she hoped the process for the next fiscal year will be more  
9 timely.

10 Commissioner McKee said he was in agreement with Commissioner Dorosin about the  
11 schools not being able to use the monies how they pleased.

12 Commissioner McKee said he has no issue with putting it out for open call, but there is  
13 no other component in the County that has the backlog of CIP projects like the schools. He said  
14 he would be supportive of giving priority focus to the schools because it would allow the funds to  
15 be used for climate mitigation, but would also take off some percentage of the schools' backlog  
16 of capital projects. He said he hydropower project would be a good pilot project. He said he  
17 would not vote for giving the schools a two-week ultimatum.

18 Commissioner Marcoplos said the schools have an advantage in the scoring process,  
19 and are not being shortchanged. He said the Board cannot vote to accept the hydropower  
20 disbursement until it is clear what the schools are going to do, and that is why he wanted a two-  
21 week window. He said OCS was supportive of this timeline.

22 Commissioner Price said the BOCC has a meeting in early May, and that should give  
23 the schools ample time to review the solar array projects. She said if the schools decide this is  
24 not a priority, then the Board can look at the hydropower project in May.

25 Commissioner McKee clarified that if the Board proceeds with the hydropower project, it  
26 would just reduce the amounts available to the schools from \$150,000 to \$135,000.

27 Commissioner Dorosin said there seems to be a Board majority that wants to give the  
28 money out this year, so the schools need to say one way or the other as soon as possible and  
29 there is no shame if the schools cannot proceed this year. He said the Board needs to have the  
30 CFE to look at past-proposed projects, or consider new ones. He asked the Manager if there  
31 were any other County projects in the queue. He said he will not vote to save the funds for next  
32 year.

33 Bonnie Hammersley said the only project that did not get approval was the hydropower  
34 project.

35 Chair Rich said she contacted both Board of Education chairs today, and asking them to  
36 have a decision in two weeks does not show a lack of partnership, nor is it disrespectful. She  
37 said there has been plenty of time for the schools to decide, and if it does not work then the  
38 County needs to move forward.

39 Commissioner Price said she was not trying to push the decision out too far, but rather  
40 did not know when the two school boards were holding meetings.

41 Commissioner Marcoplos said the Board's motion should say that it will give OCS two  
42 weeks, given the OCS meeting on April 20<sup>th</sup>, and around two for CHCCS, based on its meeting  
43 schedule. He said the County can start publicizing that it is looking for projects for next year.

44 Commissioner Dorosin asked if the Board wants to vote on the hydropower project.

45 Chair Rich asked if the next BOCC meetings could be identified.

46 Donna Baker said April 21<sup>st</sup>, May 5<sup>th</sup>, or May 19<sup>th</sup>.

47 Commissioner Greene said she now understands that CHCCS did not say a flat no, and  
48 supports giving both districts two weeks, or close to it, and she supports leaving out the \$30,000  
49 and keeping it in the queue, but to spend all the monies this year.

50 Commissioner McKee asked if the \$30,000 would fund the hydro project.

1 Chair Rich said if the Board funds both the school projects, there is not enough money  
2 for the hydro project for this year, but it can move to next year's projects.

3 Commissioner McKee asked if the cost of the hydropower project could be identified.  
4 Commissioner Dorosin said \$30,000 is for the hydropower feasibility study.  
5

6 A motion was made by Commissioner Dorosin, seconded by Commissioner Marcoplos  
7 for the Manager to reach back out to the Boards of Education (BOEs) to inquire with some  
8 finality their interest in pursuing the solar array projects, and to ask them to get back to the  
9 county within a two week timeframe, or a date sufficient, for the County Commissioners to make  
10 a vote at their April 21<sup>st</sup> Business meeting; and if either of the school board chooses not to move  
11 forward on the solar array projects, then the Board will vote on the hydro power feasibility study  
12 project.  
13

14 Commissioner Price said in the event that the schools need more time, would this  
15 motion allow the boards to respond a bit later and for the Commissioners to vote on this at their  
16 May 5<sup>th</sup> meeting.

17 Commissioner Dorosin said the Board needs some indication, as soon as possible, and  
18 if the schools need more time, then so be it. He suggested for the Manager to make it clear to  
19 the schools that the Orange County Board of Commissioners wants to expend those funds this  
20 fiscal year.

21 Commissioner Marcoplos cautioned the Board to try and not make the school districts do  
22 something outside of their due process. He said the schools should be able to have a school  
23 board meeting.  
24

25 VOTE: Ayes, 6; Nays, 1 (Commissioner McKee)  
26

27 **b. Postponement of Unified Development Ordinance (UDO) Text Amendments –**  
28 **Clarification of Setbacks from the West Fork on the Eno Reservoir**

29 The Board considered voting to defer action on a proposed UDO Text Amendment to the  
30 September 1, 2020 Board Business meeting.

31 Travis Myren presented the item below:  
32

33 **BACKGROUND:** The Board of Commissioners conducted a public hearing on this item at its  
34 March 10, 2020 Business meeting, and the Board voted to close the public hearing and defer  
35 action until the April 7, 2020 Business meeting. Due to the COVID-19 social distancing policies,  
36 this item is recommended for postponement to the Board's September 1, 2020 Business  
37 meeting. Because this is a legislative decision, the BOCC may permit additional public  
38 comments at a later date.  
39

40 A motion was made by Commissioner Greene, seconded by Commissioner McKee for  
41 the Board to defer action on the proposed UDO text amendments to the September 1, 2020  
42 Board Business meeting.  
43

44 **VOTE: UNANIMOUS**  
45

46 **c. Presentation of Manager's Recommended FY 2020-25 Capital Investment Plan**  
47 **(CIP)**

48 The Board received the Manager's Recommended FY 2020-25 Capital Investment Plan.

49 Bonnie Hammersley said this budget process started long before this crisis, and she still  
50 believes that most items in the CIP respond to the mandatory needs.  
51

1 **BACKGROUND:**

2 Each year, the County produces a Capital Investment Plan (CIP) that establishes a budget  
3 planning guide related to capital needs for the County as well as Schools. The current CIP  
4 consists of a 5-year plan that is evaluated annually to include year-to-year changes in priorities,  
5 needs, and available resources. Approval of the CIP commits the County to the first year  
6 funding only of the capital projects; all other years are used as a planning tool and serves as a  
7 financial plan.

8  
9 **Capital Investment Plan – Overview**

10 The FY 2020-25 CIP includes County Projects, School Projects, and Proprietary Projects. The  
11 School Projects include Chapel Hill-Carrboro City Schools, Orange County Schools, and  
12 Durham Technical Community College – Orange County Campus projects. The Proprietary  
13 Projects include Water and Sewer, Solid Waste Enterprise Fund, and Sportsplex projects 1 The  
14 CIP has been prepared anticipating moderate economic growth of approximately 2% in property  
15 tax growth over the next five years, and 4% sales tax growth in Years 2-5. Sales Tax proceeds  
16 for Year 1 (FY 2020-21) are estimated to decline by 4.5% due to the current coronavirus  
17 pandemic. Many of the projects in the CIP will rely on debt financing to fund the projects.  
18

19 The Board received the presentation of the Manager’s Recommended FY 2020-25 Capital  
20 Investment Plan and provided direction to staff in preparation for discussion at the April 14,  
21 2020 Budget work session.

22  
23 Travis Myren made the following PowerPoint presentation:

24  
25 **INTRODUCTION OF THE CAPITAL INVESTMENT PLAN**

26 **FY2020-25**

27 **Board of Orange County Commissioners**

28 **April 7, 2020**

29  
30 **FY2020-25 Investment Themes**

- 31
- 32 • School Supplemental Deferred Maintenance Program
    - 33 ○ \$30 million over three (3) years
    - 34 ○ Apply to Deferred Maintenance and Life & Safety Improvements
    - 35 ○ Allocated by Average Daily Membership
      - 36 ▪ CHCCS 60.14%
      - 37 ▪ OCS 39.86%
    - 38 ○ In addition to \$11.4 million in Facility Repair and \$3 million Allocated for  
39 Deferred Maintenance from Bond Premium

40 Commissioner Dorosin said what kind of oversight would this funding require.

41 Travis Myren said staff asked for a comprehensive, year-by-year list, which it has from  
42 OCS, and is awaiting it from CHCCS.

43 Commissioner Dorosin said he would like to see what has been crossed off of the first  
44 year list, so he can inform residents and demonstrate accountability.

45 Bonnie Hammersley said the districts prioritize the lists, and if the districts want to  
46 change the list, they have to bring it back for Orange County Board of Commissioners approval.  
47

48 **FY2020-25 Investment Themes**

- 49
- 50 • Public Health and Safety
    - 51 ○ EMS Substation Construction – Efland - \$3,500,000
    - Portable Radio Replacements - \$150,000

- 1                   ○ Environmental Health and Public Safety Vehicle Replacements -
- 2                   \$1,280,961
- 3                   ● Economic Development
- 4                   ○ Piedmont Food Processing Facility - \$115,000
- 5                   ○ Buckhorn EDD Sewer Engineering - \$130,000
- 6                   ● Caution
- 7                   ○ Direct Financial Impacts to the County will Lag
- 8                   ○ Most Acute Impact Expected on Sales Tax
- 9                   ○ Potential Lingering Impact on the Real Estate Market
- 10                  ○ Continuous Monitoring and Adjustments to Anticipated Fiscal Reality

### **Capital Investment Plan by the Numbers**

- 13                  ● Total Recommended Capital Expenditures - \$36.5 million
- 14                   ○ County Capital - \$13.1 million
- 15                   ○ Proprietary Funds - \$3 million
- 16                   ○ School Capital - \$20.4 million
- 17                  ● Decrease from FY2019-20 - \$12.5 million
- 18                   ○ FY19-20 Included \$20 million Bond Proceeds for Orange County Schools
- 19                   ○ Last School Bond Draw Programmed in FY21-22
- 20                    ▪ CHCCS - \$1.9 million
- 21                    ▪ OCS - \$11.3 million
- 22                  ● Debt Service Increase - \$3,163,144

### **FY 2019-20 CIP Expenditures- \$49.0 Million / FY 20-21 CIP Expenditures - \$36.5 million- Graph**

### **FY 2020-25 Recommended CIP Expenditures- graph**

### **FY 2020-25 Recommended Financing Sources-graph**

### **Debt Service Scheduled Based on FY 2020-25 Recommended CIP- graph**

### **Proportion of County and School Debt Service-graph**

### **Debt Service to General Fund Revenue Projection-graph**

### **Schedule for Consideration**

- 33                  ● Introduction of the Capital Investment Plan – April 7
- 34                  ● Work Session on Capital Investment Plan – April 14
- 35                  ● Further Consideration through Budget Work Sessions
- 36                  ● Approval of the Operating and Capital Budget – June 16

38                  Commissioner Dorosin said, based on existing bonds pending, the Board voted last year to implement a tax increase incrementally, in anticipating of paying off those bonds.

40                  Travis Myren said yes, but staff wants to manage the operations budget now to minimize a tax increase.

42                  Commissioner Dorosin said that is what he was going to ask. He asked if there is going to be any potential legislation coming down the pike to leverage some negotiations.

44                  Travis Myren said the \$3 million is for the borrowing the County has already done. He said he is not aware of any federal initiative and the general rule is you pay debt service first.

#### **d. Approval of Budget Amendment #7-A for the Transfer of Funds from the Orange County Local Rent Supplement Program to the Risk Mitigation and Housing Displacement Fund**

49                  The Board considered voting to approve Budget Amendment #7-A for the transfer of funds from the Orange County Local Rent Supplement Program (Local Vouchers) to the Risk

1 Mitigation and Housing Displacement Fund to provide flexible, much-needed financial  
 2 assistance to low-income renters experiencing housing instability and also provide additional  
 3 resources for Orange County's emergency response to the COVID-19 pandemic.

4  
 5 Travis Myren presented the following item:

6  
 7 **BACKGROUND:**

8 In June 2018, the Board of Commissioners approved an initial appropriation for a new local  
 9 voucher program – the Orange County Local Rent Supplement Program (OCLRSP).  
 10 Guidelines for this program were presented to the Board in November 2018 (Attachment 1) and  
 11 approved in December 2018.

12  
 13 Although the OC-LRSP was envisioned as a flexible program to help provide financial  
 14 assistance to low-income renters in need of stable housing, the guidelines as initially proposed  
 15 mirror the federal Housing Choice Voucher (HCV) program, and as such, do not have the  
 16 necessary flexibility to meet the needs of renters unable to be served by the HCV program.

17  
 18 Furthermore, the OC-LRSP was proposed to have ongoing funding from federal HOME funds,  
 19 but the federal restrictions on these funds make them incompatible with the program and were  
 20 not able to be leveraged. Of the 15 people anticipated to be served by the 2018 appropriation,  
 21 only one person has actually been issued a voucher. This person is currently homeless  
 22 (sheltered), as the individual has not been able to find a unit.

23  
 24 Furthermore, Orange County is now seeing an increase in the number of residents experiencing  
 25 housing instability due to the COVID-19 pandemic, and there is a need for increased funding for  
 26 housing assistance as part of the emergency response.

27  
 28 As such, Orange County Housing and Community Development (OCHCD) proposes to  
 29 effectively dissolve the OC-LRSP and transfer the balance of funds in that program to the Risk  
 30 Mitigation and Housing Displacement Fund (Attachment 2). This will provide the flexibility  
 31 needed to meet the housing needs of low-income renters, as the Risk Mitigation and Housing  
 32 Displacement Fund can provide various types of assistance including security deposits, utility  
 33 connections, first month's rent, and emergency housing costs.

34  
 35 **FINANCIAL IMPACT:** There will be no financial impact to the County if the BOCC approves the  
 36 amendment. These funds have already been appropriated, and this budget amendment  
 37 provides for the transfer of \$100,000 from the Local Voucher Program, currently budgeted in the  
 38 General Fund, to the Risk Mitigation and Housing Displacement Program within the Housing  
 39 and Community Development Fund to allow these funds to be disbursed to help low-income  
 40 households in need.

41  
 42 Travis Myren made the following PowerPoint presentation:

43  
 44 **Transfer of Funds from Local Rent Supplement to Housing Stabilization Program**  
 45 **Board of Orange County Commissioners**  
 46 **April 7, 2020**

47  
 48 **Housing Stabilization Transfer**

- 49 • **Local Rent Supplement/Local Voucher Program**
  - 50 ○ Originally Approved in 2018
  - 51 ○ Annual Funding of \$100,000

- 1 ○ Intended to Serve as a More Flexible Alternative to Federal Housing Choice
- 2 Voucher
- 3 ○ However; Initial Program Rules Rules Still Limited Accessibility of Funds
- 4 ○ Barriers are the Same in Unit Availability and Suitability for the Voucher Holder
- 5 ○ Originally Intended to Serve 15 Families
- 6 ○ One Individual Served to Date and Can be Moved to the Traditional HCV
- 7 Program
- 8 ○ Demand Increasing for Displacement Mitigation and Housing Stabilization due to
- 9 COVID-19 Job Losses

### 10 **Housing Stabilization Program**

- 11 • Overall Strategy
  - 12 ○ Maintain Current Housing as a Bridge to Other Benefits (Unemployment or HCV)
  - 13 or Other Alternatives
- 14 • Eligible Residents
  - 15 ○ Residents Earning up to 80% Area Median Income
    - 16 ■ For a Family of Four = Up to \$67,850 Annually
  - 17 ○ Priority Given to Residents Earning Below 60% Area Median Income
    - 18 ■ For a Family of Four = \$50,880
- 19 • Eligible Uses
  - 20 ○ Rent Assistance
  - 21 ○ Temporary Hotel Stays
  - 22 ○ Security Deposits
  - 23 ○ 1<sup>st</sup> month's Rent
  - 24 ○ Moving Expenses

### 25 **Housing Stabilization Program**

- 26 • Limitations
  - 27 ○ Maximum Assistance of \$2,000 per Occurrence
  - 28 ○ Intended for One Time Use
  - 29 ○ Subsequent Requests Receive Additional Case Work to Determine and Address
  - 30 Systemic Challenges
- 31 • Housing Helpline (Coordinated Entry)
  - 32 ○ Applications Screened by Coordinated Entry Staff Person
  - 33 ○ Recommend Assistance that Best Meets Needs
- 34 • Housing Authority Approved Transfer from the Local Rent Supplement Program to the
- 35 Displacement Mitigation Fund

36 Travis Myren said a question was raised about an “asset test”, where staff would ask  
 37 about one’s assets other than cash. He said that is not a bad idea for this type of program, and  
 38 staff will figure out from its partners what that would look like.

### 39 **Housing Stabilization Program**

- 40 • Manager’s Recommendation
  - 41 ○ Approve Budget Amendment #7-A for the Transfer of \$100,000 from the Orange
  - 42 County Rent Supplement Program (Local Voucher Program) to the Housing
  - 43 Stabilization and Displacement Mitigation Program

44 Commissioner Bedford asked if there is a process by which one can apply for these  
 45 funds, and if there is a contact number.

1 Travis Myren said there has been a combination of taking referrals as well as a direct  
2 hotline, and staff envisions this working the same.

3 Commissioner Price asked if the local rent supplement program will continue, and if  
4 enough effort was put into it.

5 Travis Myren said the program is in next year's base budget, and Housing staff is  
6 revising those guidelines to make it work better. He said in the midst of doing that, Housing  
7 staff started seeing a high demand for these emergency funds, and the transfer would only  
8 apply for this fiscal year.

9 Commissioner Dorosin said, as he recalled, this rent supplement program was created  
10 to add flexibility to the federal guidelines; to help certain target populations; and to reach those  
11 who would not be eligible for federal funds. He said as staff looks at this program they need to  
12 look back at the goals, and see if they need to tweak the program to work toward those goals.  
13 He said there is some low hanging fruit within the homeless population, and the Board may  
14 want to divert some funds there. He said the County wants to prioritize those even lower than  
15 80%.

16  
17 A motion was made by Commissioner Price, seconded by Commissioner Bedford for the  
18 Board to approve Budget Amendment #7-A for the transfer of funds from the Orange County  
19 Local Rent Supplement Program (Local Vouchers) to the Risk Mitigation and Housing  
20 Displacement Fund as proposed.

21  
22 Commissioner Greene said she appreciated Commissioner Dorosin's comments, and  
23 congratulated staff on filling the coordinated entry position, and for responding to these needs.

24 Chair Rich thanked all staff as well.

25  
26 **VOTE: UNANIMOUS**

27  
28 **7. Reports**  
29 **NONE**

30  
31 **8. Consent Agenda**

- 32
- 33 • **Removal of Any Items from Consent Agenda**
- 34 - Item h already removed above
- 35
- 36 • **Approval of Remaining Consent Agenda**
- 37

38 A motion was made by Commissioner Price, seconded by Commissioner McKee to  
39 approve the Consent Agenda.

40  
41 **VOTE: UNANIMOUS**

- 42
- 43 • **Discussion and Approval of the Items Removed from the Consent Agenda**
- 44

45 **a. Minutes**

46 The Board approved the draft minutes from March 10 and 24, 2020 as submitted by the Clerk to  
47 the Board.

48 **b. Motor Vehicle Property Tax Releases/Refunds**

49 The Board adopted a resolution, which is incorporated by reference, to release motor vehicle  
50 property tax values for eleven taxpayers with a total of twelve bills that will result in a reduction  
51 of revenue in accordance with NCGS.

1 **c. Property Tax Releases/Refunds**

2 The Board adopted a resolution, which is incorporated by reference, to release property tax  
3 values for six taxpayers with a total of fourteen bills that will result in a reduction of revenue in  
4 accordance with North Carolina General Statute 105-381.

5 **d. Resolution of Approval – Trail Easement**

6 The Board approved a resolution, which is incorporated by reference, to approve the  
7 acceptance by Orange County of a trail easement granted by Christina Deprez for the purpose  
8 of connecting the Mountains to Sea Trail to NC 54 / Mebane-Oaks Road and authorize the  
9 Chair to sign.

10 **e. Resolution Regarding Orange County Becoming a Socially Conscious Animal**  
11 **Community**

12 The Board approved a resolution, which is incorporated by reference, regarding Orange County  
13 becoming a socially conscious animal community and authorized the Chair to sign.

14 **f. Change in BOCC Meeting Schedule for 2020**

15 The Board approved changes in the Board of Commissioners' meeting calendar for 2020.

16 **g. General Obligation Bond Sale of \$20,060,000 for Cedar Ridge High School Wing and**  
17 **Various Other Orange County School Improvements**

18 The Board adopted the attached General Obligation (GO) bond resolution for the following  
19 purposes:

- 20 1) Formally authorize the sale of \$20,060,000 in school bonds;
- 21 2) Formally pledge the County's taxing power to provide for payment on the bonds;
- 22 3) Approve the proposed form of the bonds;
- 23 4) Approve the form of the draft official statement for use in offering bonds to investors;
- 24 5) State the County's agreement to comply with the relevant provisions of federal tax law  
25 and the federal rules for continuing disclosure to the securities markets; and
- 26 6) Authorize County staff to complete the process of issuing the bonds and authorizing the  
27 final principal payment schedule.

28 **h. Adoption of the Final Financing Resolution Authorizing the Issuance of**  
29 **Approximately \$40,000,000 in Installment Purchase Financing for Various Capital**  
30 **Investment Plan Projects**

31 The Board considered voting to adopt the final financing resolution authorizing the issuance of  
32 approximately \$40,000,000 in installment financing to finance capital investment projects and  
33 equipment for the fiscal year, including amounts to pay transaction costs.

34 DEFERRED

35  
36 **9. County Manager's Report**

37 Bonnie Hammersley said staff is working hard on an operating budget process for this  
38 year, and a budget that maintains mandatory services and keep jobs. She said staff plans to  
39 have a proposed budget for the May 5<sup>th</sup> meeting. She said there is currently a hiring freeze in  
40 place, and staff has reduced spending such as removed travel and monitoring revenues and  
41 encumbrances. She said she is meeting with all Department Directors about the budget. She  
42 said the entire team creates the budget, and the goal is not to increase the tax rate. She said  
43 there will be sacrifices and tough decisions going forward.

44 Chair Rich said the Board is grateful that Bonnie Hammersley will be leading the  
45 County through this time.

46  
47 **10. County Attorney's Report**  
48 **NONE**

49  
50 Commissioner Dorosin asked if the legislature will be coming into session at the end of  
51 the month, as originally scheduled.

1 John Roberts said he has not heard anything yet.

2  
3 **11. \*Appointments**  
4 **NONE**

5  
6 **12. Information Items**  
7

- 8 • March 24, 2020 BOCC Meeting Follow-up Actions List  
9 • Tax Collector's Report – Numerical Analysis  
10 • Tax Collector's Report – Measure of Enforced Collections  
11 • Tax Assessor's Report – Releases/Refunds under \$100  
12 • Petition to Amend the Water and Sewer Management, Planning, and Boundary Agreement  
13 (WASMPBA)  
14

15 Chair Rich asked if Bonnie Hammersley would thank all of the County staff that are still  
16 coming in everyday to do their jobs and are not able to stay home.

17  
18 **13. Closed Session**  
19 **NONE**

20  
21 **14. Adjournment**  
22

23 A motion was made by Commissioner Price, seconded by Commissioner McKee to  
24 adjourn the meeting at 9:19 p.m.

25  
26 **VOTE: UNANIMOUS**  
27

28 Penny Rich, Chair  
29  
30

31 Donna S. Baker  
32 Clerk to the Board  
33  
34  
35

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** April 21, 2020

**Action Agenda  
Item No. 8-b**

**SUBJECT:** Fair Housing Month Proclamation

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**DEPARTMENT:** Human Rights and Relations

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**ATTACHMENT(S):**

Fair Housing Month Proclamation  
Fair Housing Advertisement

**INFORMATION CONTACT:**

Annette Moore, Human Rights and  
Relations, 919-245-2317

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**PURPOSE:** To approve a proclamation designating April 2020 as Fair Housing Month in Orange County, North Carolina.

**BACKGROUND:** The month of April is National Fair Housing Month. April 2020 will mark the 52<sup>nd</sup> anniversary of the enactment of the Federal Fair Housing Act of 1968 and the 26<sup>th</sup> anniversary of the Orange County Civil Rights Ordinance. These laws grant every person a right to live where they choose, free from discrimination on the basis of race, color, national origin, sex, religion, familial status, or disability. The Orange County Civil Rights Ordinance, established in 1987, adds additional protections from discrimination based on age and veteran status.

The U.S. Department of Housing and Urban Development (“HUD”) has chosen “Call HUD: Because Sexual Harassment in Housing is Illegal” as the 2020 Fair Housing Month theme. The chosen theme expresses the ideal of fair and equal housing opportunities in every community. To bring awareness to those protected by the Orange County Civil Rights Ordinance, the Department of Human Rights and Relations has chosen a different theme than HUD this year, “Closing the Door on Housing Discrimination.”

Due to the current pandemic, the Human Rights and Relations Department has opted to provide an expansive advertisement campaign to educate the public during Fair Housing Month in lieu of in-person training and events. Many advertisements for this month and beyond will focus on Fair Housing issues that may arise from the COVID-19 pandemic, particularly based on race, national origin, disability and age.

As part of Fair Housing Assistance Program (FHAP), HUD has provided grant recipients Partnership Grants. The Human Rights and Relations Department has been allocated a \$10,000 HUD Partnership Grant to aid the Department by using these funds to engage in activities targeted to lead to increase FHAP conduct enforcement of fair housing rights under state and local laws. One of the specific targeted activities was to partner with community based

organizations to conduct education and outreach on fair housing. Human Rights and Relation will provide three mini grants to community partners for the following purposes:

- (1) extend their current work into Northern Orange Community;
- (2) receive training on fair housing;
- (3) provide education and outreach to the communities they serve about potential Fair Housing rights whether COVID 19 related or otherwise; and
- (4) steer their clients to the Department of Human Rights and Relations if their clients or others are experiencing discrimination in housing.

May – December 2020	Marian Cheek Jackson Center*	The Department will work with community partner to bring information about COVID-19 and housing discrimination to the communities, they work with for the month of April and beyond as needed. The Activity funded will be the Learning Across Generation: Local Civil Rights and Oral History Education Program
May – December 2020	Refugee Support Center*	The Department will work with community partner to bring information about COVID-19 and housing discrimination to the communities, they work with for the month of April and beyond as needed. This activity will fund the Bridge Builders Programs.
May – December 2020	El Centro Hispano	The Department will work with community partner to bring information about COVID-19 and housing discrimination to the communities, they work with for the month of April and beyond as needed. Tis will fund an expansion of the Community Support and Engagement Funds.

In addition to these advertisement campaigns, the Human Rights and Relations Department has also scheduled to host a Fair Housing Training Webinar for Housing Providers on April 29 via GoToMeeting.

**FINANCIAL IMPACT:** There is no financial impact associated with the consideration of the proclamation.

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goal is applicable to this item:

- **GOAL: FOSTER A COMMUNITY CULTURE THAT REJECTS OPPRESSION AND INEQUITY**

The fair treatment and meaningful involvement of all people regardless of race or color; religious or philosophical beliefs; sex, gender or sexual orientation; national origin or ethnic background; age; military service; disability; and familial, residential or economic status.

Fair and equal housing opportunities is not only a legal mandate, it is also an Orange County priority which can bring about a community that is both harmonious and diverse.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The Manager recommends that the Board approve the proclamation and authorize the Chair to sign the proclamation.

# ORANGE COUNTY BOARD OF COMMISSIONERS PROCLAMATION

## FAIR HOUSING MONTH

**WHEREAS**, April 11, 2020 marked the 52<sup>nd</sup> anniversary of Title VIII of the Civil Rights Act of 1968 (formally known as the Fair Housing Act) and the 37<sup>th</sup> anniversary of the North Carolina Fair Housing Act prohibiting discrimination in housing on the basis of race, color, sex, religion, national origin, disability and familial status; and

**WHEREAS**, the Orange County Board of Commissioners enacted the Orange County Civil Rights Ordinance on June 6, 1994, which affords to the residents of Orange County the protections guaranteed by the Fair Housing Act and additionally encompasses the protected classes of Veteran Status and Age; and

**WHEREAS**, Orange County and the U. S. Department of Housing and Urban Development as well as concerned residents and the housing industry are working to make fair housing opportunities possible for everyone by encouraging others to abide by the letter and the spirit of fair housing laws; and

**WHEREAS**, the U.S. Department of Housing and Urban Development annually declares the month of April as National Fair Housing Month, designating *Call HUD: Because Sexual Harassment In Housing is Illegal* as the national theme and Orange County has designated *Closing the Door on Housing Discrimination* as its theme in 2020; and

**WHEREAS**, despite the protections afforded by the Orange County Civil Rights Ordinance and the Fair Housing Act, illegal housing discrimination still occurs in our nation and within our County; and

**WHEREAS**, by supporting and promoting fair housing and equal opportunity, we are contributing to the strength of our County, State and Nation;

**NOW, THEREFORE**, we, the Board of County Commissioners of Orange County North Carolina, do proclaim April 2020 as **FAIR HOUSING MONTH** and commend this observance to all Orange County residents.

This the 21<sup>st</sup> day of April 2020.

---

Penny Rich, Chair  
Orange County Board of Commissioners

# Closing the Door on Housing Discrimination

## Cerrando la puerta a la discriminación de vivienda.

If you believe you have experienced a form of housing discrimination, please contact Human Rights and Relations to file a complaint.

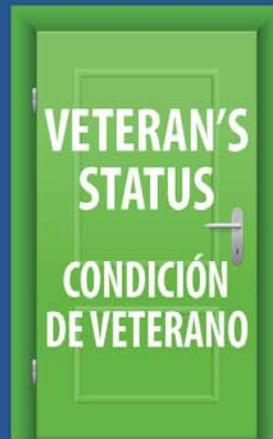
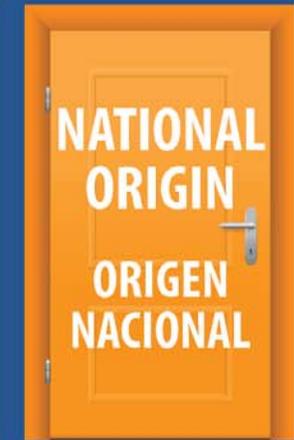
Si cree que ha experimentado alguna forma de discriminación en la vivienda, comuníquese con Derechos Humanos y Relaciones para presentar una queja.



**HUMAN RELATIONS COMMISSION**  
Cultivating Community Through Social Justice



Fair Housing Awareness



[orangecountync.gov/FairHousing](http://orangecountync.gov/FairHousing)



EQUAL HOUSING OPPORTUNITY

**ORANGE COUNTY  
BOARD OF COMMISSIONERS  
ACTION AGENDA ITEM ABSTRACT  
Meeting Date: April 21, 2020**

**Action Agenda  
Item No. 8-c**

**SUBJECT:** Refunding a Portion of the Solid Waste Programs Fee for Residents Being Provided Curbside Recycling Service by the City of Mebane

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**DEPARTMENT:** Solid Waste

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**ATTACHMENT(S):**

**INFORMATION CONTACT:**

Robert Williams, 919-918-4902

John Roberts, 919-245-2318

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**PURPOSE:** To provide refunds for the last three years for the portion of the Solid Waste Program fee allocated to curbside recycling to single family homes in the City of Mebane that pay for and receive curbside recycling from the City of Mebane.

**BACKGROUND:** Orange County Solid Waste offers curbside recycling collection to all single family homes within the County. Single family homes within the corporate limits of Chapel Hill, Carrboro and Hillsborough are currently collected by a private firm under contract with Orange County's Department of Solid Waste Management.

Single family homes lying within Orange County that are located within the corporate limits of the City of Mebane receive curbside recycling collection from the City of Mebane. City leaders have requested that the City of Mebane residents paying for Orange County curbside recycling, but are being serviced by the City, be refunded the portion of the Solid Waste Program Fee allocable to curbside recycling. Orange County Solid Waste worked with the Orange County Tax Department to identify those homes owners that have paid the Solid Waste Programs Fee and otherwise qualify for the proposed refund.

The refunded amount is for the previous three calendar years, and the single family homes within the City of Mebane will not be charged that portion of the Solid Waste Programs Fee allocable to curbside recycling collection going forward. The contractually set cost per month per unit was used to determine the amount of refund that would be paid.

The following chart reflects the number of units that are eligible for the refund and the amount of refund per year:

Billing Year	Units Billed	Unit Cost per Month	Total per Year Refund Amount
2019	951	\$ 3.93	\$ 44,849.16
2018	883	\$ 3.64	\$ 38,569.44
2017	869	\$ 3.62	\$ 37,749.36

**FINANCIAL IMPACT:** The total refunded amount for the previous three year period is \$121,167.96. In addition, Solid Waste Program Fee collection going forward will be reduced by the amount allocable to curbside recycling collection for those homes within the City of Mebane and also within Orange County that are receiving curbside recycling collection from the City. It should be noted that the Department will receive, on average, \$40,330 less in annual revenues going forward not including any additional homes added each year.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The County Manager recommends that the Board authorize the refund of the portion of the Solid Waste Programs fee for calendar years 2017, 2018 and 2019 for the single family homes located within Orange County that are being provided curbside recycling collection by the City of Mebane.

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** April 21, 2020

**Action Agenda  
Item No.** 8-d

**SUBJECT:** Approval of a Grace Period for the Registration and Renewal Process for Orange County Beverage Licenses through July 15, 2020

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**DEPARTMENT:** Tax Administration

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**ATTACHMENT(S):**

March 31, 2020 NC Department of Revenue Notice - COVID-19 Resolution for Beverage License Renewal Grace Period  
North Carolina General Statute 105-113.70  
North Carolina General Statute 105-236(a)(2)

**INFORMATION CONTACT:**

Nancy T. Freeman, Tax Administrator,  
(919) 245-2735

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**PURPOSE:** To approve a resolution establishing a grace period for the registration and renewal of Orange County Beverage Licenses through July 15, 2020 due to the Covid-19 Pandemic and the State of Emergency issued by Governor Roy Cooper on March 10, 2020, and the Declaration of an Orange County State of Emergency to Order the Public to Stay at Home in order to slow the further spread of COVID-19.

**BACKGROUND:** North Carolina General Statute 105-113.70 requires each person who receives a North Carolina Alcoholic Beverage Control permit to obtain the corresponding local license. All local licenses are issued by the city or county where the establishment is located. The license period is May 1 to April 30 each year, with April 30<sup>th</sup> as the standard renewal deadline each year.

Under North Carolina General Statute 105-236(a)(2), if a business fails to renew a license timely, a penalty equal to five percent of the amount prescribed for the license per month or fraction thereof until paid, not to exceed twenty-five percent of the amount, but in any event not less than five dollars shall be assessed. Because of COVID-19, the North Carolina Alcoholic Beverage Control Commission has established a grace period for the registration and renewal process for Alcoholic Beverage Control Permits through July 15, 2020.

Due to the current crisis and the State's action on providing a grace period for State issued beverage licenses, Tax Administration staff requests approval of a grace period for the local Beverage License registration and renewal process through July 15, 2020. Given the fact that the State license must be obtained prior to the County license being issued, this action will correspond with the state's recent action. In addition, this action will assist small businesses impacted by COVID-19 pandemic.

**FINANCIAL IMPACT:** There will be minimal financial impact to the County. Late license fees for prior years typically have been less than \$50 per year.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The Manager recommends that the Board approve the attached resolution establishing a grace period for the registration and renewal of Orange County Beverage Licenses through July 15, 2020.



March 31, 2020

## **Important Notice: Department of Revenue Expands Penalty Relief for Taxpayers Affected by Coronavirus Disease 2019 (COVID-19)**

On March 10, 2020, Governor Roy Cooper signed [Executive Order 116](#) declaring a state of emergency in response to COVID-19. On March 17, 2020, the North Carolina Department of Revenue (“Department”) [announced](#) penalty relief for certain taxpayers with returns or payments due between March 15, 2020 and March 31, 2020. Subsequently, on March 20, 2020, the United States Department of the Treasury and the Internal Revenue Service [announced](#) that the time for filing certain federal returns was extended under Section 7508A of the Internal Revenue Code to July 15, 2020. On March 23, 2020, the Department [announced](#) relief for income and franchise taxpayers with returns and payments due on April 15, 2020.

### Expansion of North Carolina Tax Penalty Relief from March 15, 2020 through July 15, 2020

The Department expands relief from the following penalties for failing to obtain a license, to file a return, or to pay taxes:

- Failure to obtain a license (G.S. 105-236(a)(2));
- Failure to file a return (G.S. 105-236(a)(3));
- Failure to pay tax (G.S. 105-236(a)(4)); and
- The penalties regarding informational returns (G.S. 105-236(a)(10));

(collectively, “Late Action Penalties”). The Department will not assess penalties for failure to obtain a license, failure to file a return, or failure to pay a tax that is due on March 15, 2020 through July 15, 2020, if the corresponding license is obtained, return is filed, or tax is paid on or before July 15, 2020.

The relief from Late Action Penalties applies to the following tax types:

- Income and Franchise Tax (see [Important Notice](#));
- Withholding Tax;
- Sales and Use Tax;
- Scrap Tire Disposal Tax;

- White Goods Disposal Tax;
- Motor Vehicle Lease and Subscription Tax;
- Solid Waste Disposal Tax;
- 911 Service Charge for Prepaid Telecommunications Service;
- Dry-Cleaning Solvent Tax;
- Primary Forest Products Tax;
- Freight Car Line Companies; and
- Various Taxes Administered by the Excise Tax Division (See [Important Notice](#)).

Taxpayers do not need to request a penalty waiver to qualify for this relief. However, if a taxpayer receives a proposed assessment of a penalty covered by the relief granted in this notice, the taxpayer should contact the Department by phone, at 1-877-252-3052, or by writing to the Department at the following address: North Carolina Department of Revenue, Customer Service, P.O. Box 1168, Raleigh, NC 27602.

### Interest

State law prevents the Department from waiving any interest except in the limited case of interest on taxes imposed prior to or during a period for which a taxpayer has declared bankruptcy under Chapter 7 or Chapter 13 of Title 11 of the United State Code. As such, if you owe additional tax, the Department is required to charge interest on any unpaid tax, accruing from the original due date, until the tax is paid.

The interest rate is currently 5% per year. This is the minimum rate allowed by statute.

### Limitations

The relief from Late Action Penalties granted herein does not change or extend the due date of any returns or payments. However, on March 23, 2020, the Secretary announced an extension of time to file income and franchise tax returns with due dates of April 15, 2020. See [Important Notice](#).

The relief granted herein does not include relief from other criminal and civil penalties imposed by North Carolina law. If you collect money from employees, contractors, or customers that is held in trust for the State and local governments, the use of such money is against the law and subject to civil penalty and criminal liability.

### Additional Relief

In separate notices issued on [March 23, 2020](#) and March 31, 2020, the Department announced relief from Late Action Penalties for other tax types.

In addition to the relief granted in this notice, the Secretary of Revenue may waive or reduce any penalties provided for in Subchapter I of Chapter 105. See [N.C. Gen. Stat.](#)

[§ 105-237\(a\)](#). A taxpayer seeking waiver of penalties not covered by this notice should review the [Department's Penalty Policy](#) and complete [Form NC-5500](#), Request to Waive Penalties ("NC-5500").

### Questions

This Important Notice may be updated as new information becomes available. If you have any questions about this notice, you may call 1-877-252-3052 to speak to a customer service representative or write to Customer Service, PO Box 1168, Raleigh, NC 27602.

*To the extent there is any change to a statute or regulation, or new case law subsequent to the date of this notice, the provisions in this important notice may be superseded or voided. To the extent that any provisions in any other notice, directive, technical bulletin, or published guidance regarding the subject of this notice and issued prior to this notice conflict with this important notice, the provisions contained in this important notice supersede the previous guidance.*

NORTH CAROLINA

RES-2020-025

ORANGE COUNTY

**RESOLUTION to Provide a Grace Period for Registration or Renewal of an  
Orange County Beverage License through July 15, 2020**

**Whereas**, the novel coronavirus disease-2019 (COVID-19) is a disease spreading across the globe causing flu-like symptoms, but with a significantly higher rate of death, particularly among those who are elderly or medically vulnerable; and

**Whereas**, on March 10, 2020, in order to address and mitigate the threat of COVID-19 to vulnerable populations and to slow the spread of COVID-19 in North Carolina, Governor Roy Cooper declared a state of emergency in North Carolina; and

**Whereas**, on March 25, 2020 Orange County issued a Stay-At-Home Order effective March 27, 2020 in order to slow the further spread of COVID-19; and

**Whereas**, under North Carolina General Statute 105-236(a)(2) if a business fails to renew a license timely a penalty equal to five percent of the amount prescribed for the license per month or fraction thereof until paid, not to exceed twenty-five percent of the amount so prescribed, but not be less than five dollars shall be assessed; and

**Whereas**, on March 31, 2020 Governor Roy Cooper expanded the North Carolina Tax Penalty Relief from March 15, 2020 through July 15, 2020, which includes relief from the penalties for failing to obtain a license pursuant to G.S. 105-236(a)(2). Therefore, the North Carolina Alcoholic Beverage Control Commission will not assess penalties for failure to obtain a license that is due on March 15, 2020 through July 15, 2020, if the corresponding license is obtained on or before July 15, 2020; and

**Whereas**, a requirement of obtaining an Orange County Beverage License is first obtaining a beverage license from the North Carolina Alcoholic Beverage Control Commission, making a corresponding grace period a necessary action.

**NOW, THEREFORE, IT IS RESOLVED BY THE BOARD OF COUNTY  
COMMISSIONERS OF ORANGE COUNTY THAT** the request for a corresponding grace

period for the registration and renewal of Orange County Beverage Licenses through July 15, 2020 is approved.

Upon motion duly made and seconded, the foregoing resolution was passed by the following votes:

Ayes: Commissioners \_\_\_\_\_

\_\_\_\_\_

Noes: \_\_\_\_\_

I, Donna Baker, Clerk to the Board of Commissioners for the County of Orange, North Carolina, DO HEREBY CERTIFY that the foregoing has been carefully copied from the recorded minutes of the Board of Commissioners for said County at a business meeting of said Board held on \_\_\_\_\_, said record having been made in the Minute Book of the minutes of said Board, and is a true copy of so much of said proceedings of said Board as relates in any way to the passage of the resolution described in said proceedings.

WITNESS my hand and the corporate seal of said County, this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Clerk to the Board of Commissioners

## **North Carolina General Statute § 105-113.70. Issuance, duration, transfer of license.**

(a) Issuance, Qualifications. - Each person who receives an ABC permit shall obtain the corresponding local license, if any, under this Article. All local licenses are issued by the city or county where the establishment for which the license is sought is located. No documentation shall be required of the applicant except as provided in this section. Issuance of a local license is mandatory if the applicant holds the corresponding ABC permit and provides all of the following: (i) a copy of the most recently completed State application form for an ABC permit exclusive of any attachments, (ii) the ABC permit for visual inspection, and (iii) payment of the prescribed tax. No local license may be issued under this Article until the applicant has received from the ABC Commission the applicable permit for that activity, and no county license may be issued for an establishment located in a city in that county until the applicant has received from the city the applicable license for that activity.

(b) Duration. - All licenses issued under this section are annual licenses for the period from May 1 to April 30.

(c) Transfer. - A license may not be transferred from one person to another or from one location to another.

(d) License Exclusive. - A local government may not require a license for activities related to the manufacture or sale of alcoholic beverages other than the licenses stated in this Article. (1985, c. 114, s. 1; 1998-95, s. 16; 2017-87, s. 17.)

**§ 105-236. Penalties; situs of violations; penalty disposition.**

(a) Penalties. - The following civil penalties and criminal offenses apply:

(2) Failure to Obtain a License. - For failure to obtain a license before engaging in a business, trade or profession for which a license is required, the Secretary shall assess a penalty equal to five percent (5%) of the amount prescribed for the license per month or fraction thereof until paid, not to exceed twenty-five percent (25%) of the amount so prescribed, but in any event shall not be less than five dollars (\$5.00). In cases in which the taxpayer, after written notification by the Department, fails to obtain a license as required under G.S. 105-449.65 or G.S. 105-449.131, the Secretary may assess a penalty of one thousand dollars (\$1,000).

**ORANGE COUNTY  
BOARD OF COMMISSIONERS  
ACTION AGENDA ITEM ABSTRACT  
Meeting Date: April 21, 2020**

**Action Agenda  
Item No. 8-e**

**SUBJECT:** Adoption of the Final Financing Resolution Authorizing the Issuance of \$40,750,000 in Installment Purchase Financing for Various Capital Investment Plan Projects

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**DEPARTMENT:** Finance and Administrative Services

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**ATTACHMENT(S):**

Attachment 1. Resolution Approving Financing Terms and Documents for 2020 Installment Financing

Attachment 2. Deed of Trust

Attachment 3. Trust Agreement

Attachment 4. School Project Category Descriptions

Attachment 5. Proposal from Capital One

Attachment 6. PowerPoint

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**INFORMATION CONTACT:**

Gary Donaldson, (919) 245-2453  
Paul Laughton, (919) 245-2152  
Robert Jessup, (919) 933-9891

**PURPOSE:** To adopt the final financing resolution authorizing the borrowing of approximately \$40,750,000 in installment financing to finance capital investment projects and equipment for the fiscal year, including amounts to pay transaction costs.

**BACKGROUND:** At the March 10, 2020 Board Business meeting, the Board of County Commissioners conducted a public hearing and was provided preliminary information of capital projects and equipment financing. The Board made a preliminary determination to finance costs of these projects and equipment, and financing costs by the use of an installment financing, as authorized under Section 160A-20 of the North Carolina General Statutes.

The statutes require that the County adopt a financing resolution supporting the application to the Local Government Commission (LGC) for approval of the financing. County staff has been in contact with the LGC staff, and expects no issues in receiving full LGC approval.

With action on this resolution, the Board (a) approves the substantially final financing documents, (b) approves the sale of a limited obligation bond to Capital One Public Funding, LLC pursuant the attached proposal, and (c) authorizes staff to complete the financing.

The financing team, which includes the County's financial advisor and bond counsel, has determined that the shift from a public sale to a privately bank financed transaction is prudent due to pandemic induced inefficiencies in the public finance market which have resulted in postponed or cancelled bond transactions. To eliminate the risk of not being able to obtain proceeds next month to fund the Construction Manager at Risk (CMAR) Northern Campus project and the other

County and School projects, the financing team has determined that a private bank financed transaction with Capital One is now the best option. Capital One will hold an interest rate of 2.7% through May 12, 2020, with three bids having been received.

It is important to note that this interest rate is well within the County's Debt and Affordability Model. The County's ability to close in May and fund the CMAR and other Capital Investment Plan (CIP) projects without uncertainties regarding capital market access was a strong financing consideration for shifting to this privately placed bank financing. If the Board adopts the resolution, staff expects to close and receive proceeds by mid-May.

The financing strategy at this time does include moving forward with the competitive sale of the General Obligation (GO) bonds for Orange County Schools. The County's AAA rating was affirmed by all three rating agencies the week of March 30, 2020. The rationale for the varying financing approaches between this transaction and the GO bonds is that the capital market acceptance of the GO bond is based on the government's full faith and credit/taxing power which is well established with investors, and the GO bond sale will now not compete with the Northern Campus CMAR bank financing.

**FINANCIAL IMPACT:** A preliminary estimate of maximum debt service applicable to the capital investment projects and equipment financing would require the highest debt service payment of \$3.6 million in FY 2021-22. The tax rate equivalent for the estimated highest debt service payment is approximately 1.91 cents.

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goal is applicable to this item:

- **GOAL: FOSTER A COMMUNITY CULTURE THAT REJECTS OPPRESSION AND INEQUITY**  
The fair treatment and meaningful involvement of all people regardless of race or color; religious or philosophical beliefs; sex, gender or sexual orientation; national origin or ethnic background; age; military service; disability; and familial, residential or economic status.
- **GOAL: CREATE A SAFE COMMUNITY**  
The reduction of risks from vehicle/traffic accidents, childhood and senior injuries, gang activity, substance abuse and domestic violence.
- **GOAL: ENABLE FULL CIVIC PARTICIPATION**  
Ensure that Orange County residents are able to engage government through voting and volunteering by eliminating disparities in participation and barriers to participation.

**ENVIRONMENTAL IMPACT:** The following Orange County Environmental Responsibility Goal impacts are applicable to this item:

- **ENERGY EFFICIENCY AND WASTE REDUCTION**  
Initiate policies and programs that: 1) conserve energy; 2) reduce resource consumption; 3) increase the use of recycled and renewable resources; and 4) minimize waste stream impacts on the environment.
- **RESULTANT IMPACT ON NATURAL RESOURCES AND AIR QUALITY**  
Assess and where possible mitigate adverse impacts created to the natural resources of the site and adjoining area. Minimize production of greenhouse gases.

**RECOMMENDATION(S):** The Manager recommends that the Board approve the final financing resolution authorizing the steps to proceed with the financing of the stated capital projects and equipment.

s★h draft of April 8

## **Resolution providing final approval of terms and documents for Spring 2020 installment financing**

### **WHEREAS -**

The Board of Commissioners has previously determined to carry out various public improvements and acquisitions, as identified in the County's capital improvement plan and as described on Exhibit A. The Board has determined to carry out the financings by using an installment financing, as authorized under Section 160A-20 of the North Carolina General Statutes.

Capital One Public Funding, LLC (the "Lender"), has submitted a proposal to provide the financing. County staff has made available to the Board the draft documents listed on Exhibit B (the "Documents"), which relate to the County's carrying out the financing plan.

This resolution provides the County Board's final approval of the financing terms and the substantially final financing documents.

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

**1. *Determination to Proceed with Financing*** -- The Board confirms its decision to carry out the proposed installment financing as described above, to provide financing for new public assets and improvements. The County will carry out the projects with financing from the Lender substantially in accordance with a financing proposal from the Lender dated April 1, 2020.

Under the financing plan, the County will receive funds from the Lender to carry out the projects. The County will repay the funds over time, with interest. The County will secure its repayment obligation by granting a mortgage-like interest in some or all of the following facilities: (a) the County's Government Services Annex at 208 S. Cameron St. in Hillsborough, along with the County's Link Center and the

District Attorney's office building; (b) the County's Emergency Operations Center on Meadowlands Drive in Hillsborough; (c) the proposed site of the new Northern County Campus; and (d) the County's Southern Campus in Chapel Hill.

**2. *Approval of Documents; Direction to Execute Documents*** -- The Board approves the forms of the Documents submitted to this meeting. The Board authorizes the Chair and the County Manager, or either of them, to execute and deliver the Documents when in final form. The Documents in their respective final forms must be in substantially the forms presented, with changes as the Chair or the County Manager may approve. The execution and delivery of any Document by an authorized County officer will be conclusive evidence of that officer's approval of any changes.

The Agreements in final form, however, must be consistent with the financing plan described in this resolution and must provide (a) for the amount financed by the Town not to exceed \$43,000,000, (b) for an annual interest rate not to exceed 2.70% (in the absence of default, or a change in tax status), and (c) for a financing term not to extend beyond December 31, 2040. The amount financed under the Documents may include amounts to pay financing expenses and other necessary and incidental costs.

**4. *Officers to Complete Closing*** - The Board authorizes the County Manager, the Finance Officer and all other County officers and employees to take all proper steps to complete the financing in accordance with the terms of this resolution.

The Board authorizes the County Manager to hold executed copies of all financing documents authorized by this resolution in escrow on the County's behalf until the conditions for their delivery have been completed to her satisfaction, and then to release the executed documents for delivery to the appropriate persons or organizations.

Without limiting the generality of the previous paragraphs, the Board specifically authorizes the County Manager (a) to approve and enter into, on behalf of the County, any additional agreements appropriate to carry out the financing plan contemplated by this resolution, and (b) to approve changes to any documents previously signed by County officers or employees, provided that the changes do not substantially alter the intent from that expressed in the form originally signed. The

County Manager's authorization of the release of any document for delivery will constitute conclusive evidence of her approval of any changes.

In addition, the County Manager and the Finance Officer are authorized to take all appropriate steps for the efficient and convenient carrying out of the County's on-going responsibilities with respect to the financing. This authorization includes, without limitation, contracting with third parties for reports and calculations that may be required under the Documents, this resolution or otherwise with respect to the bonds.

**6. *Miscellaneous Provisions*** - The Board authorizes all County officers and employees to take all further action as they may consider desirable to carry out the purposes of this resolution. In particular, the Board directs the Clerk to this Board to apply the County's seal to the final form Documents, and to attest to the application of the seal. The Board ratifies all prior actions of County officers and employees to this end. Upon the unavailability or refusal to act of the County Manager, the Chair or the Finance Officer, any other of those officers may assume any responsibility or carry out any function assigned in this resolution. In addition, the Vice Chair or any Deputy or Assistant Clerk may carry out or exercise any rights or responsibilities assigned in this resolution to the Chair or the Clerk. The Board repeals all other Board proceedings, or parts of proceedings, in conflict with this resolution, to the extent of the conflict. This resolution takes effect immediately.

**Exhibit A – list of projects to be financed with estimated amounts**

<b>Component</b>	<b>Estimated Cost</b>
Facility, Accessibility, Safety and Security Projects	\$ 212,634
Generator Projects	\$ 33,000
HVAC Projects	\$ 230,218
Major Plumbing Repairs	\$ 50,885
Northern Campus – Detention Center	\$ 21,989,681
Northern Campus – EAC	\$ 5,677,065
Northern Campus – Parks Operations	\$ 1,404,810
Government Services (Link) Remediation	\$ 581,503
Skill Development Relocation - Europa Center Upfits	\$ 254,953
Roofing and Façade Projects	\$ 686,167
Parks and Recreation Facility Renovations. Repairs, Safety Improvements	\$ 246,500
Conservation Easements	\$ 259,514
River Park, Phase II	\$ 118,509
ITGC Initiatives	\$ 197,826
IT Infrastructure	\$ 489,910
Communication Systems	\$ 273,221
Solid Waste - Equipment and Vehicles	\$ 717,228
Solid Waste - Administrative Building Remediation	\$ 281,324
Sportsplex Capital Items - 2 Vans	\$ 70,090
Schools - Recurring Capital Needs	\$ 3,000,000
Schools - Improvements to Older Facilities	\$ 472,941
Schools – Other Various Projects	\$ 3,242,252
<b>Total Project Costs</b>	<b>\$ 40,490,231</b>

The County will also use additional loan proceeds to pay financing costs.

## **Exhibit B -- Draft Documents**

(a) A draft dated April 8, 2020, of a Third Supplemental Trust Agreement to be dated on or about May 1, 2020, between the County and The Bank of New York Mellon Trust Company, N.A. (the "Trustee"), providing for the advance of funds to the County, for the issuance of a limited obligation bond to the Lender, for the County's obligation to repay the amounts advanced, and for the County's responsibilities for the use and care of the collateral

(b) A draft dated April 8, 2020, of a Deed of Trust Supplement #3 to be dated on or about May 1, 2020, from the County to a deed of trust trustee for the Trustee's benefit, providing for a security interest in property to secure the County's obligations under the limited obligation bonds and the other financing documents.

**s☆h draft of April 9**

*Prepared by and return after recording to:*

Robert M. Jessup Jr.  
Sanford Holshouser LLP  
209 Lloyd St., Suite 350  
Carrboro, NC 27510

**DEED OF TRUST SUPPLEMENT #3**

<b>PINs</b>	<b>9874-15-3612</b>	<b>9864-39-4358</b>
	<b>9874-80-2738</b>	<b>9880-00-8527</b>

Brief description:

Link Center Building at 200 S. Cameron St., Government Services Annex at 208 S. Cameron St. and District Attorney’s office building at 144 E. Margaret Lane, all in Hillsborough

Future North Campus Site off Highway 70

Emergency Operations Center on Meadowlands Drive in Hillsborough

Southern Campus Site off Homestead Rd. in Chapel Hill

**Supplements RB 6486, Page 413; RB 6613, Page 17; and RB 6633, Page 1121; also see RB \_\_\_\_\_, Page \_\_\_\_\_ (partial release)**

<b>STATE OF NORTH CAROLINA</b> )	<b>The collateral is or includes fixtures.</b>
)	
<b>ORANGE COUNTY</b> )	<b>This instrument secures future advances.</b>
)	

## **DEED OF TRUST SUPPLEMENT #3**

**THIS DEED OF TRUST SUPPLEMENT #3** (this "Supplement") is dated as of May 1, 2020, and is granted by **ORANGE COUNTY, NORTH CAROLINA**, a political subdivision of the State of North Carolina (the "County"), to **Amy K. Johnson**, as trustee (the "Deed of Trust Trustee"), for the benefit of **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS TRUSTEE** ("BNY-M").

### **RECITALS:**

The County is issuing its [\$43,000,000] Limited Obligation Bonds, Series 2020 (the "2020 Bonds"), under a Third Supplemental Trust Agreement dated as of May 1, 2020 (the "2020 Agreement"), between the County and BNY-M, as trustee. The County is issuing the 2020 Bonds to provide funds, to be used together with other available funds, to acquire, construct, equip and otherwise improve a variety of County facilities and assets, as well as to pay financing costs and other related costs.

The 2020 Agreement supplements a Trust Agreement dated as of June 1, 2018 (the "2018 Agreement"), between the County and BNY-M, as trustee, which the parties previously supplemented by a First Supplemental Trust Agreement dated as of April 1, 2019, and a Second Supplemental Trust Agreement dated as of October 1, 2019 (as supplemented, the "Prior Agreement"). Under the Prior Agreement, the County issued its \$7,510,000 Limited Obligation Bonds, Series 2018, its \$14,135,000 Limited Obligation Bonds, Series 2019A, and its \$29,745,000 Limited Obligation Bonds, Series 2019B (together, the "Prior Bonds"). The County secured its repayment obligation with respect to the Prior Bonds by granting a security interest in certain Mortgaged Property, as defined in the 2019B Deed of Trust (as defined below).

The parties have now agreed that the Mortgaged Property will also secure the County's repayment obligations with respect to the 2020 Bonds as provided in the 2020 Agreement.

Accordingly, **this Supplement supplements the Deed of Trust and Security Agreement** granted by the County for the benefit of BNY-M dated as of June 1, 2018 (the "2018 Deed of Trust") and recorded at RB 6486, Page 413, Orange County Registry, which has been previously supplemented by instruments recorded at RB

6613, Page 17, and RB 6633, Page 1121 (this is the “2019B Deed of Trust”), Orange County Registry (those instruments, together with the 2018 Deed of Trust, are referred to as the “Existing Deed of Trust” in this Supplement). The Existing Deed of Trust, as modified by this Supplement, is referred to as the “Modified Deed of Trust” in this Supplement.

The Mortgaged Property includes the real property described in Exhibit A. The County is the record owner of that real property.

The County executes and delivers this Supplement to secure current advances under the 2020 Agreement of [\$43,000,000], as well as (a) total outstanding advances with respect to the Prior Bonds of approximately \$50,595,000 and (b) potential future advances up to a total maximum principal amount of \$200,000,000, all as described and pursuant to the Existing Deed of Trust. The time during which such future advances may be made is 30 years from June 1, 2018. The current scheduled date for final repayment of amounts secured under this Supplement and the Existing Deed of Trust is October 1, 2040.

**NOW, THEREFORE,**

(1) in consideration of the execution and delivery of the 2020 Bonds and the 2020 Agreement and other good and valuable consideration, the receipt and sufficiency of which the County acknowledges,

(2) to secure the County’s performance of all its covenants under this Supplement, the Existing Deed of Trust, the 2020 Agreement, the Prior Agreement, the 2020 Bonds and the Prior Bonds (together, the “Loan Documents”), and

(3) to charge the Mortgaged Property with that payment and performance,

the County sells, grants and conveys to the Deed of Trust Trustee, her successors and assigns forever, in trust, with power of sale, the Mortgaged Property, as defined in the 2019B Deed of Trust, which includes the property described in Exhibit A;

**BUT TAKE NOTE THAT** Parcel 4 as defined in the 2019B Deed of Trust has previously been released from the lien of the Existing Deed of Trust;

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

**SUBJECT, HOWEVER,** to the encumbrances described in Exhibit B;

**BUT THIS CONVEYANCE IS MADE UPON THIS SPECIAL TRUST:** if the County pays its "Obligations," as defined in Section 1-1 below, in full and in accordance with the Loan Documents, and the County complies with all the terms, covenants and conditions of the Loan Documents, this conveyance will be null and void and will be canceled of record at the County's request and cost, and title will revert as provided by law;

**BUT IF, HOWEVER, THERE OCCURS AN EVENT OF DEFAULT UNDER THE LOAN DOCUMENTS,** then BNY-M will have the remedies provided for in this Modified Deed of Trust, including directing the Deed of Trust Trustee to sell the Mortgaged Property under power of sale.

The County covenants with the Deed of Trust Trustee and BNY-M that the County is seized of and has the right to convey the Mortgaged Property in fee simple, that the Mortgaged Property is free and clear of all liens and encumbrances other than Permitted Encumbrances, as defined in the Prior Agreement and the 2020 Agreement, that title to the Mortgaged Property is marketable, and that the County will forever warrant and defend title to the Mortgaged Property (subject to the Permitted Encumbrances) against the claims of all persons.

**THE COUNTY COVENANTS AND AGREES** with the Deed of Trust Trustee and BNY-M (and their respective heirs, successors and assigns), in consideration of the foregoing, as follows:

**1. Security Provided**

**1-1 Security for Payment and Performance.** The Modified Deed of Trust secures the County's payment, as and when the same become due and payable, of all amounts payable by the County under the Loan Documents (the "Obligations") and the County's timely compliance with all terms, covenants and conditions of (a)

the Loan Documents and (b) any Additional Bonds, as defined in and as may be executed and delivered pursuant to the Prior Agreement.

**1-2 Present and Future Advances.** This Deed of Trust is executed to secure all the County's present and future obligations to the Trustee related to the Mortgaged Property as described in and pursuant to the Modified Deed of Trust. The total amount, including present and future obligations, that may be secured by this Modified Deed of Trust at any one time is \$200,000,000. The period within which future obligations may be incurred is 30 years from June 1, 2018.

**1-3 Existing Deed of Trust Otherwise Confirmed.** Except as provided by this Supplement, the County ratifies, approves and confirms the terms of the Existing Deed of Trust.

**1-4 County's Obligation Limited.** Notwithstanding any other provision of the Loan Documents, the parties intend that this transaction will comply with North Carolina General Statutes Section 160A-20. No deficiency judgment may be entered against the County in violation of Section 160A-20.

No provision of this Supplement should be construed or interpreted as creating a pledge of the County's faith and credit within the meaning of any constitutional debt limitation. No provision of this Supplement should be construed or interpreted as an illegal delegation of governmental powers, nor as an improper donation or lending of the County's credit within the meaning of the North Carolina constitution. The County's taxing power is not and may not be pledged, directly or indirectly contingently, to secure any moneys due under this Supplement.

Nothing in this Section is intended to impair or prohibit foreclosure under the Modified Deed of Trust if the Obligations are not paid when due or otherwise upon the occurrence of an Event of Default under the Loan Documents.

No provision of this Supplement restricts the County's future issuance of any of its bonds or other obligations payable from any class or source of the County's moneys (except to the extent the Loan Documents restrict the incurrence of additional obligations secured by the Mortgaged Property).

To the extent of any conflict between this Section and any other provision of this Supplement, this Section takes priority.

## **2. Miscellaneous**

### **2-1 Notices.**

(a) Any communication provided for in this Supplement must be in writing (not to include facsimile transmission or electronic mail).

(b) Any communication under this Supplement will be deemed given on the delivery date shown on a United States Postal Service certified mail receipt, or a delivery receipt (or similar evidence) from a national commercial package delivery service, if addressed as follows:

(i) if to the County, to Orange County Manager, Re: Notice under 2020 LOBs Deed of Trust, Post Office Box 8181, Hillsborough, NC 27278

(ii) if to the Deed of Trust Trustee, to Deed of Trust Trustee, c/o The Bank of New York Mellon Trust Company, N.A., Re: Notice for 2020 Financing for Orange County, 10161 Centurion Parkway North, Jacksonville, FL 32256

(iii) if to BNY-M, to The Bank of New York Mellon Trust Company, N.A., Re: Notice for 2020 Financing for Orange County, 10161 Centurion Parkway North, Jacksonville, FL 32256

(c) A copy of any notice must also be sent to the Lender, Capital One Public Funding, LLC, at \_\_\_\_\_.

(d) Any addressee may designate additional or different addresses for communications by notice given under this Section to each of the others. The County must send copies of any notices it sends to the Deed of Trust Trustee also to BNY-M.

**2-2 Definitions.** All capitalized terms used in this Supplement and not otherwise defined have the meanings ascribed to them otherwise in the Loan Documents.

**2-3 Governing Law; Forum.** The County, BNY-M, the Lender and the Deed of Trust Trustee intend that North Carolina law will govern this Supplement and all matters of its interpretation. To the extent permitted by law, the County, BNY-M, the

Lender and the Deed of Trust Trustee agree that any action brought with respect to this Supplement must be brought in the North Carolina General Court of Justice in Orange County, North Carolina.

**2-4 Limitation of Liability of Officers and Agents.** No officer, agent or employee of the County, BNY-M or the Deed of Trust Trustee will be subject to any personal liability or accountability by reason of the execution of this Supplement or any other documents related to the transactions contemplated by this Supplement. Those officers or agents are deemed to execute documents in their official capacities only, and not in their individual capacities. This Section does not relieve any officer, agent or employee from the performance of any official duty provided by law.

**2-5 Covenants Run with the Land.** All covenants contained in the Modified Deed of Trust run with the real estate encumbered by the Modified Deed of Trust

**2-6 Further Instruments.** Upon the request of BNY-M or the Deed of Trust Trustee, the County will execute, acknowledge and deliver any further instruments reasonably necessary or desired by BNY-M or the Deed of Trust Trustee to carry out more effectively the purposes of this Supplement or any other document related to the transactions contemplated by this Supplement, and to subject to the liens and security interests of this Supplement all or any part of the Mortgaged Property intended to be given or conveyed, whether now given or conveyed or acquired and conveyed subsequent to the date of this Supplement.

**2-7 Entire Agreement; Amendments.** This Supplement, together with the other Loan Documents, constitutes the County's entire agreement with the Trustee and the Deed of Trust Trustee with respect to its general subject matter. This Supplement may not be changed except in accordance with the other Loan Documents. The consent of the Deed of Trust Trustee is not required for any changes.

***[The remainder of this page has been left blank intentionally.]***

**IN WITNESS WHEREOF**, the County has caused this instrument to be signed, sealed and delivered by duly authorized officers, as of the day and year first above written.

**(SEAL)**

**ATTEST:**

**ORANGE COUNTY,  
NORTH CAROLINA**

\_\_\_\_\_  
Donna S. Baker  
Clerk, Board of Commissioners

By: \_\_\_\_\_  
Bonnie B. Hammersley  
County Manager

\* \* \* \* \*

**STATE OF NORTH CAROLINA;  
ORANGE COUNTY**

I, a Notary Public of such County and State, certify that Bonnie B. Hammersley and Donna S. Baker personally came before me this day and acknowledged that they are the County Manager and the Clerk of the Board of Commissioners, respectively, of Orange County, North Carolina, and that by authority duly given and as the act of such County, the foregoing instrument was signed in the County's name by such County Manager, sealed with its corporate seal and attested by such Clerk.

**WITNESS** my hand and official stamp or seal, this \_\_\_\_\_ day of May, 2020.

**[SEAL]**

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

[Deed of Trust Supplement #3 dated as of May 1, 2020  
for the benefit of The Bank of New York Mellon Trust Company, N.A., as Trustee]

## **EXHIBIT A – Pledged Sites Description**

### **TRACT 1 [Government Service Annex, Link Center and District Attorneys' Office]:**

BEING that certain property containing 9.202 acres, more or less, adjacent to South Cameron Street as shown on a plat entitled "Recombination Survey Properties of Orange County" as prepared by Riley Surveying, P.A. dated June 5, 2007 and recorded June 7, 2007 in Plat Book 102, Page 36, Orange County Register of Deeds.

PIN Number: 9874-15-3612

### **TRACT 2 [North Campus Site]:**

BEING all of that 19.334-acre parcel, more or less, shown on survey entitled "Recombination Survey, Property of Orange County" dated as of September 6, 2019 and recorded in Plat Book 120, Page 159, Orange County Registry.

PIN Number: 9864-39-4358

### **TRACT 3 [E-911 Center in the Meadowlands -- Approximately 22,000-square foot building located on Meadowlands Drive, Hillsborough]**

BEGINNING at a point located in the eastern margin of the 60 foot wide right-of-way of Meadowlands Drive, said beginning point being further located South 12° 12' 30" West 360.84 feet from a nail located at the intersection of the center line of Meadowlands Drive with the center line of the 60 foot wide right-of-way of N.C. Highway 70; and running thence from said beginning point South 73° 36' 46" East 407.39 feet to a point; thence South 04° 48' 02" West 329.70 feet to a point; thence North 67° 16' 01" West 494.62 feet to a point located in the aforesaid easterly margin of the right-of-way of Meadowlands Drive; thence with said easterly margin of the right-of-way of Meadowlands Drive in two calls as follow: (1) with the arc of a circular curve to the left having a radius of 525.05 feet (and a chord course and distance of North 23° 54' 22" East 134.12 feet), an arc distance of 134.49 feet to a point; thence (2) North 16° 34' 02" East 135.34 feet to the point or place of BEGINNING; containing 3.00 acres and being Lot A as shown on a survey entitled "Subdivision of Property Surveyed for Meadowlands Associates" by Alois Callemyn Land Surveyors dated February 26, 1996 and recorded in Plat Book 75, Page 146, in the Orange County Registry.

PIN Number: 9874-80-2738

**TRACT 4 - Intentionally omitted**

**TRACT 5 [Southern Campus Site]**

BEGINNING in the center of the public road leading from Calvander to Orange Church witnessed by an iron stake on the South side of said road; running thence South 2 degrees 30 minutes east 1,304 feet to an iron stake and pointers in the line of the University of North Carolina property; thence with said property East 1,194 feet to an iron stake in Will Freeland's land; thence with his line North 1,190 feet to the center of said road; thence with the center of said road North 84 degrees West 1,250 feet to the beginning, containing 34.10 acres, more or less, as surveyed by J. Ralph Weaver, County Surveyor, on November 20, 1940, and being part of the land formerly owned by Mrs. J. Walker Womble.

BEING also described as the Lands of the County of Orange and the Project Homestead Lease Lot as shown on that plat entitled "Easement Plat for Orange County Senior Center" and recorded in Plat Book 102, Page 99, Orange County Registry.

PIN Number: 9880-00-8527

## **EXHIBIT B -- Existing Encumbrances**

**As to all Tracts:** the Deed of Trust and Security Agreement granted by the County for the benefit of BNY-M dated as of June 1, 2018, and recorded at RB 6486, Page 413, Orange County Registry, as previously supplemented (referred to as the “Existing Deed of Trust” in this instrument, and further defined above).

All references to books and pages in the lists below are to the Orange County Registry.

### **As to Tract 1:**

1. Subject to Matters shown on plats recorded in Plat Book 102, Page 34; Plat Book 102, Page 36; Plat Book 59, Page 179; and Plat Book 110, Page 91.
2. Conservation Easement to Orange County recorded in Book 4296, page 308.
3. Title to that portion of the Land lying below the mean high water mark of Eno River.
4. Riparian rights incident to the Land.
5. Easement to the Town of Hillsborough recorded in Book 1030, Page 546.
6. Easement(s) to Duke Power Company recorded in Book 1146, Page 153.
7. Right of Way Agreement between Orange County and Duke Energy Carolinas, LLC recorded in Book 5905, Page 73.

### **As to Tract 2:**

1. Subject to matters shown on plat recorded in Plat Book 118, Page 105.
2. Subject to matters shown on plat recorded in Plat Book 94, Page 68 including a 30-foot joint driveway easement and septic easement located on the Land.
3. Rights of others for ingress and egress purposes in and to the use of easements located on the Land.
4. Commissioners’ Second Revised Final Report recorded in Book 3446, Page 26 and Order of Confirmation recorded in Book 3446, Page 29.
5. Title to that portion of the Land within the right-of-way of US Hwy 70 and West Hill Ave.
6. Easement(s) to Duke Power Company recorded in Book 114, Page 95.
7. Easement(s) and/or Right(s) of Way to Jean A. Hall, heirs and assigns recorded in Book 3446 at Page 39, Orange County Registry.
8. Non-exclusive perpetual right and easement of ingress and egress for a driveway for Dorothy Hall Holloway and Husband, Bill Holloway and their successors and assigns, recorded in Book 3831 at Page 375, Orange County Registry.
9. Declaration of Restrictions and Provisions for Private Road Maintenance recorded in Book 376 at Page 552.
10. Easement recorded in Book 376 at Page 555, Orange County Registry.

11. Easement(s) and/or Right(s) of Way to Hillsboro Power and Light Co. recorded in Book 87 at Page 437, Orange County Registry.
12. Easement(s) and/or Right(s) of Way to State Highway Commission recorded in Book 183 at Page 512, Orange County Registry.
13. Terms and conditions and rights of others in and to that Buffer Easement recorded in Book 6625 at Page 2007, Orange County Registry.
14. Buffer Easement recorded in Book 6625 at Page 2012, Orange County Registry.

**As to Tract 3:**

1. Restrictions appearing of record in Book 654, Page 517 and amended in Book 1081 at Page 425.
2. Subject to matters shown on plat recorded in Plat Book 75, Page 146.
3. Easement(s) to Town of Hillsborough recorded in Book 804, Page 444.
4. Easement(s) to Duke Power Company recorded I Book 676, Page 500.
5. Easement(s) to Public Service Company of North Carolina recorded in Book 1083, Page 235.
6. Title to that portion of the Land within the right-of-way of Meadowland Drive.
7. Termination Agreement recorded in Book 4126, Page 346.
8. Town of Hillsborough Conditional Use Permit #2007-04 recorded in Book 4416, Page 496.
9. Sand Filter SCM (Stormwater Control Measure) Operation and Maintenance Agreement recorded in Book 6468 at Page 214, Orange County Registry.
10. Stormwater Control Measure Access and Maintenance Easement to the Town of Hillsborough recorded in Book 6616 at Page 1294, Orange County Registry.

**Tract 4 - Intentionally omitted**

**As to Tract 5:**

1. Special Needs Housing Program Deed of Trust, Assignment of Rents and Leases, and Security Agreement from Inter-Faith Council for Social Service, Inc. to A. Robert Kucab, Trustee for North Carolina Housing Finance Agency to secure a note in the amount of \$150,000.00 and recorded in Book 1636, page 285, Orange County Registry. As modified by Modification to Promissory Note, Deed of Trust and Declaration of Deed Restrictions recorded in Book 5911, page 372, Orange County Registry.
2. Orange County Home Program Deed of Trust and Security Agreement from Interfaith Council for Social Services, Inc. to Geoffrey E. Gledhill, Trustee for the benefit of Orange County to secure a note in the amount of \$50,000.00 and recorded in Book 1731, Page 1, Orange County Registry. As affected by that Request for Notice recorded in Book 2358, Page 156, Orange County Registry.

3. Lease from Orange County, North Carolina as Lessor and Inter-Faith Council for Social Service, Inc. recorded in Book 1579, Page 152, Orange County Registry.
4. Agreement between Interfaith Council for Social Service, Inc., Orange County, and Orange Water and Sewer Authority recorded in Book 1543, Page 313, Orange County Registry.
5. Restrictions appearing in that Declaration of Deed Restrictions between Inter-Faith Council for Social Service, Inc. and North Carolina Housing Finance Agency recorded in Book 1636, Page 300, Orange County Registry.
6. Matters shown on plat recorded in:
  - a. Plat Book 59, Page 96;
  - b. Plat Book 78, Page 51;
  - c. Plat Book 78, page 88;
  - d. Plat Book 80, Page 179; and
  - e. Plat Book 102, Page 99, Orange County Registry.
7. Easement(s) and/or Right(s) of way to Duke Power Company as recorded in Book 131 at Page 368 and Book 1610 at Page 213, Orange County Registry.
8. Easement(s) and/or Right(s) of Way to University of North Carolina recorded in Book 136 at Pages 341 and 528, Orange County Registry.
9. Ordinance to Extend the Corporate Limits of the Town of Chapel Hill recorded in Book 725, Page 436, Orange County Registry and adopted Ordinance to Extend the Corporate Limits of the Town of Chapel Hill recorded in Book 818, Page 223, Orange County Registry.
10. Deed of Easement to Orange Water and Sewer Authority recorded in Book 1684, Page 47 and Book 1684, Page 50, Orange County Registry.
11. Right of Way Agreement between Orange County and Duke Energy Corporation recorded in Book 3800, Page 116 and Book 4162, Page 547, Orange County Registry.
12. Stormwater Operations and Management Plan recorded in Book 4349, Page 234, Orange County Registry.
13. Orange Water and Sewer Authority Dedication recorded in Book 4504, Page 77, Orange County Registry.
14. Town of Chapel Hill Special Use Permit recorded in Book 1283, Page 256, Orange County Registry as modified by that Modification of Special Use Permit recorded in Book 1437, Page 33; by Special Use Permit Modification recorded in Book 4349, Page 228; and by that Special Use Permit Modification recorded in Book 5878, Page 49, Orange County Registry.

**s☆h draft of April 8**

# **Third Supplemental Trust Agreement**

by and between

**Orange County, North Carolina**

and

**The Bank of New York Mellon Trust  
Company, N.A., as Trustee**

Relating to the issuance of

**[\$43,000,000]**

**Limited Obligation Bonds  
Series 2020**

**THIS THIRD SUPPLEMENTAL TRUST AGREEMENT** is dated as of May 1, 2020 (this “Supplemental Agreement”), is between **ORANGE COUNTY, NORTH CAROLINA**, a political subdivision of the State of North Carolina (the “County”), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association having an office in Jacksonville, Florida, as trustee (the “Trustee”), and relates to the issuance of [\$43,000,000] Limited Obligation Bonds, Series 2020 (the “2020 Bonds”).

### **RECITALS**

The County and the Trustee executed and delivered a Trust Agreement dated as of June 1, 2018 (the “2018 Agreement”). The 2018 Agreement provides for the issuance of a 2018 series of limited obligation bonds (the “2018 Bonds”), and allows for the issuance of additional series of limited obligation bonds. The 2018 Agreement provides that the parties will enter into a supplemental agreement for each issue of limited obligation bonds.

The County and the Trustee are now entering into this Supplemental Agreement to supplement the 2018 Agreement and provide for the issuance of the 2020 Bonds as additional bonds under the Trust Agreement. The 2020 Bonds are issued and secured on a parity with the 2018 Bonds and the rest of the “Prior Bonds,” as defined below.

The County is issuing the 2020 Bonds to provide funds to be used, together with other available funds, on a project (the “2020 Project”) to acquire, construct, equip and otherwise improve a variety of County facilities and assets, including those described in Exhibit A, and to pay financing costs and other related costs.

Each of the 2020 Bonds represents an “installment contract” within the meaning of Section 160A-20 of the North Carolina General Statutes, between the County and the owner of that Bond. The Trustee serves under this Supplemental Agreement for and on behalf of the bondholders.

*Unless the context clearly requires otherwise, capitalized terms used in this Supplemental Agreement and not otherwise defined have the meanings set forth in Exhibit B or in the “Prior Agreement,” as defined in Exhibit B.*

**NOW, THEREFORE**, in consideration of the covenants contained in this Supplemental Agreement, the parties agree as follows:

## **ARTICLE I**

### **THE 2020 Bonds**

**Section 1.01. Provision for 2020 Bonds; Advance.** (a) The County will issue, and the Trustee will authenticate and deliver, 2020 Bonds in an aggregate principal amount of [\$43,000,000].

(b) The County acknowledges that the amount paid to it from the issuance and sale of the 2020 Bonds will be \$\_\_\_\_\_. The County will use the amount paid as provided in this Supplemental Agreement to pay 2020 Project Costs.

**Section 1.02. Bonds Constitute Installment Contracts.** Each of the 2020 Bonds, together with the County's corresponding obligations under the Trust Agreement and the Deed of Trust, constitutes a separate "installment contract" within the meaning of Section 160A-20 between the County and the owner of that Bond. The County's payment obligations, and its other obligations under this Agreement and with respect to the Bonds, are secured by the lien on the Mortgaged Property created under the Deed of Trust and by the other security provided for in the Trust Agreement.

**Section 1.03. Agreement Supplements 2018 Agreement; 2020 Bonds Are Additional Bonds.** (a) This Supplemental Agreement is a "supplemental agreement" for the issuance of Additional Bonds as provided in the 2018 Agreement, and the 2020 Bonds are "Additional Bonds" as defined in the 2018 Agreement.

(b) Except as modified by this Supplemental Agreement, all terms of the Prior Agreement remain in effect and apply with respect to the 2020 Bonds to the same extent as to all Prior Bonds.

**Section 1.04. Form and Details; Payments.** The 2020 Bonds will be issued as a single fully registered bond designated "Limited Obligation Bond, Series 2020," and in substantially the form of Exhibit C, with any changes as the Trust Agreement permits or requires. This 2020 Bond will be (a) dated the date of its initial

delivery to the Lender, (b) payable as to interest semiannually until payment on each Payment Date at the annual rate of 2.70% (calculated based on a 360-day year consisting of twelve 30-day months and subject to adjustment as provided below), and (c) payable as to principal on October 1 in installments in years and amounts as follows:

<b>Maturity Date (October 1)</b>	<b>Principal Amount (\$)</b>	<b>Maturity Date (October 1)</b>	<b>Principal Amount (\$)</b>
[To come]			

Exhibit D shows a schedule of payments due on the 2020 Bonds with respect to each Payment Date. Upon any prepayment or redemption of the 2020 Bonds, the County will recalculate the schedule of payments to reflect the redemption, and will then deliver a substitute Exhibit D to the Trustee reflecting the recalculated payment schedule.

**Section 1.05. Interest Rate and Payment Adjustment.** Upon any “Rate Adjustment Event,” as defined below, (a) the unpaid principal of the 2020 Bonds will continue to be payable as shown in Section 1.04, but (b) the interest on the 2020 Bonds shall be recalculated, at an interest rate equal to an annualized interest rate equal to the “Prime Rate,” as defined below, plus 2% (200 basis points), to the date (retroactively, if need be) determined pursuant to the Rate Adjustment Event to be the date interest became includable in any Bondholder’s gross income for federal income tax purposes. The Bondholder shall promptly prepare a substitute debt service schedule reflecting the new interest rate and resulting payment schedule, and deliver a copy of the new schedule to the County, the Trustee and to the LGC.

The County shall pay interest at each adjusted rate as in effect from time to time (subject to credit for interest previously paid) to each affected Bondholder, notwithstanding the fact that any particular Bondholder may not be a Bondholder on

the date of a Rate Adjustment Event. The County shall additionally pay to all affected Bondholders any interest, penalties or other charges assessed against or payable by such Bondholder and attributable to a Rate Adjustment Event, notwithstanding the prior repayment of the 2020 Bonds in full or any transfer to another Bondholder. The Trustee has no responsibility to calculate any such additional interest, penalties or charges, or to confirm that any have been paid, with those matters lying only between the County and the affected Bondholders.

"Rate Adjustment Event" means (1) any action by the Internal Revenue Service (including the delivery of a deficiency notice) or any other federal court or administrative body or (2) receipt by the Bondholder of an opinion of nationally-recognized bond counsel acceptable to the County, in either case determining in effect that interest on the 2020 Bonds is includable in gross income for federal income tax purposes as a result of (i) any action the County takes, or fails to take, or (ii) any representation made by the County being a misrepresentation.

"Prime Rate" means the rate by that name published by Capital One Bank, N.A., as in effect from time to time, whether or not that bank or any affiliate at any time is the registered Bondholder.

**Section 1.06. Redemption Dates and Prices.** The 2020 Bonds are subject to redemption as described in Section 2.01.

**Section 1.07. Delivery of 2020 Bonds.** The Trustee will authenticate and deliver the 2020 Bonds when it has received the following items:

- a) Certified copies of County Board resolutions (i) approving the terms and conditions under which the 2020 Bonds are to be executed and delivered and (ii) authorizing the execution, delivery and issuance of the 2020 Bonds, this Supplemental Agreement, and Deed of Trust Supplement #3 (as described in Exhibit B)
- b) Evidence satisfactory to the Trustee that the LGC has approved the issuance of the 2020 Bonds
- c) An executed copy of this Supplemental Agreement

d) An executed copy of Deed of Trust Supplement #3, which extends the benefit of the security provided to the Trustee under the Prior Deed of Trust to secure the County's performance of its obligations under this Supplemental Agreement and 2020 Bonds, as contemplated by Section 1.06(iv) of the 2018 Agreement

e) An Opinion of Bond Counsel to the effect that the execution and delivery of the 2020 Bonds as Additional Bonds is permitted under the terms of the Prior Agreement and has been duly authorized

f) A County Certificate directing the Trustee as to the application of the proceeds from the sale of the 2020 Bonds

g) Evidence of the issuance or proposed issuance of one or more lender's title insurance policies (or an appropriate endorsement to an existing policy) in favor of the Trustee, in an aggregate face amount of insurance equal to the total amount of Outstanding Bonds plus the principal amount of the 2020 Bonds, and including the instrument referenced in (d) above as an insured instrument

**Section 1.08. Limited Obligation.** The 2020 Bonds are limited obligations of the County, as provided and described in Section 4.05 of the 2018 Agreement.

## **ARTICLE II**

### **REDEMPTION**

**Section 2.01. Redemption Dates and Prices.** (a) The County may redeem the 2020 Bond in whole or in part on any Payment Date. Under this subsection, the redemption amount must be at least \$500,000 and not more than \$1,000,000, and the County may make only one partial redemption in any calendar year. In addition, under this subsection the source of funds for redemption under this subsection may not be proceeds of any obligations issued to refinance the 2020 Bond. If the County redeems a portion of the 2020 Bond, the County will prepare, and the Trustee will deliver, a new 2020 Bond in principal amount equal to the unpaid portion to the registered owner upon the surrender of the 2020 Bond.

(b) In addition, the County may redeem the 2020 Bond in whole, but not in part, on any date on or after October 1, 2030, by paying all interest accrued and unpaid to the redemption date and all the unpaid principal.

(c) No premium or penalty is payable for a redemption made under this Section.

**Section 2.02. Redemption Notices.** (a) The Trustee, at the County's direction, upon being satisfactorily indemnified by the County with respect to expenses and with at least two Business Days' notice, will send notice of redemption no less than 30 nor more than 60 days prior to the redemption date, to the registered owner of the 2020 Bond at its address as it appears on the Trustee's registration books, by registered or certified mail. The Trustee shall also send a copy of the notice to the LGC.

(b) Any redemption notice may state that the redemption to be effected is conditioned upon --

- (i) the Trustee's receipt on or prior to the redemption date of moneys sufficient to pay the principal of and interest on the 2020 Bonds or portions thereof to be redeemed; or
- (ii) any other condition not unacceptable to the Trustee.

If a notice contains a condition and the Trustee either (i) does not receive moneys sufficient to pay the principal of and interest on the 2020 Bonds on or prior to the redemption date, or (ii) the stated condition is not fulfilled,

in either case on or before the redemption date,

then redemption will not be made, and the Trustee must, within a reasonable time, give notice the same way the redemption notice was given that the moneys were not so received (or condition was not fulfilled) and the redemption was not made.

(c) Each redemption notice must specify (i) the complete designation of the 2020 Bonds to be redeemed, (ii) the CUSIP numbers of the 2020 Bonds to be redeemed, if any, (iii) the dated dates, maturity dates and interest rates of the 2020

Bonds to be redeemed, (iv) the date fixed for redemption, (v) any conditions to the redemption, as contemplated by subsection (b) above, (vi) the principal amount of 2020 Bonds or portions thereof to be redeemed, (vii) the applicable redemption price, (viii) the address of the place or places of payment, (ix) the Trustee's name and telephone number, and the name of a contact person, (x) that interest accrued to the date fixed for redemption will be paid as specified in the notice, and (xi) that on and after the established redemption date, interest on 2020 Bonds which have been redeemed will cease to accrue. The Trustee must also include in any redemption notice any additional information provided by the County for use in the notice.

**Section 2.04. 2020 Bonds Payable on Redemption Date; Interest Ceases To Accrue.** If on or before the date fixed for redemption funds are deposited with the Trustee to pay the principal of and interest accrued to the redemption date on 2020 Bonds called for redemption, the 2020 Bonds (or portions of 2020 Bonds) called for redemption cease to accrue interest from and after the redemption date. Thereafter, those 2020 Bonds (a) are no longer entitled to the benefits provided by the Trust Agreement and (b) are not deemed to be Outstanding under the Trust Agreement.

### **ARTICLE III**

#### **DEPOSIT AND USE OF 2020 PROCEEDS; OTHER FUNDS**

**Section 3.01. Disbursement of Proceeds.** The Trustee will apply proceeds from the sale of the 2020 Bonds as provided in the certificate described in Section 1.07(f).

**Section 3.02. Creation and Use of 2020 Proceeds Fund.** The Trustee will establish a special fund designated as the "Orange County 2020 Proceeds Fund." The Trustee will keep this Fund separate and apart from all other funds and moneys held by it, and will hold and administer this Fund as provided in this Supplemental Agreement. Moneys in the 2020 Proceeds Fund will be expended only as described in Sections 3.03 and 3.04. The Trustee is not required to disburse any moneys from the 2020 Proceeds Fund during the continuation of any Event of Default.

**Section 3.03. Deposits to 2020 Proceeds Fund; Payment of Project Costs.** (a) The Trustee will deposit into the 2020 Proceeds Fund the amount

specified in the certificate referenced in Section 1.07(f) and all other amounts paid to it for deposit in the 2020 Proceeds Fund.

(b) The Trustee will disburse moneys in the 2020 Proceeds Fund from time to time, either to pay 2020 Project Costs directly or to reimburse the County for previous expenditures on any of those costs, upon receipt of a requisition substantially in the form of Exhibit E. The Trustee will accept requisitions that the County submits by electronic mail or by facsimile transmission. The Trustee may rely conclusively on requisitions as authorization for payments, and the Trustee has no duty or responsibility to verify any matters in the requisitions.

(c) Unless otherwise directed by the County, the Trustee will disburse moneys from the 2020 Proceeds Fund that are due to the County by wire transfer to any bank account in the United States as the County may designate to the Trustee from time to time.

**Section 3.04. Transfer of Unexpended Proceeds.** Upon the first to occur of (a) July 1, 2023, or (b) receipt of a County Certificate stating that there are no more 2020 Project Costs to be paid from the 2020 Proceeds Fund, the Trustee will withdraw all remaining moneys in the 2020 Proceeds Fund and deposit those moneys in the Payment Fund. The Trustee will then apply those moneys to Bond payments as directed by a County Representative. In the absence of any direction from the County, the Trustee will deposit those moneys in the Interest Account and use them to pay interest on the 2020 Bonds as the same becomes due.

**Section 3.05. Use of Funds and Accounts from 2018 Agreement.** The Trustee is to maintain and administer the Bond Payment Fund (and its principal and interest accounts) and the Net Proceeds Fund established under the 2018 Agreement to the same effect and purpose as provided in the 2018 Agreement with respect to the 2020 Bonds as to the 2018 Bonds and all Bonds generally.

## ARTICLE IV

### MISCELLANEOUS PROVISIONS

**Section 4.01. Notices.**

(a) Any communication provided for in this Supplemental Agreement or the 2020 Bonds must be in writing (not to include facsimile transmission or electronic mail, except as provided in Section 3.03).

(b) Any communication sent under this Agreement must also be sent to the County and the Trustee, along with any other parties to which the communication may be addressed. Any party sending a communication under this Supplemental Agreement must also send a copy to the Lender, so long as the Lender is the registered owner of the 2020 Bond. Any party sending a communication under this Supplemental Agreement that relates to amendments or defaults must also send a copy to the LGC.

(c) Any communication under this Supplemental Agreement will be deemed given on the delivery date shown on a United States Postal Service certified mail receipt, or a delivery receipt (or similar evidence) from a national commercial package delivery service, if addressed as follows:

(i) if to the County, to Orange County Manager, Re: Notice under 2020 LOBs Trust Agreement, Post Office Box 8181, Hillsborough, NC 27278

(ii) if to the Trustee, to The Bank of New York Mellon Trust Company, N.A., Re: Notice for 2020 Financing for Orange County, 10161 Centurion Parkway North, Jacksonville, FL 32256

(iii) If to the LGC, to the North Carolina Local Government Commission, Attn: Secretary of the Commission, Re: Notice for 2020 Orange County LOBs Financing, Longleaf Building, 3200 Atlantic Ave., Raleigh, NC 27604

(iv) If to the Lender, to \_\_\_\_\_

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

(e) Whenever this Supplemental Agreement requires the giving of a notice, the person entitled to receive the notice may waive the notice, in writing. The giving

or receipt of the notice will then not be a condition to the validity of any action taken in reliance upon the waiver.

**Section 4.02. Definition of "Restricted Yield."** With respect to the 2020 Bonds, a "Restricted Yield" means a "yield," within the meaning of Treas. Regs. Secs. 1.103-13(c), -13(d), 1.148-9T(a), or any successor or other provision that may be applicable, not in excess of a "yield" equal to \_\_\_\_\_%.

**Section 4.03. Consent to Jurisdiction.** The Trustee consents to jurisdiction in the State of North Carolina for any lawsuit arising from this Supplemental Agreement, or arising from any of the related transactions contemplated by this Supplemental Agreement.

**Section 4.04. Binding Effect; Limitation of Rights.** This Supplemental Agreement is binding upon, inures to the benefit of and is enforceable by the parties and their respective successors and assigns. Nothing expressed or implied in this Supplemental Agreement or the 2020 Bonds gives any person other than the Trustee, the County and the Owners any right, remedy or claim under or with respect to this Supplemental Agreement.

**Section 4.05. Severability.** If any provision of this Supplemental Agreement is determined to be unenforceable, that does not affect any other provision of this Supplemental Agreement.

**Section 4.06. Counterparts.** This Supplemental Agreement may be signed in several counterparts, including separate counterparts. Each will be an original, but all of them together constitute the same instrument.

**Section 4.07. Restriction on transfer.** Notwithstanding any indication in the Master Agreement to the contrary, the Trustee will not register the transfer of any 2020 Bond to any person other than a bank, an insurance company or a similar financial institution unless the LGC has previously approved the transfer.

**Section 4.08. Definitions; Rules of Interpretation.** Unless the context clearly requires otherwise, capitalized terms used as defined terms in this Supplemental Agreement and not otherwise defined have the meanings set forth in Exhibit B, and if not defined there will have the meanings set forth in the Prior

Agreement. This Supplemental Agreement will be interpreted in accordance with the rules of interpretation set forth in the 2018 Agreement.

***[The remainder of this page has been left blank intentionally.]***

***IN WITNESS WHEREOF***, the parties have caused this Third Supplemental Trust Agreement to be executed in their corporate names by their duly authorized officers, all as of May 1, 2020.

**(SEAL)**

**ATTEST:**

**ORANGE COUNTY,  
NORTH CAROLINA**

\_\_\_\_\_  
Donna S. Baker  
Clerk, Board of Commissioners

By: \_\_\_\_\_  
Bonnie B. Hammersley  
County Manager

**The Bank of New York  
Mellon Trust Company, N.A.,  
as Trustee**

By: \_\_\_\_\_  
Terence Rawlins, Vice President

[Third Supplemental Trust Agreement dated as of May 1, 2020]

**Exhibit A – list of projects to be financed with estimated amounts**

<b>Component</b>	<b>Estimated Cost</b>
Facility, Accessibility, Safety and Security Projects	\$ 212,634
Generator Projects	\$ 33,000
HVAC Projects	\$ 230,218
Major Plumbing Repairs	\$ 50,885
Northern Campus – Detention Center	\$ 21,989,681
Northern Campus – EAC	\$ 5,677,065
Northern Campus – Parks Operations	\$ 1,404,810
Government Services (Link) Remediation	\$ 581,503
Skill Development Relocation - Europa Center Upfits	\$ 254,953
Roofing and Façade Projects	\$ 686,167
Parks and Recreation Facility Renovations. Repairs, Safety Improvements	\$ 246,500
Conservation Easements	\$ 259,514
River Park, Phase II	\$ 118,509
ITGC Initiatives	\$ 197,826
IT Infrastructure	\$ 489,910
Communication Systems	\$ 273,221
Solid Waste - Equipment and Vehicles	\$ 717,228
Solid Waste - Administrative Building Remediation	\$ 281,324
Sportsplex Capital Items - 2 Vans	\$ 70,090
Schools - Recurring Capital Needs	\$ 3,000,000
Schools - Improvements to Older Facilities	\$ 472,941
Schools – Other Various Projects	\$ 3,242,252
<b>Total Project Costs</b>	<b>\$ 40,490,231</b>

The County also expects to use financing proceeds to pay Financing Costs.

The amounts stated above are estimates only. The County may use any portion of the 2020 Bond proceeds for any of the 2020 Project Costs, subject to the County's obligation to undertake and complete those components of the project related to the

“Mortgaged Property,” as defined in the Deed of Trust, and the limitation on the use of funds only for 2020 Project Costs.

Components of the 2020 Project related to the Mortgaged Property include the following:

- The Northern Campus improvements described in the table above
- The Link Center and Emergency Services Building remediations referenced in the table above

## **EXHIBIT B – Definitions; Rules of Construction**

For all purposes of this Supplemental Agreement, unless the context requires otherwise, the following terms have the following meanings.

“2020 Bonds” means the County’s Limited Obligation Bonds, Series 2020, originally issued in the aggregate principal amount of [\$43,000,000] pursuant to the Prior Agreement and this Supplemental Agreement.

“2020 Proceeds Fund” means the Orange County 2020 Proceeds Fund established pursuant to Section 3.02.

“2020 Project” has the meaning assigned in the preambles to this Supplemental Agreement.

“2020 Project Costs” means “Project Costs,” as defined in the 2018 Agreement, related to the 2020 Project.

“Deed of Trust” means the Prior Deed of Trust as modified by the “Deed of Trust Supplement #3” dated as of May 1, 2020, also granted by the County for the Trustee’s benefit.

“Payment Date” with respect to the 2020 Bonds means each April 1 and October 1, beginning October 1, 2020.

“Prior Agreement” means the Trust Agreement dated as of June 1, 2018, between the County and The Bank of New York Mellon Trust Company, N.A., as trustee, as supplemented by (a) a First Supplemental Trust Agreement dated as of April 1, 2019, between the County and the Trustee, and (a) a Second Supplemental Trust Agreement dated as of November 1, 2019, also between the County and the Trustee.

“Prior Deed of Trust” means the Deed of Trust and Security Agreement dated as of June 1, 2018, from the County to a Deed of Trust Trustee for the County’s benefit, as supplemented by (a) a Deed of Trust Supplement #1 dated as of April 1, 2019, and (b) a Deed of Trust Supplement #2 dated as of November 1, 2019.

“Supplemental Agreement” means this Third Supplemental Trust Agreement, as it may be properly amended or supplemented from time to time.

“Trust Agreement” means the Prior Agreement as modified and supplemented by this Supplemental Agreement, as it may be further amended or supplemented from time to time.

All other capitalized terms used in this Third Supplemental Trust Agreement and not otherwise defined have the meanings ascribed thereto in the Prior Agreement.

**Exhibit C – Form of 2020 Bond**

Registered Bond Number R-1

**LIMITED OBLIGATION BOND, SERIES 2020**

**ORANGE COUNTY, NORTH CAROLINA**

**ORANGE COUNTY, NORTH CAROLINA (the "County")**, for value received, promises to pay, but solely from the sources and in the manner provided, to

**Capital One Public Funding, LLC**

or registered assigns (the "Bondholder"), the principal sum of

**[FORTY-THREE MILLION DOLLARS]**

**[\*\*\*\*\*\$43,000,000\*\*\*\*\*]**

in principal installments payable on each October 1 as shown on Schedule I, together with interest on the unpaid principal from the date hereof until payment of the entire principal sum at the annual rate of 2.70%, payable on each April 1 and October 1, beginning October 1, 2020, subject to redemption and adjustment as described below.

Interest is payable (a) from May \_\_, 2020, if this Bond is authenticated prior to October 1, 2020, or (b) otherwise from the April 1 or October 1 that is, or immediately precedes, the date on which this Bond is authenticated (unless payment of interest on this Bond is in default, in which case this Bond will bear interest from the date to which interest has been paid). In all events, (1) all payments on this Bond will be applied first to interest accrued and unpaid to the payment date and then to principal, and (2) if not sooner paid, the entire principal of and interest on this Bond will be due and payable on October 1, 2040. Principal and interest are payable in lawful money of the United States of America.

Upon any "Rate Adjustment Event," as defined below, (a) the unpaid principal of the this Bond will continue to be payable as shown in Schedule I, but (b) the interest on the this Bond shall be recalculated, at an interest rate equal to an annualized interest rate equal to the "Prime Rate," as defined below, plus 2% (200 basis points), to the date (retroactively, if need be) determined pursuant to the Rate Adjustment Event to be the date interest became includable in any Bondholder's gross income for federal income tax purposes. The Bondholder shall promptly prepare a substitute debt service schedule reflecting the new interest rate and resulting payment schedule, and deliver a copy of the new schedule to the County, the Trustee (as defined below) and to the LGC (as defined below).

The County shall pay interest at each adjusted rate as in effect from time to time (subject to credit for interest previously paid) to each affected Bondholder, notwithstanding the fact that any particular Bondholder may not be a Bondholder on the date of a Rate Adjustment Event. The County shall additionally pay to all affected Bondholders any interest, penalties or other charges assessed against or payable by such Bondholder and attributable to a Rate Adjustment Event, notwithstanding the prior repayment of this Bond in full or any transfer to another Bondholder. **The Trustee has no responsibility to calculate any such additional interest, penalties or charges, or to confirm that any have been paid, with those matters lying only between the County and the affected Bondholders.**

"Rate Adjustment Event" means (1) any action by the Internal Revenue Service (including the delivery of a deficiency notice) or any other federal court or administrative body or (2) receipt by the Bondholder of an opinion of nationally-recognized bond counsel acceptable to the County, in either case determining in effect that interest on the this Bond is includable in gross income for federal income tax purposes as a result of (i) any action the County takes, or fails to take, or (ii) any representation made by the County being a misrepresentation.

"Prime Rate" means the rate by that name published by Capital One Bank, N.A., as in effect from time to time, whether or not that bank or any affiliate at any time is the registered Bondholder.

This Bond constitutes the entire issue of [\$43,000,000] Limited Obligation Bonds, Series 2020 (the "Bonds"), issued under, and equally and ratably secured by, a Trust Agreement dated as of June 1, 2018, between the County and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as previously supplemented and as supplemented by a Third Supplemental Trust Agreement between the County and the Trustee and dated as of May 1, 2020 (as supplemented, the "Trust Agreement").

This Bond constitutes an installment contract within the meaning of Section 160A-20 of the North Carolina General Statutes between the County and the owner (from time to time) of this Bond. The Bond is payable solely from funds appropriated on an annual basis by the County's governing Board of Commissioners and other funds available for the purpose of payment pursuant to the Trust Agreement, such as certain net insurance and condemnation awards and the proceeds of remedial action, which revenues and other moneys have been pledged as described in the Trust Agreement to secure payment of the Bond. Neither the County's faith and credit nor its taxing power is pledged to the payment of any amounts due under the Bond. As provided for under that Section 160A-20, no deficiency judgment may be rendered against the County in any action for breach of a contractual obligation under the Bond or the Trust Agreement.

To further secure its obligations under the Trust Agreement, the County has granted, for the benefit of the Trustee on behalf of the owners of the Bonds, a security interest in certain public facilities and the related real property, and certain other property, pursuant to the Trust Agreement and a Deed of Trust and Security Agreement dated as of June 1, 2018, as previously supplemented and as supplemented by a Deed of Trust Supplement #3 dated as of May 1, 2020, delivered by the County for the Trustee's benefit (as supplemented, the "Deed of Trust").

The security provided to owners of the Bond under the Deed of Trust and otherwise is on parity with the security provided to owners of prior bonds issued under the Trust Agreement. Additional Bonds secured by a parity interest in the property securing the Bond may be issued under the terms and conditions set forth in the Trust Agreement.

Reference is made to the Trust Agreement and the Deed of Trust referenced above for the provisions, among others, with respect to the nature and extent of the

security, the rights, duties and obligations of the County and the Trustee, the rights of the Owners of the Bond and the terms upon which the Bond is executed, delivered and secured, to all of which provisions the owner of this Bond, by the acceptance of this Bond, agrees.

This Bond may not be redeemed prior to maturity except as provided in this Bond and in the Trust Agreement.

The County may redeem this Bond in whole or in part on any April 1 or October 1, provided that (a) the redemption amount must be at least \$500,000 and not more than \$1,000,000, (b) the County may make only one partial redemption in any calendar year, and (c) the source of funds for redemption may not be proceeds of any obligations issued to refinance this Bond. If the County redeems a portion of this Bond, the County will prepare, and the Trustee will deliver, a new bond in principal amount equal to the unpaid portion to the registered owner upon the surrender of the Bond.

In addition, the County may redeem this Bond in whole, but not in part, on any date on or after October 1, 2030, by paying all interest accrued and unpaid to the redemption date and all the unpaid principal.

No premium or penalty is payable for a redemption made as described above.

The Trustee will send redemption notice to the Bondholder, at its address as it appears on the Trustee's Bond Register (as defined in the Trust Agreement), not more than 60 nor less than 30 days prior to the redemption date.

If on or before the date fixed for redemption funds have been deposited with the Trustee to pay the principal and interest accrued to the redemption date with respect to the Bond called for redemption, the Bond or portion called for redemption will cease to accrue interest from and after the redemption date, will no longer be entitled to the benefits provided by the Trust Agreement, and will not be deemed to be Outstanding under the Trust Agreement.

The Owner of this Bond has no right to enforce the provisions of the Trust Agreement or to institute action to enforce the covenants therein, or to take any action with respect to any event of default thereunder, or to institute, appear in or

defend any suit or other proceeding with respect thereto, except as provided in the Trust Agreement. Changes to or supplements of the Trust Agreement may be made to the extent and in the circumstances permitted by the Trust Agreement.

Ownership of this Bond will be registered on the Bond Register (as defined in the Trust Agreement) kept for that purpose by the Trustee, which will act as Bond registrar. This Bond may be exchanged, and its transfer may be effected, only by its Owner in person or by attorney duly authorized in writing at the designated office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Trust Agreement, and upon surrender and cancellation of this Bond. **The Trustee will not register the transfer of the Bond to any person other than a bank, an insurance company or a similar financial institution unless the North Carolina Local Government Commission has previously approved the transfer.** Upon exchange or registration of such transfer a new registered Bond of the same maturity and interest rate for the same aggregate principal amount will be issued in exchange therefor.

The County and the Trustee may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal of and interest due on this Bond and for all other purposes, and neither the County nor the Trustee will be affected by any notice to the contrary, except that interest payments will be made to the persons shown as Owners on the Trustee's registration books on the **Record Date**, which is the end of the calendar day on the 15th day of the month (whether or not a business day) preceding each Payment Date.

All acts, conditions and things required by the Constitution and laws of the State of North Carolina to happen, exist or be performed precedent to and in the execution and delivery of this Bond have happened, exist and have been performed.

The County intends that North Carolina law will govern this Bond and all matters of its interpretation.

This Bond will not be entitled to any benefit under the Trust Agreement or be valid or obligatory for any purpose until the Trustee has executed the Certificate of Authentication appearing on this Bond.

**IN WITNESS WHEREOF**, the County has caused this instrument to be signed, sealed and delivered by duly authorized officers, all as of May \_\_\_\_\_, 2020.

**(SEAL)**  
**ATTEST:**

**ORANGE COUNTY**  
**NORTH CAROLINA**

\_\_\_\_\_  
Donna S. Baker  
Clerk, Board of Commissioners

By: \_\_\_\_\_  
Bonnie B. Hammersley  
County Manager

**[Orange County, North Carolina**  
**[\$43,000,000] Limited Obligation Bonds, Series 2020]**

**[Schedule I - Payment Schedule to be attached]**

This Bond has been approved under the provisions of Section 160A-20 and Article 8, Chapter 159 of the General Statutes of North Carolina.

Greg C. Gaskins  
 Secretary, North Carolina  
 Local Government Commission

By \_\_\_\_\_  
 [Greg C. Gaskins or  
 Designated Assistant]

#### **CERTIFICATE OF AUTHENTICATION**

This Bond is the Bond referred to in the Third Supplemental Trust Agreement dated as of May 1, 2020, between Orange County, North Carolina, and The Bank of New York Mellon Trust Company, N.A., as trustee.

Date of Authentication: \_\_\_\_\_

**THE BANK OF NEW YORK MELLON  
 TRUST COMPANY, N.A., as Trustee**

By: \_\_\_\_\_  
 Authorized Officer

**[Orange County, North Carolina  
 [\$43,000,000] Limited Obligation Bonds, Series 2020]**

**ASSIGNMENT**

**FOR VALUE RECEIVED** the undersigned hereby sell(s), assign(s) and transfer(s) unto

\_\_\_\_\_  
(Please print or type transferee’s name and address, including zip code)

PLEASE INSERT SOCIAL SECURITY OR OTHER  
IDENTIFYING NUMBER OF TRANSFEREE:

[Empty rectangular box for Social Security or other identifying number]

the within bond and all rights thereunder, hereby irrevocably constituting and appointing \_\_\_\_\_, Attorney, to transfer said certificate on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
(Signature of Owner)

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by a participant in the Securities Transfer Agent Medallion Program (“STAMP”) or similar program

NOTICE: The signature above must correspond with the name the Owner as it appears on the front of this certificate in every particular without alteration or enlargement or any change whatsoever.

## **EXHIBIT D – Schedule of Payments on 2020 Bonds**

Principal is payable in the amounts and on the dates as shown below, subject to redemption of the 2020 Bond as provided in this Supplemental Agreement. Interest is payable on the dates shown below.

The 2020 Bonds will bear interest from the Closing Date until paid. Interest is calculated at the annual rate of 2.70%, subject to adjustment as provided in this Supplemental Agreement. The schedule below shows the expected interest payment amounts.

The County’s obligation with respect to the 2020 Bonds on each Payment Date is the amount shown below as the “total payment” for that date, subject to adjustment as provided in Section 3.05(c) of the 2018 Agreement.

Payments are due to the Bondholders on the indicated Payment Dates. The County will deposit the amounts required for payment with the Trustee by the 25<sup>th</sup> day of the month preceding the Payment Date.

<b>Payment Date</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Payment</b>
[To come]			

## **Exhibit E – Form of Requisition**

[Date] \_\_\_\_\_

The Bank of New York Mellon Trust Company, N.A., as Trustee

Attention: Corporate Trust

Regarding: Requisition under 2020 Supplemental

Trust Agreement for Orange County, North Carolina

RE: Request by Orange County, North Carolina (the "County"), for disbursement of funds from a Bond Proceeds Fund created under a Third Supplemental Trust Agreement dated as of May 1, 2020 (the "2020 Agreement"), with Orange County, North Carolina (the "County")

To the Trustee:

Pursuant to the terms and conditions of the 2020 Agreement, the County authorizes and requests the disbursement of funds from the "Orange County 2020 Proceeds Fund" established under that 2020 Agreement for the costs described below.

Capitalized terms used in this requisition and not otherwise defined have the meanings ascribed in the 2020 Agreement.

This is requisition number 2020 - \_\_\_\_ from the 2020 Proceeds Fund.

<b>Total Amount for Disbursement</b>	
<b>Payee</b>	
<b>Payee's address</b>	

Orange County makes this requisition pursuant to the following representations:

1. The County has appropriated in its current fiscal year funds sufficient to pay the Bond Payments and estimated Additional Payments due in the current fiscal year.
2. The purpose of this disbursement is for payment of 2020 Project Costs as provided for in the Trust Agreement.
3. The requested disbursement has not been subject to any previous requisition.
4. No notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable herein to any of the persons, firms or corporations named herein has been received, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this requisition.
5. This requisition contains no items representing payment on account of any percentage entitled to be retained on the date of this requisition.
6. No Event of Default is continuing, and no event or condition is existing which, with notice or lapse of time or both, would become an Event of Default.
7. The County has insurance in place that complies with the insurance requirements of the Trust Agreement.
8. No portion of the amounts set forth in this requisition represents amounts paid or payable as North Carolina state sales taxes.

**ORANGE COUNTY, NORTH CAROLINA**

By: **[Exhibit Form Only - Do Not Sign]**

Title: \_\_\_\_\_  
County Representative

## Attachment 4

**Explanation of School Capital Funding**

## Schools – Recurring Capital

- Schools must use Recurring Capital outlay funds in one or more of the following categories:
  - Category I – Facility Improvements
  - Category II – Equipment and Furnishings
  - Category III – Vehicles and Bus Purchases

## Schools – Improvements to Older Facilities

- When the 2016 Bond Referendum was approved for \$120 million for Schools, the Board of County Commissioners also approved \$5 million (\$1 million over a 5-year period) for Schools to use towards improvements to their older facilities, as outlined in the Assessment studies of Older Facilities. This funding began in FY 2016-17 and the final year of this funding is scheduled for FY 2020-21.

## Schools – Other Various Projects

- These funds are part of the annual funding provided to Schools to go towards their long range capital needs as outlined in the Capital Investment Plan.

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Limited Obligation Bond, Series 2020  
Final Numbers  
Capital One

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SOURCES AND USES OF FUNDS

Orange County, NC  
 Limited Obligation Bond, Series 2020  
 Final Numbers  
 Capital One

Dated Date                    05/08/2020  
 Delivery Date                05/08/2020

	Limited Obligation Bond, Series 2020
<b>Sources:</b>	
<hr/>	
Bond Proceeds:	
Par Amount	40,731,000.00
	<hr/>
	40,731,000.00
	<hr/> <hr/>

	Limited Obligation Bond, Series 2020
<b>Uses:</b>	
<hr/>	
Project Fund Deposits:	
IT - Governance Council Initiatives	197,826.00
IT Infrastructure	489,910.00
Solid Waste - Equipment and Vehicles	717,228.00
Sportsplex Capital Items - 2 Vans	70,090.00
Communication Systems (Portable Radios)	273,221.00
Schools Recurring Capital	3,000,000.00
Parks and Recreation Facility Renovations	246,500.00
HVAC Projects	230,218.00
Conservation Easements	259,514.00
Facility Accessibility & Security Improvements	212,634.00
Generator Projects	33,000.00
Major Plumbing Repairs	50,885.00
North Campus Detention Center	21,989,681.00
Northern Campus Environment and Ag Center	5,677,065.00
Northern Campus Parks Operations Center	1,404,810.00
River Park, Phase II	118,509.00
Roofing Projects	686,167.00
Schools Older Facilities Improvements	472,941.00
Schools Various Facilities Improvements	3,242,252.00
Skills Development Relocation (Europa)	254,953.00
Government Services (Link) Remediation	581,503.00
Solid Waste - Administrative Building Remediation	281,324.00
	<hr/>
	40,490,231.00

Cost of Issuance:	
Cost of Issuance	240,000.00

Other Uses of Funds:	
Additional Proceeds	769.00
	<hr/>
	40,731,000.00
	<hr/> <hr/>

BOND SUMMARY STATISTICS

Orange County, NC  
Limited Obligation Bond, Series 2020  
Final Numbers  
Capital One

Dated Date	05/08/2020
Delivery Date	05/08/2020
Last Maturity	10/01/2040
Arbitrage Yield	2.700173%
True Interest Cost (TIC)	2.700173%
Net Interest Cost (NIC)	2.700000%
All-In TIC	2.770146%
Average Coupon	2.700000%
Average Life (years)	10.116
Duration of Issue (years)	8.572
Par Amount	40,731,000.00
Bond Proceeds	40,731,000.00
Total Interest	11,124,681.99
Net Interest	11,124,681.99
Total Debt Service	51,855,681.99
Maximum Annual Debt Service	3,525,540.50
Average Annual Debt Service	2,542,291.37
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
-----	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bonds	40,731,000.00	100.000	2.700%	10.116
	40,731,000.00			10.116

	TIC	All-In TIC	Arbitrage Yield
Par Value	40,731,000.00	40,731,000.00	40,731,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		(240,000.00)	
- Other Amounts			
Target Value	40,731,000.00	40,491,000.00	40,731,000.00
Target Date	05/08/2020	05/08/2020	05/08/2020
Yield	2.700173%	2.770146%	2.700173%

BOND PRICING

Orange County, NC  
 Limited Obligation Bond, Series 2020  
 Final Numbers  
 Capital One

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bonds:					
	10/01/2021	2,459,000	2.700%	2.700%	100.000
	10/01/2022	2,467,000	2.700%	2.700%	100.000
	10/01/2023	2,473,000	2.700%	2.700%	100.000
	10/01/2024	2,481,000	2.700%	2.700%	100.000
	10/01/2025	2,489,000	2.700%	2.700%	100.000
	10/01/2026	2,347,000	2.700%	2.700%	100.000
	10/01/2027	2,351,000	2.700%	2.700%	100.000
	10/01/2028	2,228,000	2.700%	2.700%	100.000
	10/01/2029	1,813,000	2.700%	2.700%	100.000
	10/01/2030	1,813,000	2.700%	2.700%	100.000
	10/01/2031	1,789,000	2.700%	2.700%	100.000
	10/01/2032	1,789,000	2.700%	2.700%	100.000
	10/01/2033	1,789,000	2.700%	2.700%	100.000
	10/01/2034	1,789,000	2.700%	2.700%	100.000
	10/01/2035	1,789,000	2.700%	2.700%	100.000
	10/01/2036	1,773,000	2.700%	2.700%	100.000
	10/01/2037	1,773,000	2.700%	2.700%	100.000
	10/01/2038	1,773,000	2.700%	2.700%	100.000
	10/01/2039	1,773,000	2.700%	2.700%	100.000
	10/01/2040	1,773,000	2.700%	2.700%	100.000
		40,731,000			

Dated Date	05/08/2020	
Delivery Date	05/08/2020	
First Coupon	10/01/2020	
Par Amount	40,731,000.00	
Original Issue Discount		
Production	40,731,000.00	100.000000%
Underwriter's Discount		
Purchase Price	40,731,000.00	100.000000%
Accrued Interest		
Net Proceeds	40,731,000.00	

NET DEBT SERVICE  
Orange County, NC  
Limited Obligation Bond, Series 2020  
Final Numbers  
Capital One

Date	Principal	Coupon	Interest	Total Debt Service	Net Debt Service	Annual Net D/S
10/01/2020			436,839.99	436,839.99	436,839.99	
04/01/2021			549,868.50	549,868.50	549,868.50	
06/30/2021						986,708.49
10/01/2021	2,459,000	2.700%	549,868.50	3,008,868.50	3,008,868.50	
04/01/2022			516,672.00	516,672.00	516,672.00	
06/30/2022						3,525,540.50
10/01/2022	2,467,000	2.700%	516,672.00	2,983,672.00	2,983,672.00	
04/01/2023			483,367.50	483,367.50	483,367.50	
06/30/2023						3,467,039.50
10/01/2023	2,473,000	2.700%	483,367.50	2,956,367.50	2,956,367.50	
04/01/2024			449,982.00	449,982.00	449,982.00	
06/30/2024						3,406,349.50
10/01/2024	2,481,000	2.700%	449,982.00	2,930,982.00	2,930,982.00	
04/01/2025			416,488.50	416,488.50	416,488.50	
06/30/2025						3,347,470.50
10/01/2025	2,489,000	2.700%	416,488.50	2,905,488.50	2,905,488.50	
04/01/2026			382,887.00	382,887.00	382,887.00	
06/30/2026						3,288,375.50
10/01/2026	2,347,000	2.700%	382,887.00	2,729,887.00	2,729,887.00	
04/01/2027			351,202.50	351,202.50	351,202.50	
06/30/2027						3,081,089.50
10/01/2027	2,351,000	2.700%	351,202.50	2,702,202.50	2,702,202.50	
04/01/2028			319,464.00	319,464.00	319,464.00	
06/30/2028						3,021,666.50
10/01/2028	2,228,000	2.700%	319,464.00	2,547,464.00	2,547,464.00	
04/01/2029			289,386.00	289,386.00	289,386.00	
06/30/2029						2,836,850.00
10/01/2029	1,813,000	2.700%	289,386.00	2,102,386.00	2,102,386.00	
04/01/2030			264,910.50	264,910.50	264,910.50	
06/30/2030						2,367,296.50
10/01/2030	1,813,000	2.700%	264,910.50	2,077,910.50	2,077,910.50	
04/01/2031			240,435.00	240,435.00	240,435.00	
06/30/2031						2,318,345.50
10/01/2031	1,789,000	2.700%	240,435.00	2,029,435.00	2,029,435.00	
04/01/2032			216,283.50	216,283.50	216,283.50	
06/30/2032						2,245,718.50
10/01/2032	1,789,000	2.700%	216,283.50	2,005,283.50	2,005,283.50	
04/01/2033			192,132.00	192,132.00	192,132.00	
06/30/2033						2,197,415.50
10/01/2033	1,789,000	2.700%	192,132.00	1,981,132.00	1,981,132.00	
04/01/2034			167,980.50	167,980.50	167,980.50	
06/30/2034						2,149,112.50
10/01/2034	1,789,000	2.700%	167,980.50	1,956,980.50	1,956,980.50	
04/01/2035			143,829.00	143,829.00	143,829.00	
06/30/2035						2,100,809.50
10/01/2035	1,789,000	2.700%	143,829.00	1,932,829.00	1,932,829.00	
04/01/2036			119,677.50	119,677.50	119,677.50	
06/30/2036						2,052,506.50
10/01/2036	1,773,000	2.700%	119,677.50	1,892,677.50	1,892,677.50	
04/01/2037			95,742.00	95,742.00	95,742.00	
06/30/2037						1,988,419.50
10/01/2037	1,773,000	2.700%	95,742.00	1,868,742.00	1,868,742.00	
04/01/2038			71,806.50	71,806.50	71,806.50	
06/30/2038						1,940,548.50
10/01/2038	1,773,000	2.700%	71,806.50	1,844,806.50	1,844,806.50	
04/01/2039			47,871.00	47,871.00	47,871.00	
06/30/2039						1,892,677.50
10/01/2039	1,773,000	2.700%	47,871.00	1,820,871.00	1,820,871.00	
04/01/2040			23,935.50	23,935.50	23,935.50	
06/30/2040						1,844,806.50
10/01/2040	1,773,000	2.700%	23,935.50	1,796,935.50	1,796,935.50	
06/30/2041						1,796,935.50
	40,731,000		11,124,681.99	51,855,681.99	51,855,681.99	51,855,681.99

## NET DEBT SERVICE

Orange County, NC  
Limited Obligation Bond, Series 2020  
Final Numbers  
Capital One

Period Ending	Principal	Coupon	Interest	Total Debt Service	Net Debt Service
06/30/2021			986,708.49	986,708.49	986,708.49
06/30/2022	2,459,000	2.700%	1,066,540.50	3,525,540.50	3,525,540.50
06/30/2023	2,467,000	2.700%	1,000,039.50	3,467,039.50	3,467,039.50
06/30/2024	2,473,000	2.700%	933,349.50	3,406,349.50	3,406,349.50
06/30/2025	2,481,000	2.700%	866,470.50	3,347,470.50	3,347,470.50
06/30/2026	2,489,000	2.700%	799,375.50	3,288,375.50	3,288,375.50
06/30/2027	2,347,000	2.700%	734,089.50	3,081,089.50	3,081,089.50
06/30/2028	2,351,000	2.700%	670,666.50	3,021,666.50	3,021,666.50
06/30/2029	2,228,000	2.700%	608,850.00	2,836,850.00	2,836,850.00
06/30/2030	1,813,000	2.700%	554,296.50	2,367,296.50	2,367,296.50
06/30/2031	1,813,000	2.700%	505,345.50	2,318,345.50	2,318,345.50
06/30/2032	1,789,000	2.700%	456,718.50	2,245,718.50	2,245,718.50
06/30/2033	1,789,000	2.700%	408,415.50	2,197,415.50	2,197,415.50
06/30/2034	1,789,000	2.700%	360,112.50	2,149,112.50	2,149,112.50
06/30/2035	1,789,000	2.700%	311,809.50	2,100,809.50	2,100,809.50
06/30/2036	1,789,000	2.700%	263,506.50	2,052,506.50	2,052,506.50
06/30/2037	1,773,000	2.700%	215,419.50	1,988,419.50	1,988,419.50
06/30/2038	1,773,000	2.700%	167,548.50	1,940,548.50	1,940,548.50
06/30/2039	1,773,000	2.700%	119,677.50	1,892,677.50	1,892,677.50
06/30/2040	1,773,000	2.700%	71,806.50	1,844,806.50	1,844,806.50
06/30/2041	1,773,000	2.700%	23,935.50	1,796,935.50	1,796,935.50
	40,731,000		11,124,681.99	51,855,681.99	51,855,681.99

PROOF OF ARBITRAGE YIELD

Orange County, NC  
Limited Obligation Bond, Series 2020  
Final Numbers  
Capital One

Date	Debt Service	Total	Present Value to 05/08/2020 @ 2.7001731403%
10/01/2020	436,839.99	436,839.99	432,210.63
04/01/2021	549,868.50	549,868.50	536,794.15
10/01/2021	3,008,868.50	3,008,868.50	2,898,197.76
04/01/2022	516,672.00	516,672.00	491,038.58
10/01/2022	2,983,672.00	2,983,672.00	2,797,870.70
04/01/2023	483,367.50	483,367.50	447,228.92
10/01/2023	2,956,367.50	2,956,367.50	2,698,899.62
04/01/2024	449,982.00	449,982.00	405,321.21
10/01/2024	2,930,982.00	2,930,982.00	2,604,912.96
04/01/2025	416,488.50	416,488.50	365,223.70
10/01/2025	2,905,488.50	2,905,488.50	2,513,917.25
04/01/2026	382,887.00	382,887.00	326,872.45
10/01/2026	2,729,887.00	2,729,887.00	2,299,472.60
04/01/2027	351,202.50	351,202.50	291,888.54
10/01/2027	2,702,202.50	2,702,202.50	2,215,915.59
04/01/2028	319,464.00	319,464.00	258,483.68
10/01/2028	2,547,464.00	2,547,464.00	2,033,738.59
04/01/2029	289,386.00	289,386.00	227,950.46
10/01/2029	2,102,386.00	2,102,386.00	1,633,997.10
04/01/2030	264,910.50	264,910.50	203,148.62
10/01/2030	2,077,910.50	2,077,910.50	1,572,234.84
04/01/2031	240,435.00	240,435.00	179,499.87
10/01/2031	2,029,435.00	2,029,435.00	1,494,918.36
04/01/2032	216,283.50	216,283.50	157,196.04
10/01/2032	2,005,283.50	2,005,283.50	1,438,036.34
04/01/2033	192,132.00	192,132.00	135,947.01
10/01/2033	1,981,132.00	1,981,132.00	1,383,118.04
04/01/2034	167,980.50	167,980.50	115,712.58
10/01/2034	1,956,980.50	1,956,980.50	1,330,099.36
04/01/2035	143,829.00	143,829.00	96,453.93
10/01/2035	1,932,829.00	1,932,829.00	1,278,918.21
04/01/2036	119,677.50	119,677.50	78,133.58
10/01/2036	1,892,677.50	1,892,677.50	1,219,207.73
04/01/2037	95,742.00	95,742.00	60,852.65
10/01/2037	1,868,742.00	1,868,742.00	1,171,931.39
04/01/2038	71,806.50	71,806.50	44,431.65
10/01/2038	1,844,806.50	1,844,806.50	1,126,303.45
04/01/2039	47,871.00	47,871.00	28,837.19
10/01/2039	1,820,871.00	1,820,871.00	1,082,269.76
04/01/2040	23,935.50	23,935.50	14,037.01
10/01/2040	1,796,935.50	1,796,935.50	1,039,777.91
	51,855,681.99	51,855,681.99	40,731,000.00

Proceeds Summary

Delivery date	05/08/2020
Par Value	40,731,000.00
Target for yield calculation	40,731,000.00

FORM 8038 STATISTICS

Orange County, NC  
Limited Obligation Bond, Series 2020  
Final Numbers  
Capital One

Dated Date                    05/08/2020  
Delivery Date                05/08/2020

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Bonds:						
	10/01/2021	2,459,000.00	2.700%	100.000	2,459,000.00	2,459,000.00
	10/01/2022	2,467,000.00	2.700%	100.000	2,467,000.00	2,467,000.00
	10/01/2023	2,473,000.00	2.700%	100.000	2,473,000.00	2,473,000.00
	10/01/2024	2,481,000.00	2.700%	100.000	2,481,000.00	2,481,000.00
	10/01/2025	2,489,000.00	2.700%	100.000	2,489,000.00	2,489,000.00
	10/01/2026	2,347,000.00	2.700%	100.000	2,347,000.00	2,347,000.00
	10/01/2027	2,351,000.00	2.700%	100.000	2,351,000.00	2,351,000.00
	10/01/2028	2,228,000.00	2.700%	100.000	2,228,000.00	2,228,000.00
	10/01/2029	1,813,000.00	2.700%	100.000	1,813,000.00	1,813,000.00
	10/01/2030	1,813,000.00	2.700%	100.000	1,813,000.00	1,813,000.00
	10/01/2031	1,789,000.00	2.700%	100.000	1,789,000.00	1,789,000.00
	10/01/2032	1,789,000.00	2.700%	100.000	1,789,000.00	1,789,000.00
	10/01/2033	1,789,000.00	2.700%	100.000	1,789,000.00	1,789,000.00
	10/01/2034	1,789,000.00	2.700%	100.000	1,789,000.00	1,789,000.00
	10/01/2035	1,789,000.00	2.700%	100.000	1,789,000.00	1,789,000.00
	10/01/2036	1,773,000.00	2.700%	100.000	1,773,000.00	1,773,000.00
	10/01/2037	1,773,000.00	2.700%	100.000	1,773,000.00	1,773,000.00
	10/01/2038	1,773,000.00	2.700%	100.000	1,773,000.00	1,773,000.00
	10/01/2039	1,773,000.00	2.700%	100.000	1,773,000.00	1,773,000.00
	10/01/2040	1,773,000.00	2.700%	100.000	1,773,000.00	1,773,000.00
		40,731,000.00			40,731,000.00	40,731,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	10/01/2040	2.700%	1,773,000.00	1,773,000.00		
Entire Issue			40,731,000.00	40,731,000.00	10.1158	2.7002%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	240,000.00
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00

## DISCLAIMER

Orange County, NC  
Limited Obligation Bond, Series 2020  
Final Numbers  
Capital One

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## 2020 Bank Financing

### Final Financing Resolution includes Northern Campus

Gary Donaldson, Chief Financial Officer

April 21, 2020

# Purpose

- Seek Board Approval of bank financed transaction pursuant to NC Statute Section 160A-20
- Capital One Bank will hold 2.7% interest rate through May 12, 2020
- Financing secured by a Deed of Trust, with a security interest in various County buildings and land with a total collateral value estimated at \$40 million
- 2020 Bank Financing will fund various County projects including:
 

- Northern Campus:	\$29.07 Million
- Schools Capital Improvements:	\$6.72 Million
- Other County Projects:	\$3.63 Million
- Solid Waste-Admin Building:	\$0.28 Million
- <u>Vehicle Replacements (7 Years):</u>	<u>\$0.79 Million</u>
-Total:	\$40.49 Million

# Northern Campus Renderings



*Detention Center*



*Northern Campus*



*Environment and Agricultural Center & Parks Operations Base*

# Final Projects to be Financed

Component	Estimated Cost
Facility, Accessibility, Safety and Security Projects	\$ 212,634
Generator Projects	\$ 33,000
HVAC Projects	\$ 230,218
Major Plumbing Repairs	\$ 50,885
Northern Campus – Detention Center	\$ 21,989,681
Northern Campus – EAC	\$ 5,677,065
Northern Campus – Parks Operations	\$ 1,404,810
Government Services (Link) Remediation	\$ 581,503
Skill Development Relocation - Europa Center Upfits	\$ 254,953
Roofing and Façade Projects	\$ 686,167
Parks and Recreation Facility Renovations. Repairs, Safety Improvements	\$ 246,500
Conservation Easements	\$ 259,514
River Park, Phase II	\$ 118,509
ITGC Initiatives	\$ 197,826
IT Infrastructure	\$ 489,910
Communication Systems	\$ 273,221
Solid Waste - Equipment and Vehicles	\$ 717,228
Solid Waste - Administrative Building Remediation	\$ 281,324
Sportsplex Capital Items - 2 Vans	\$ 70,090
Schools - Recurring Capital Needs	\$ 3,000,000
Schools - Improvements to Older Facilities	\$ 472,941
Schools – Other Various Projects	\$ 3,242,252
<b>Total Project Costs</b>	<b>\$ 40,490,231</b>

# Key Financing Terms

- Security Pledge- County collateral Government Services Annex, Government Services Link Center, District Attorney Building, Emergency Operations Center and the Northern Campus Collateral value totals \$65 Million; and Subject to Annual Appropriations
- Payments made to the Trustee no later than March 25 (for April 1 payment) and no later than September 25 (for October 1 payment)
- Maturity Term- 7- 20 Year maturities matches with the useful life of the assets
- Maximum Annual Debt Service not exceeding \$3.6 Million (FY 2021-22)
- Source of Repayment- Property Tax, Solid Waste Fees and Sportsplex Fees
- Subordinate Lien and Pledge to General Obligation Bonds

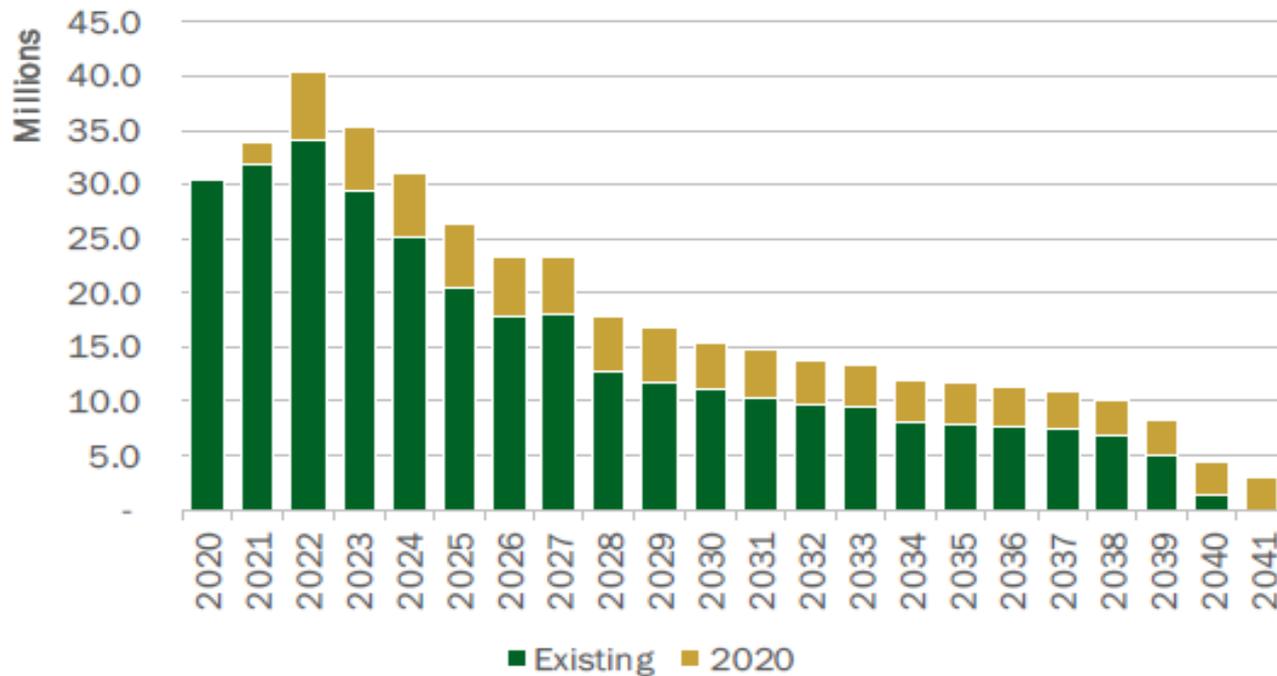
# Key Debt Model Metrics

Debt Ratios	10-Year Payback	Debt to Assessed Value	DS to GF Revenues
2020	65.17%	1.63%	13.26%
2021	64.61%	1.69%	14.33%
2022	62.52%	1.88%	<b>16.75%</b>
2023	62.33%	1.88%	<b>16.49%</b>
2024	64.14%	1.82%	<b>16.66%</b>
2025	65.88%	1.69%	<b>15.79%</b>
2026	68.11%	1.53%	<b>15.07%</b>

Note: Includes the Spring 2020 Financing plus future 2021-2026 CIP projects as of April 3, 2020.

# Debt Service Retirement and Additional Debt Capacity

## Existing and Proposed Tax Supported Debt Service



Note: Additional Debt Capacity beginning FY 2025; with proposed GO Bond Referendum November 2024

# Questions/Comments

ORD-2020-009

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** April 21, 2020

**Action Agenda  
Item No.** 8-f

**SUBJECT:** Fiscal Year 2019-20 Budget Amendment #8

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**DEPARTMENT:** Finance and Administrative Services

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**ATTACHMENT(S):**

- Attachment 1. Budget As Amended Spreadsheet
- Attachment 2. Year-to-Date Budget Summary
- Attachment 3. New Hope Fire Department Letter of Request

**INFORMATION CONTACT:**

Paul Laughton, (919) 245-2152  
Gary Donaldson, (919) 245-2453

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**PURPOSE:** To approve budget and grant project ordinance amendments for fiscal year 2019-20.

**BACKGROUND:**

**Animal Services**

1. Orange County Animal Services has received notification of a \$20,000 grant award from the Petco Foundation. These funds will be used toward medical treatment for adoptable animals. This budget amendment provides for the receipt of these grant funds and establishes the following grant project ordinance: *(See Attachment 1, column #1)*

***Petco Foundation Grant (\$20,000) - Project # 71381***

Revenues for this project:

	Current FY 2019-20	FY 2019-20 Amendment	FY 2019-20 Revised
Petco Foundation Grant Funds	\$0	\$20,000	\$20,000
<b>Total Project Funding</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$20,000</b>

Appropriated for this project:

	Current FY 2019-20	FY 2019-20 Amendment	FY 2019-20 Revised
Petco Foundation Grant	\$0	\$20,000	\$20,000
<b>Total Costs</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$20,000</b>

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

### Social Services

- The Department of Social Services has been awarded an additional \$4,397 in Emergency Solutions Grant funds to be used for rapid rehousing financial assistance. This budget amendment provides for the receipt of these additional grant funds, and amends the following grant project ordinance: *(See Attachment 1, column #2)*

#### **Emergency Solutions Grant (\$4,397) - Project # 71084**

Revenues for this project:

	Current FY 2019-20	FY 2019-20 Amendment	FY 2019-20 Revised
Emergency Solutions Grant	\$503,061	\$4,397	\$507,458
<b>Total Project Funding</b>	<b>\$503,061</b>	<b>\$4,397</b>	<b>\$507,458</b>

Appropriated for this project:

	Current FY 2019-20	FY 2019-20 Amendment	FY 2019-20 Revised
Emergency Solutions Grant	\$503,061	\$4,397	\$507,458
<b>Total Costs</b>	<b>\$503,061</b>	<b>\$4,397</b>	<b>\$507,458</b>

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this item:

- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**

The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

### Health Department

- The Health Department has been awarded \$2,500 in grant funding from Delta Dental. These funds will be used to purchase educational supplies for the mobile dental clinic program. This budget amendment provides for the receipt of these additional funds for the above stated purpose. *(See Attachment 1, column #3)*

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goal is applicable to this item:

- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**

The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

**ENVIRONMENTAL IMPACT:** The following Orange County Environmental Responsibility Goal impact is applicable to this item:

- **CLEAN OR AVOIDED TRANSPORTATION**

Implement programs that monitor and improve local and regional air quality by 1) promoting public transportation options, 2) decreasing dependence on single-occupancy vehicles, and 3) otherwise minimizing the need for travel.

## Library Services

4. Orange County Library Services has received additional funds of \$7,741 from the Friends of the Orange County Library. These funds will be used to support the Library's Summer Learning program. This budget amendment provides for the receipt of these additional funds for the above stated purpose. *(Attachment 1, column #4)*

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goal is applicable to this item:

- **GOAL: FOSTER A COMMUNITY CULTURE THAT REJECTS OPPRESSION AND INEQUITY**

The fair treatment and meaningful involvement of all people regardless of race or color; religious or philosophical beliefs; sex, gender or sexual orientation; national origin or ethnic background; age; military service; disability; and familial, residential or economic status.

## New Hope Volunteer Fire Department

5. The New Hope Volunteer Fire Department has requested \$75,000 of their district's available unassigned fund balance to be used for the following items 1) \$35,000 for the purchase of an Utility Task Vehicle (UTV) and trailer for use in areas that normal apparatus cannot reach; it has fire and EMS capabilities and will be a tremendous asset in wooded areas with trails too small for a normal vehicle to reach; and 2) \$40,000 to begin replacing mobile radios. With this appropriation, approximately \$102,800 remains in the district's unassigned fund balance. This budget amendment provides for the appropriation of \$75,000 from the district's fund balance for the above stated purposes. *(See Attachment 1, column #5 and Attachment 3)*

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goal is applicable to this item:

- **GOAL: CREATE A SAFE COMMUNITY**

The reduction of risks from vehicle/traffic accidents, childhood and senior injuries, gang activity, substance abuse and domestic violence.

## Planning and Inspections Department

6. At its March 24, 2020 meeting, the Board of County Commissioners approved a consultant contract, not to exceed \$287,218, to update the 2017 Orange County Transit Plan analyzing revenues and expenditures through 2040. This contract amount will be 100% reimbursed from the Article 43 Transit Tax proceeds. This budget amendment provides for the receipt of these reimbursement funds to cover the cost of the consultant contract. *(See Attachment 1, column #6)*

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this agenda item:

- **GOAL: ESTABLISH SUSTAINABLE AND EQUITABLE LAND-USE AND ENVIRONMENTAL POLICIES**

The fair treatment and meaningful involvement of people of all races, cultures, incomes and educational levels with respect to the development and enforcement of environmental laws, regulations, policies, and decisions. Fair treatment means

that no group of people should bear a disproportionate share of the negative environmental consequences resulting from industrial, governmental and commercial operations or policies.

- **GOAL: ENABLE FULL CIVIC PARTICIPATION**

Ensure that Orange County residents are able to engage government through voting and volunteering by eliminating disparities in participation and barriers to participation.

**ENVIRONMENTAL IMPACT:** The following Orange County Environmental Responsibility Goal impact is applicable to this item:

- **CLEAN OR AVOIDED TRANSPORTATION**

Implement programs that monitor and improve local and regional air quality by 1) promoting public transportation options, 2) decreasing dependence on single-occupancy vehicles, and 3) otherwise minimizing the need for travel.

**ENVIRONMENTAL IMPACT:** There are no Orange County Environmental Responsibility Goal impacts associated with the Budget Amendment items other than the ones stated in Items #3 and #6 above.

**FINANCIAL IMPACT:** Financial impacts are included in the background information above. This budget amendment provides for the receipt of these additional funds in FY 2019-20 and increases the General Fund by \$297,459, the Grant Project Fund by \$24,397, and the Fire Districts Fund by \$75,000.

**RECOMMENDATION(S):** The Manager recommends the Board approve the budget and grant project ordinance amendments for fiscal year 2019-20.

Attachment 1. Orange County Proposed 2019-20 Budget Amendment

The 2019-20 Orange County Budget Ordinance is amended as follows:

Original Budget	Encumbrance Carry Forwards	Budget as Amended	Housing and Community Development - Transfer of \$100,000 from the Orange County Local Rent Supplement Program to the Risk Mitigation and Housing Displacement Fund	Budget as Amended Through BOA #7-A	1. Animal Services - receipt of \$20,000 grant award from the Petco Foundation	2. Social Services - receipt of additional Emergency Solutions Grant funds of \$4,397 to be used for rapid rehousing financial assistance	3. Health Department - receipt of \$2,500 in grant funding from Delta Dental to be used to purchase educational supplies for the mobile dental clinic program	4. Library Services - receipt of additional funds of \$7,741 from the Friends of the Orange County Library to be used to support the Library's Summer Learning program	5. New Hope Fire Department - fund balance appropriation of \$75,000 for the purchase of a Utility Task Vehicle (UTV); and replacement radios	6. Planning and Inspections - receipt of reimbursement funds of \$287,218 from Article 43 Transit Tax proceeds to hire a consultant to update the 2017 Orange County Transit Plan	Budget as Amended Through BOA #8
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General Fund

Revenue												
Property Taxes	\$ 165,153,931	\$ -	\$ 165,153,931	\$ -	\$ 165,153,931	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,153,931
Sales Taxes	\$ 25,372,861	\$ -	\$ 25,372,861	\$ -	\$ 25,372,861	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,372,861
License and Permits	\$ 313,260	\$ -	\$ 313,260	\$ -	\$ 313,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 313,260
Health	\$ 1,613,302	\$ -	\$ 1,613,302	\$ -	\$ 1,662,322	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ 1,664,822
Intergovernmental	\$ 18,278,612	\$ -	\$ 18,278,612	\$ -	\$ 19,019,547	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ 19,022,047
Charges for Service	\$ 12,704,833	\$ -	\$ 12,704,833	\$ -	\$ 12,853,506	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,853,506
Investment Earnings	\$ 415,000	\$ -	\$ 415,000	\$ -	\$ 449,721	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 449,721
Miscellaneous	\$ 3,040,769	\$ -	\$ 3,040,769	\$ -	\$ 3,320,456	\$ -	\$ -	\$ 7,741	\$ -	\$ 287,218	\$ -	\$ 3,615,415
Transfers from Other Funds	\$ 4,034,600	\$ -	\$ 4,034,600	\$ -	\$ 4,034,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,034,600
Alternative Financing	\$ -	\$ -	\$ -	\$ -	\$ 254,953	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 254,953
Fund Balance	\$ 7,808,006	\$ 1,468,810	\$ 9,276,816	\$ -	\$ 9,253,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,253,092
<b>Total General Fund Revenues</b>	<b>\$ 237,121,872</b>	<b>\$ 1,468,810</b>	<b>\$ 238,590,682</b>	<b>\$ -</b>	<b>\$ 240,025,927</b>	<b>\$ -</b>	<b>\$ 2,500</b>	<b>\$ 7,741</b>	<b>\$ -</b>	<b>\$ 287,218</b>	<b>\$ -</b>	<b>\$ 240,323,386</b>

Expenditures

Support Services	\$ 12,465,362	\$ 421,862	\$ 12,887,224	\$ -	\$ 11,996,733	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,996,733
General Government	\$ 23,540,653	\$ 104,565	\$ 23,645,218	\$ -	\$ 23,825,178	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,825,178
Non-Departmental	\$ 597,490	\$ 29,339	\$ 626,829	\$ -	\$ 626,829	\$ -	\$ -	\$ -	\$ -	\$ 287,218	\$ -	\$ 914,047
Community Services	\$ 14,421,090	\$ 196,963	\$ 14,618,053	\$ -	\$ 14,915,596	\$ -	\$ -	\$ -	\$ -	\$ 287,218	\$ -	\$ 15,202,814
Health	\$ 10,608,199	\$ 167,798	\$ 10,775,997	\$ -	\$ 10,979,756	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ 10,982,256
Library Services	\$ 2,443,338	\$ -	\$ 2,443,338	\$ -	\$ 2,496,753	\$ -	\$ -	\$ 7,741	\$ -	\$ -	\$ -	\$ 2,504,494
Human Services	\$ 40,822,906	\$ 410,483	\$ 41,233,389	\$ (100,000)	\$ 42,441,514	\$ -	\$ -	\$ 2,500	\$ 7,741	\$ -	\$ -	\$ 42,451,755
Public Safety	\$ 26,643,096	\$ 334,937	\$ 26,978,033	\$ -	\$ 27,539,141	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,539,141
Education	\$ 111,279,115	\$ -	\$ 111,279,115	\$ -	\$ 111,279,115	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,279,115
Transfers Out	\$ 7,949,650	\$ -	\$ 7,949,650	\$ 100,000	\$ 8,028,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,028,650
<b>Total General Fund Appropriation</b>	<b>\$ 237,121,872</b>	<b>\$ 1,468,810</b>	<b>\$ 238,590,682</b>	<b>\$ -</b>	<b>\$ 240,025,927</b>	<b>\$ -</b>	<b>\$ 2,500</b>	<b>\$ 7,741</b>	<b>\$ -</b>	<b>\$ 287,218</b>	<b>\$ -</b>	<b>\$ 240,323,386</b>
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Fire District Funds

Revenues												
Property Tax	\$ 6,262,870	\$ -	\$ 6,262,870	\$ -	\$ 6,262,870	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,262,870
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Earnings	\$ 9,850	\$ -	\$ 9,850	\$ -	\$ 9,850	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,850
Appropriated Fund Balance	\$ 40,000	\$ -	\$ 40,000	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ 145,000
<b>Total Fire Districts Fund Revenue</b>	<b>\$ 6,312,720</b>	<b>\$ -</b>	<b>\$ 6,312,720</b>	<b>\$ -</b>	<b>\$ 6,342,720</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 75,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,417,720</b>

Expenditures

Remittance to Fire Districts	\$ 6,312,720	\$ -	\$ 6,312,720	\$ -	\$ 6,342,720	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ 6,417,720
------------------------------	--------------	------	--------------	------	--------------	------	------	------	-----------	------	------	--------------

Grant Project Fund

Revenues												
Intergovernmental	\$ 144,765	\$ -	\$ 144,765	\$ -	\$ 741,330	\$ -	\$ 4,397	\$ -	\$ -	\$ -	\$ -	\$ 745,727
Charges for Services	\$ 65,000	\$ -	\$ 65,000	\$ -	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,000
Transfer from General Fund	\$ 57,043	\$ -	\$ 57,043	\$ -	\$ 57,043	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,043
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000
Transfer from Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Appropriated Fund Balance	\$ 4,421	\$ 1,691	\$ 6,112	\$ -	\$ 6,112	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,112
<b>Total Revenues</b>	<b>\$ 271,229</b>	<b>\$ 1,691</b>	<b>\$ 272,920</b>	<b>\$ -</b>	<b>\$ 929,485</b>	<b>\$ 20,000</b>	<b>\$ 4,397</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 953,882</b>

Expenditures

Electric Vehicle Charging Stations	\$ -	\$ -	\$ -	\$ -	\$ 147,247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147,247
Support Services	\$ -	\$ -	\$ -	\$ -	\$ 147,247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147,247
Petco Foundation Grant - Animal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
Petco Foundation Grant (WBC) - Animal Services	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Community Services	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000
Senior Citizen Health Promotion(Wellness)	\$ 141,464	\$ 1,691	\$ 143,155	\$ -	\$ 163,155	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,155
Human Rights & Relations HUD Grant (Multi-Yr)	\$ -	\$ -	\$ -	\$ -	\$ 227,509	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 227,509
Emergency Solutions Grant - DSS (Multi-Yr)	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ 4,397	\$ -	\$ -	\$ -	\$ -	\$ 44,397
United Way - FSA - Health (Multi-Yr)	\$ -	\$ -	\$ -	\$ -	\$ 31,809	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,809
Outreach Literacy Time to Read-Library	\$ 94,765	\$ -	\$ 94,765	\$ -	\$ 94,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,765
Human Services	\$ 236,229	\$ 1,691	\$ 237,920	\$ -	\$ 557,238	\$ -	\$ 4,397	\$ -	\$ -	\$ -	\$ -	\$ 561,635
EM Performance Grant	\$ 35,000	\$ -	\$ 35,000	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000
Local Reentry Council Grant - CJRD	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Public Safety	\$ 35,000	\$ -	\$ 35,000	\$ -	\$ 185,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 185,000
<b>Total Expenditures</b>	<b>\$ 271,229</b>	<b>\$ 1,691</b>	<b>\$ 272,920</b>	<b>\$ -</b>	<b>\$ 929,485</b>	<b>\$ 20,000</b>	<b>\$ 4,397</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 953,882</b>

## Year-To-Date Budget Summary

*Fiscal Year 2019-20*

### General Fund Budget Summary

Original General Fund Budget	\$237,121,872
Additional Revenue Received Through Budget Amendment #8 (April 21, 2020)	
Grant Funds	\$256,953
Non Grant Funds	\$1,499,475
General Fund - Fund Balance for Anticipated Appropriations (i.e. Encumbrances)	\$1,468,810
General Fund - Fund Balance Appropriated to Cover Anticipated and Unanticipated Expenditures	(\$23,724)
<b>Total Amended General Fund Budget</b>	<b>\$240,323,386</b>
Dollar Change in 2019-20 Approved General Fund Budget	\$3,201,514
% Change in 2019-20 Approved General Fund Budget	1.35%

### Authorized Full Time Equivalent Positions

Original Approved General Fund Full Time Equivalent Positions	945.470
Original Approved Other Funds Full Time Equivalent Positions	98.350
<b>Total Approved Full-Time-Equivalent Positions for Fiscal Year 2019-20</b>	<b>1,043.820</b>

**Paul:**

increase a .50 FTE Navigator position in Health Department to 1.00 FTE thru FY 19-20 (BOA #1); increase a .75 FTE Navigator position to 1.00 FTE thru FY 19-20, and moves both temporary FTE increases for these Navigators from GF to Grant Fund (BOA #2); increase a 1.0 FTE Deputy Sheriff I - SRO Position (BOA #2-A); increase a 1.0 FTE time-limited Human Services Specialist position in DSS (BOA #3-A); change Social Worker II position in Dept. on Aging from time-limited permanent; no change in # of FTEs (BOA #7)



## Attachment 3

Street Address (Station 1):  
4012 Whitfield Road  
Chapel Hill, NC 27514  
Phone: (919) 493 -1001  
Fax: (919) 419-0241

Mailing Address: **7**  
P.O. Box 16484  
Chapel Hill, NC 27516  
www.newhopefire.com

### **New Hope Volunteer Fire Department of Orange County, Inc.**

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March 24, 2020

Hi Paul,

Hope you are well! New Hope would like to request a distribution from our fund balance. Total of \$75,000, below is what the distribution would be for:

- 1) \$35,000, we purchased an UTV and trailer for use in and around our district for areas that normal apparatus cannot reach, it has fire and EMS capabilities and will be a huge asset in our wooded areas with trails too small for a normal size vehicle to reach.
- 2) \$40,000, this would be used to begin replacing our mobile radios (we're told that many of them will be obsolete by 2025) we plan to replace these over several years, our estimates for this are \$200k.

Thanks,  
Cliff Carroll  
New Hope FD

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** April 21, 2020

**Action Agenda  
Item No. 8-g**

**SUBJECT:** Approval of a Lease for a Section of the Roof and Wall of the Sportsplex to Cellco Partnership (Verizon Wireless) for Installation of a Mini Cell Phone Tower

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**DEPARTMENT:** County Attorney,  
Asset Management Services

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**ATTACHMENT(S):**

1. Site Illustration
2. Lease Agreement
3. Non-Disturbance and Attornment Agreement
4. Resolution

**INFORMATION CONTACT:**

Steve Arndt, AMS Director, 919-245-2658

Alan Dorman, AMS Assistant Director,  
919-245-2627

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**PURPOSE:** To:

- 1.) Approve a five year lease agreement with Cellco Partnership (dba Verizon Wireless) for space on the wall and roof of the Sportsplex, located at 101 Meadowlands Drive in Hillsborough, for the installation, operation and maintenance of communications equipment; and
- 2.) Authorize the Chair to sign the Resolution for Lease, and the Manager to sign the Non-Disturbance and Attornment Agreement, and Lease Agreement upon final review by the County Attorney.

**BACKGROUND:** Cellco Partnership (dba Verizon Wireless) is one of the largest providers of cellular service in the country. In an effort to improve cellular service within the Sportsplex facility as well as to the surrounding businesses and residents, Cellco partnership wants to install a small communications tower on the roof of the northeast portion of the Sportsplex facility and additional equipment on the northeast wall of the facility.

The overall size of the tower will be just 5 feet and 5 inches over the existing parapet wall at the Sportsplex. The site illustration includes an elevation drawing (see 4<sup>th</sup> page of Attachment 1).

The lease would be for an initial term of five years with the automatic renewal of one five-year term. The lease specifies the rental fee of \$1,800 a year. The annual rental for the potential five-year extension term would be increased by 1.5% over the base rate.

**FINANCIAL IMPACT:** Expected revenue would be \$1,800 a year for each year of the five-year lease for a total cost of \$9,000 over the course of the five-year period. The annual rental for the potential five-year extension would increase by 1.5% over the base rate.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

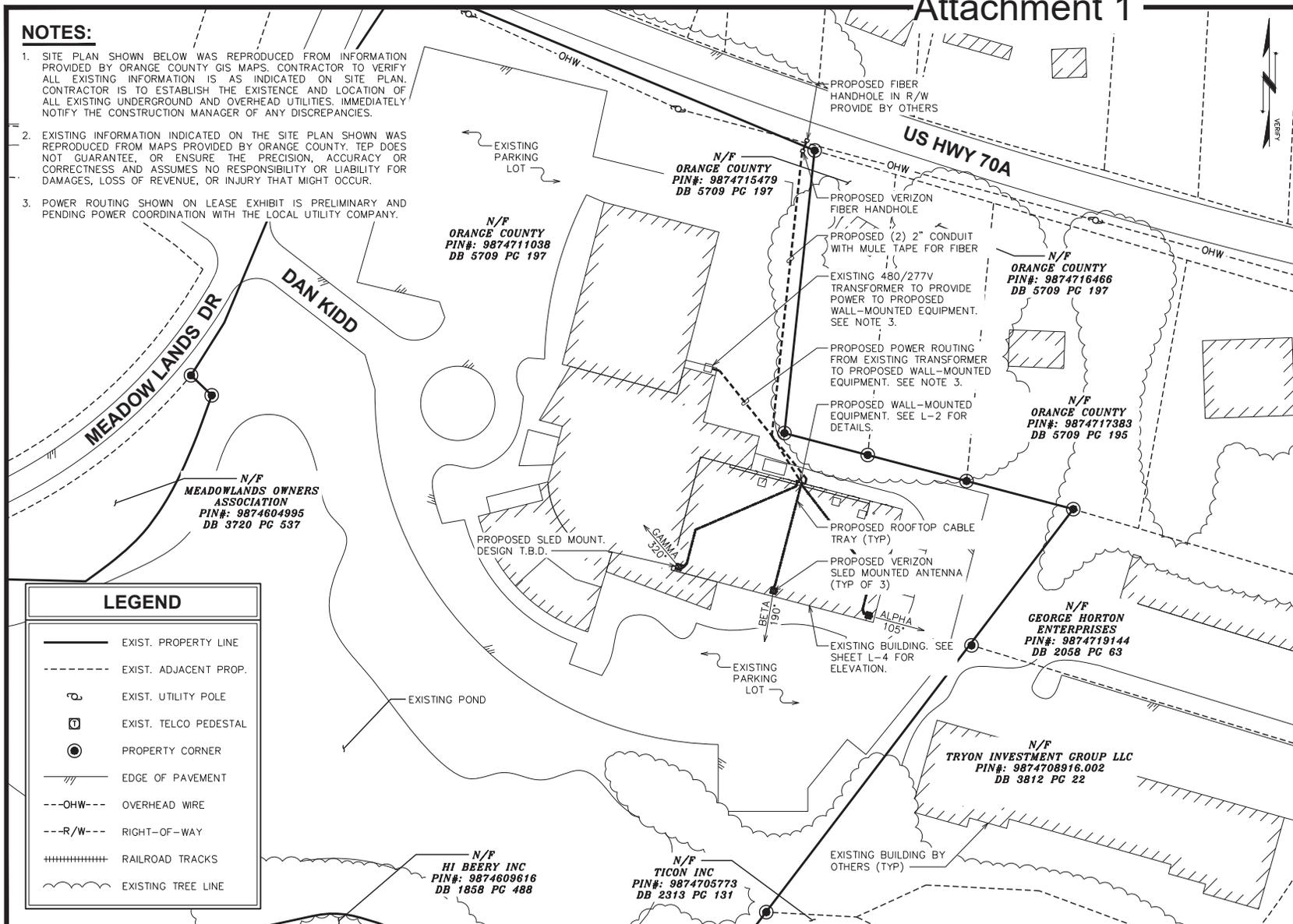
**RECOMMENDATION(S):** The Manager recommends that the Board

- 1.) Approve a five year lease agreement with Cellco Partnership (Verizon Wireless) for space on the wall and roof of the Sportsplex, located at 101 Meadowlands Drive in Hillsborough, for the installation, operation and maintenance of communications equipment; and
- 2.) Authorize the Chair to sign the Resolution for Lease, and the Manager to sign the Non-Disturbance and Attornment Agreement, and Lease Agreement upon final review by the County Attorney.

# Attachment 1

**NOTES:**

1. SITE PLAN SHOWN BELOW WAS REPRODUCED FROM INFORMATION PROVIDED BY ORANGE COUNTY GIS MAPS. CONTRACTOR TO VERIFY ALL EXISTING INFORMATION IS AS INDICATED ON SITE PLAN. CONTRACTOR IS TO ESTABLISH THE EXISTENCE AND LOCATION OF ALL EXISTING UNDERGROUND AND OVERHEAD UTILITIES. IMMEDIATELY NOTIFY THE CONSTRUCTION MANAGER OF ANY DISCREPANCIES.
2. EXISTING INFORMATION INDICATED ON THE SITE PLAN SHOWN WAS REPRODUCED FROM MAPS PROVIDED BY ORANGE COUNTY. TEP DOES NOT GUARANTEE, OR ENSURE THE PRECISION, ACCURACY OR CORRECTNESS AND ASSUMES NO RESPONSIBILITY OR LIABILITY FOR DAMAGES, LOSS OF REVENUE, OR INJURY THAT MIGHT OCCUR.
3. POWER ROUTING SHOWN ON LEASE EXHIBIT IS PRELIMINARY AND PENDING POWER COORDINATION WITH THE LOCAL UTILITY COMPANY.



PLANS PREPARED FOR:



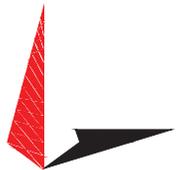
8921 Research Drive  
Charlotte, NC 28262  
(704) 519-9957

PROJECT INFORMATION:

**VZW SITE NAME:  
SMC ORANGE COUNTY  
SPORTS COMPLEX**

101 MEADOWLANDS DRIVE  
HILLSBOROUGH, NC 27278  
(ORANGE COUNTY)

PLANS PREPARED BY:



**TOWER ENGINEERING PROFESSIONALS**  
326 TRYON ROAD  
RALEIGH, NC 27603-5263  
OFFICE: (919) 661-6351  
www.tepgroup.net  
N.C. LICENSE # C-1794

SEAL:



3	12-13-17	LEASE EXHIBIT
2	12-11-17	LEASE EXHIBIT
1	11-29-17	LEASE EXHIBIT
0	11-08-17	LEASE EXHIBIT
REV	DATE	ISSUED FOR:

DRAWN BY: PLE      CHECKED BY: SCB

SHEET TITLE:

**LEASE EXHIBIT**

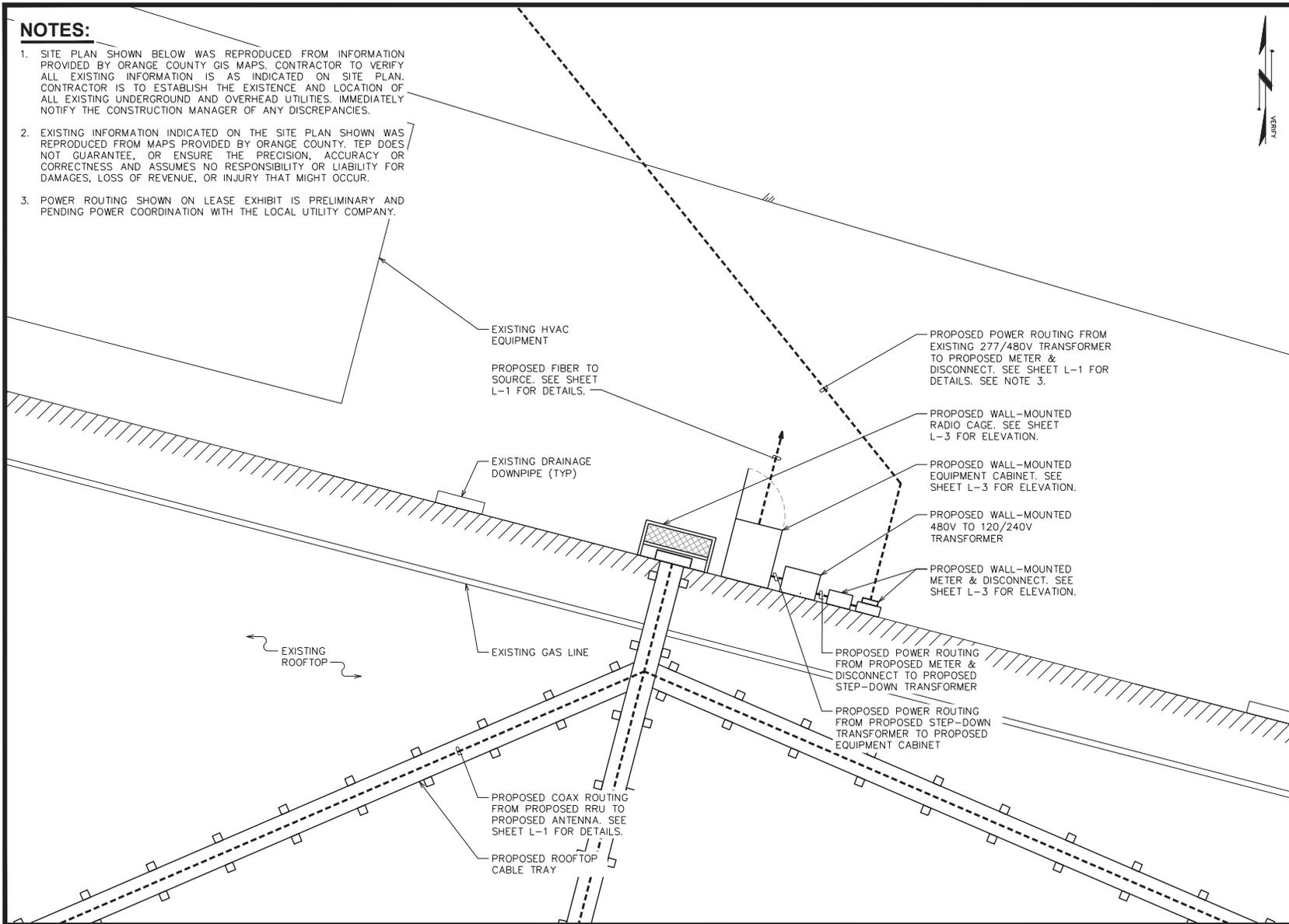
SHEET NUMBER:	REVISION:
<b>L-1</b>	<b>3</b>
	TEP#: 83172.87755

**SITE PLAN**  
SCALE: 1" = 100'

0 100 200  
SCALE IN FEET

**NOTES:**

1. SITE PLAN SHOWN BELOW WAS REPRODUCED FROM INFORMATION PROVIDED BY ORANGE COUNTY GIS MAPS. CONTRACTOR TO VERIFY ALL EXISTING INFORMATION IS AS INDICATED ON SITE PLAN. CONTRACTOR IS TO ESTABLISH THE EXISTENCE AND LOCATION OF ALL EXISTING UNDERGROUND AND OVERHEAD UTILITIES. IMMEDIATELY NOTIFY THE CONSTRUCTION MANAGER OF ANY DISCREPANCIES.
2. EXISTING INFORMATION INDICATED ON THE SITE PLAN SHOWN WAS REPRODUCED FROM MAPS PROVIDED BY ORANGE COUNTY. TEP DOES NOT GUARANTEE, OR ENSURE THE PRECISION, ACCURACY OR CORRECTNESS AND ASSUMES NO RESPONSIBILITY OR LIABILITY FOR DAMAGES, LOSS OF REVENUE, OR INJURY THAT MIGHT OCCUR.
3. POWER ROUTING SHOWN ON LEASE EXHIBIT IS PRELIMINARY AND PENDING POWER COORDINATION WITH THE LOCAL UTILITY COMPANY.



PLANS PREPARED FOR:



8921 Research Drive  
Charlotte, NC 28262  
(704) 519-9957

PROJECT INFORMATION:  
**VZW SITE NAME:  
SMC ORANGE COUNTY  
SPORTS COMPLEX**  
101 MEADOWLANDS DRIVE  
HILLSBOROUGH, NC 27278  
(ORANGE COUNTY)

PLANS PREPARED BY:



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N.C. LICENSE # C-1794

SEAL:



3	12-13-17	LEASE EXHIBIT
2	12-11-17	LEASE EXHIBIT
1	11-29-17	LEASE EXHIBIT
0	11-08-17	LEASE EXHIBIT
REV	DATE	ISSUED FOR:

DRAWN BY: PLE    CHECKED BY: SCB

SHEET TITLE:  
**LEASE EXHIBIT**

SHEET NUMBER: **L-2**    REVISION: **3**  
TEP#: 83172.87755

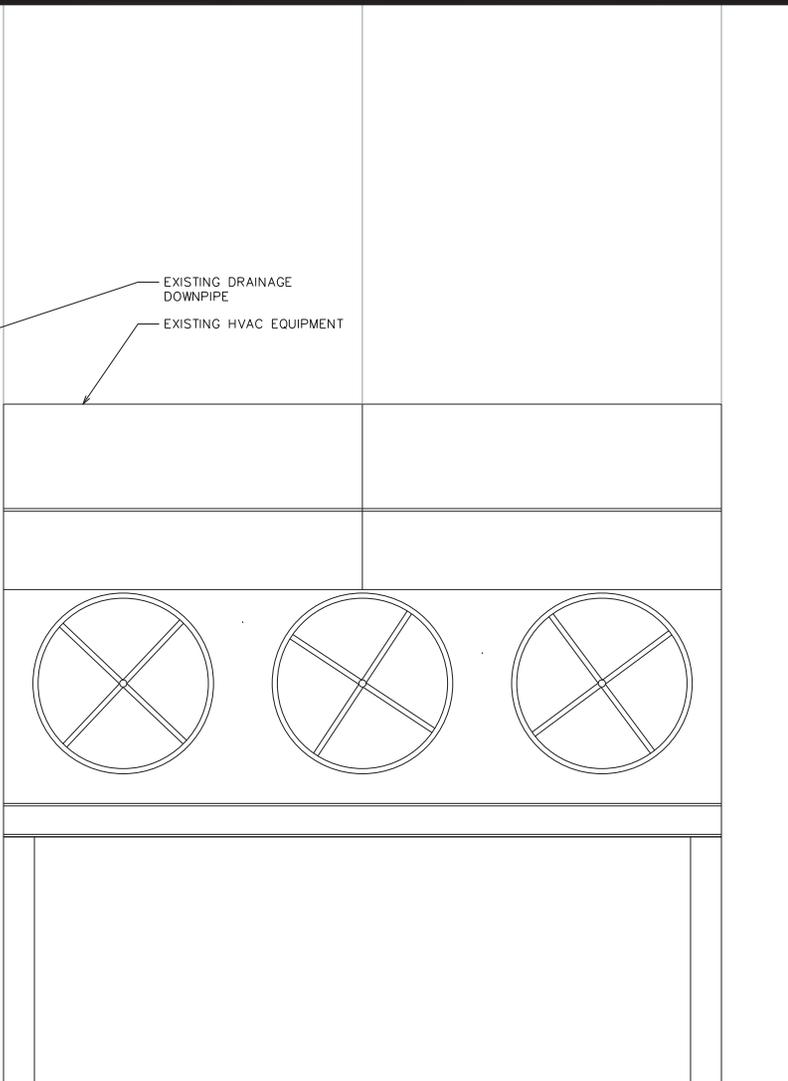
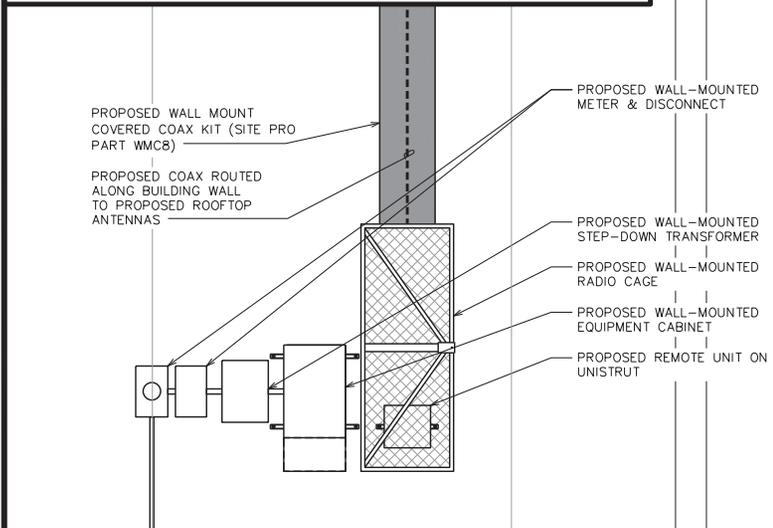
**EQUIPMENT LAYOUT**  
SCALE: 1/4" = 1'-0"





**PHOTO OF EQUIPMENT LOCATION**

SCALE: N.T.S.



**EQUIPMENT ELEVATION**

SCALE: 3/16" = 1'-0"



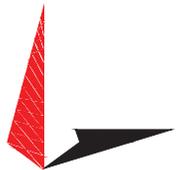
PLANS PREPARED FOR:



8921 Research Drive  
Charlotte, NC 28262  
(704) 519-9957

PROJECT INFORMATION:  
**VZW SITE NAME:  
SMC ORANGE COUNTY  
SPORTS COMPLEX**  
101 MEADOWLANDS DRIVE  
HILLSBOROUGH, NC 27278  
(ORANGE COUNTY)

PLANS PREPARED BY:



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326 TRYON ROAD  
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OFFICE: (919) 661-6351  
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N.C. LICENSE # C-1794

SEAL:



3	12-13-17	LEASE EXHIBIT
2	12-11-17	LEASE EXHIBIT
1	11-29-17	LEASE EXHIBIT
0	11-08-17	LEASE EXHIBIT
REV	DATE	ISSUED FOR:

DRAWN BY: PLE      CHECKED BY: SCB

SHEET TITLE:  
**LEASE EXHIBIT**

SHEET NUMBER: <b>L-3</b>	REVISION: <b>3</b> TEP#: 83172.87755
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**NOTES:**

1. ALL PROPOSED EQUIPMENT TO BE PAINTED TO MATCH EXISTING
2. THE DRAWING IS ONLY A GRAPHIC REPRESENTATION OF THE STRUCTURE. CONDITIONS IN THE FIELD MAY VARY.
3. ALL PROPOSED EQUIPMENT TO BE MOUNTED PER MANUFACTURER'S SPECIFICATIONS.



**PHOTO OF BUILDING ELEVATION**

SCALE: N.T.S.

PLANS PREPARED FOR:



8921 Research Drive  
Charlotte, NC 28262  
(704) 519-9957

PROJECT INFORMATION:

**VZW SITE NAME:  
SMC ORANGE COUNTY  
SPORTS COMPLEX**

101 MEADOWLANDS DRIVE  
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(ORANGE COUNTY)

PLANS PREPARED BY:



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N.C. LICENSE # C-1794

SEAL:



3	12-13-17	LEASE EXHIBIT
2	12-11-17	LEASE EXHIBIT
1	11-29-17	LEASE EXHIBIT
0	11-08-17	LEASE EXHIBIT
REV	DATE	ISSUED FOR:

DRAWN BY: PLE      CHECKED BY: SCB

SHEET TITLE:

**LEASE EXHIBIT**

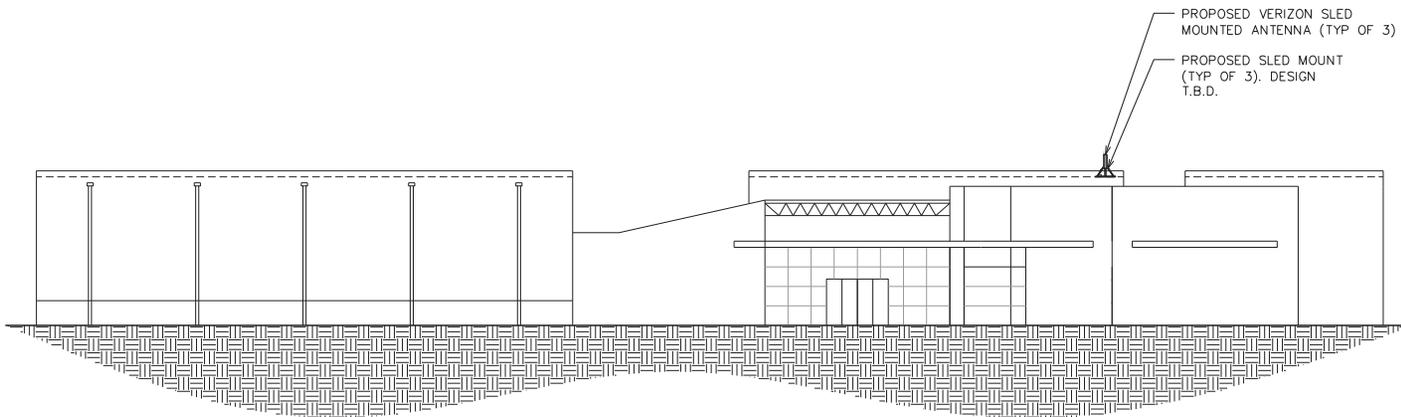
SHEET NUMBER:      REVISION:

**L-4**

**3**

TEP#: 83172.87755

- 38'-11"±  
T/APPURTENANCE
- 36'-6"±  
Q PROPOSED ANTENNAS
- 33'-6"±  
T/PARAPET
- 31'-7"±  
T/ROOFTOP
- 0'-0"± (REFERENCE)  
EXISTING GRADE



- PROPOSED VERIZON SLED MOUNTED ANTENNA (TYP OF 3)
- PROPOSED SLED MOUNT (TYP OF 3). DESIGN T.B.D.

**BUILDING ELEVATION (WESTERN VIEW)**

SCALE: N.T.S.

## LEASE AGREEMENT

This Lease Agreement (the "**Agreement**") made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ between **Orange County, North Carolina**, with a mailing address of PO Box 8181, Hillsborough, North Carolina 27278, hereinafter designated **LESSOR** and **Cellco Partnership d/b/a Verizon Wireless** with its principal offices at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920 (telephone number 866-862-4404), hereinafter designated **LESSEE**. LESSOR and LESSEE are at times collectively referred to hereinafter as the "**Parties**" or individually as the "**Party**."

In consideration of the mutual covenants contained herein and intending to be legally bound hereby, the Parties hereto agree as follows:

1. PREMISES. LESSOR hereby leases to LESSEE certain space on the wall (the "**Wall Space**") of the building (the "**Building**") located at 101 Meadowlands Drive, Hillsborough, Orange County, North Carolina, (the Building and such real property are hereinafter sometimes collectively referred to as the "**Property**"), for the installation, operation and maintenance of communications equipment, together with such additional space on the ground for the installation of a fence around the Wall Space (the "**Ground Space**"); together with such additional space on the roof of the Building sufficient for the installation, operation and maintenance of antennas (the "**Antenna Space**"); together with such additional space within the Building and on the roof of the Building for the installation, operation and maintenance of wires, cables, conduits and pipes (the "**Cabling Space**") running between and among the Wall Space and Antenna Space and to all necessary electrical and telephone utility sources located within the Building or on the Property; together with the non-exclusive right of ingress and egress from a public right-of-way, seven (7) days a week, twenty four (24) hours a day, over the Property and in and through the Building to and from the Premises (as hereinafter defined) for the purpose of installation, operation and maintenance of LESSEE's communications facility. LESSEE will coordinate such access for within the Building with LESSOR by giving LESSOR at least 24 hours advance notice, except in the event of an emergency in which case LESSEE will give LESSOR only such notice as is feasible under the circumstances. For purposes of this section, notice by LESSEE to LESSOR will be directed to Asset Management Services, and may be by telephone (919-245-2627) or by e-mail (adorman@orangecountync.gov). LESSOR will promptly notify LESSEE in writing of any changes to the identity of the contact person or to the contact information in the immediately preceding sentence. LESSOR will reasonably cooperate with LESSEE in scheduling non-emergency access, and LESSOR will take all steps reasonably necessary and appropriate to facilitate emergency access, as LESSEOR acknowledges that LESSEE will need to access the roof of the building via the interior of the Building. The Wall Space, Ground Space, Antenna Space, and Cabling Space are hereinafter collectively referred to as the "**Premises**" and are as shown on **Exhibit A** attached hereto and made a part hereof. In the event there are not sufficient electric and telephone, cable or fiber utility sources located within the Building or on the Property, LESSOR agrees to grant LESSEE or the local utility provider the right to install such utilities, at LESSEE's cost, on, over and/or under the Property and through the Building necessary for LESSEE to operate its communications facility, provided the location of such utilities shall be as reasonably designated by LESSOR.

2. CONDITION OF PROPERTY. LESSOR shall deliver the Premises to LESSEE in a condition ready for LESSEE's construction of its improvements and clean and free of debris. LESSOR represents and warrants to LESSEE that as of the Effective Date and continuing throughout the Term (as hereinafter defined): (a) the Building (including without limitation the roof, foundations, exterior walls, interior load bearing walls, and utility systems) is (i) in good condition, structurally sound, and free of any latent

leakage; and (ii) the Property and Building are in compliance with all Laws (as defined in Paragraph 23 below), including any applicable building codes, regulations, or ordinances which may exist with regard to the Building, or any part thereof; and (b) the Property is free of all lead-based paint, asbestos or other hazardous substances, as such term may be defined under any applicable federal, state or local law. If a breach of the representations and warranties contained in this Paragraph 2 is discovered at any time during the Term, LESSOR shall, promptly after receipt of written notice from LESSEE setting forth a description of such non-compliance, rectify same at LESSOR's expense.

### 3. TERM; RENTAL.

This Agreement shall be effective as of the date of execution by both Parties (the "**Effective Date**"), provided, however, the initial term shall be for five (5) years (the "**Initial Term**") and shall commence on the first day of the month following the day that LESSEE commences installation of the equipment on the Premises (the "**Commencement Date**") at which time rental payments shall commence and be due at a total annual rental of One Thousand Eight Hundred and 00/100 Dollars (\$1,800.00) to be paid in advance annually on the Commencement Date and on each anniversary of it in advance, to LESSOR or to such other person, firm or place as LESSOR may, from time to time, designate in writing at least thirty (30) days in advance of any rental payment date by notice given in accordance with Paragraph 17 below. LESSOR and LESSEE agree that they shall acknowledge in writing the Commencement Date and the initial rental payment may not actually be sent by LESSEE until ninety (90) days after LESSEE's receipt of the written acknowledgement from LESSOR.

Upon agreement of the Parties, LESSEE may pay rent by electronic funds transfer and in such event, LESSOR agrees to provide to LESSEE bank routing information for such purpose upon request of LESSEE.

LESSOR hereby agrees to provide to LESSEE certain documentation (the "**Rental Documentation**") including without limitation: (i) documentation evidencing LESSOR's good and sufficient title to and/or interest in the Property and right to receive rental payments and other benefits hereunder; (ii) a completed Internal Revenue Service Form W-9, or equivalent for any party to whom rental payments are to be made pursuant to this Agreement; and (iii) other documentation requested by LESSEE and within fifteen (15) days of obtaining an interest in the Property or this Agreement, any assignee(s), transferee(s) or other successor(s) in interest of LESSOR shall provide to LESSEE such Rental Documentation. Delivery of Rental Documentation to LESSEE shall be a prerequisite for the payment of any rent by LESSEE and notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments until Rental Documentation has been supplied to LESSEE as provided herein.

Within thirty (30) days of a written request from LESSEE, LESSOR or any assignee(s) or transferee(s) of LESSOR agrees to provide updated Rental Documentation. Delivery of Rental Documentation to LESSEE shall be a prerequisite for the payment of any rent by LESSEE to such party and notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments until Rental Documentation has been supplied to LESSEE as provided herein.

4. ELECTRICAL. LESSOR shall, at all times during the Term, provide electrical service and telephone service access within the Premises; however, except as otherwise provided herein, LESSOR shall have no such obligation during localized or general outages when such outages occur outside the control of LESSOR. If permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical meter at the Premises for the measurement of electrical power used by LESSEE's installation. In the alternative, if permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical sub-meter at the Premises for the measurement of electrical power used by LESSEE's installation. In the event such sub-meter is installed, the LESSEE shall pay the utility directly for its power consumption, if billed by the utility, and if not billed by the utility, then the LESSOR shall read LESSEE's sub-meter on a monthly basis and provide LESSEE with an invoice for LESSEE's power consumption on an annual basis. Specifically, after the expiration of each calendar year, LESSOR shall determine LESSEE's actual electrical power consumption and resulting charges for the immediately preceding calendar year based on reading of the LESSEE's sub-meter on a monthly basis and the electricity bills received by LESSOR throughout such calendar year. Each invoice shall reflect charges only for LESSEE's power consumption based on the average kilowatt hour rate actually paid by LESSOR to the utility for electricity, without mark up or profit. All invoices for power consumption must include the site name and location number, i.e. SMC\_ORNGECNTY\_SPORTSPLX\_1 (Location # 394388), and shall be sent by LESSOR to LESSEE at Verizon Wireless, M/S 3846, PO Box 2375, Spokane, WA 99210, and shall be provided to LESSEE within ninety (90) days following the conclusion of each calendar year (the "**Invoice Period**"), and shall be accompanied by copies of the electricity bills received by LESSOR during the subject calendar year and documentation of the sub-meter readings applicable to such calendar year. If LESSOR fails to deliver an invoice to LESSEE within the Invoice Period, LESSOR waives any right to collect any electrical charges from LESSEE for the subject calendar year. LESSEE shall pay each annual power consumption charge within forty-five (45) days after receipt of the invoice from LESSOR.

LESSEE shall be permitted at any time during the Term, to install, maintain and/or provide access to and use of, as necessary (during any power interruption at the Premises), a temporary power source, and all related equipment and appurtenances within the Premises, or elsewhere on the Property in such locations as reasonably approved by LESSOR. LESSEE shall have the right to install conduits connecting the temporary power source and related appurtenances to the Premises.

5. EXTENSIONS. This Agreement shall automatically be extended for one (1) additional five (5) year term (the "**Renewal Term**") unless LESSEE terminates it at the end of the Initial Term by giving LESSOR written notice of the intent to terminate at least three (3) months prior to the end of the Initial Term. The Initial Term and Renewal Term shall be collectively referred to herein as the "**Term**". The annual rental for the Renewal Term shall increase by 1.5% of the annual rental paid for the Initial Term.

6. USE; GOVERNMENTAL APPROVALS. LESSEE shall use the Premises for the purpose of constructing, maintaining, repairing and operating a communications facility and uses incidental thereto. LESSEE shall have the right to replace, repair, add or otherwise modify its utilities, equipment, antennas and/or conduits or any portion thereof and the frequencies over which the equipment operates, whether the equipment, antennas, conduits or frequencies are specified or not on any exhibit attached hereto, during the Term so long as such replacement, repair, or modification does not inhibit or interfere with LESSOR'S reasonable use of the Property. It is understood and agreed that LESSEE's

ability to use the Premises is contingent upon its obtaining after the execution date of this Agreement all of the certificates, permits and other approvals (collectively the "**Governmental Approvals**") that may be required by any Federal, State or Local authorities as well as a satisfactory building structural analysis which will permit LESSEE use of the Premises as set forth above. LESSOR shall cooperate with LESSEE in its effort to obtain such approvals and shall take no action which would adversely affect the status of the Property with respect to the proposed use thereof by LESSEE. In the event that (i) any of such applications for such Governmental Approvals should be finally rejected; (ii) any Governmental Approval issued to LESSEE is canceled, expires, lapses, or is otherwise withdrawn or terminated by governmental authority; (iii) LESSEE determines that such Governmental Approvals may not be obtained in a timely manner, (iv) LESSEE determines that the Premises is no longer technically compatible for its use; or (v) LESSEE, in its sole discretion, determines that the use of the Premises is obsolete or unnecessary, LESSEE shall have the right to terminate this Agreement. Notice of LESSEE's exercise of its right to terminate shall be given to LESSOR in accordance with the notice provisions set forth in Paragraph 17 and shall be effective upon the mailing of such notice by LESSEE, or upon such later date as designated by LESSEE. All rentals paid to said termination date shall be retained by LESSOR. Upon such termination, this Agreement shall be of no further force or effect except to the extent of the representations, warranties and indemnities made by each Party to the other hereunder. Otherwise, the LESSEE shall have no further obligations for the payment of rent to LESSOR.

7. INDEMNIFICATION. Subject to Paragraph 8, below, to the extent authorized by North Carolina law each Party shall indemnify and hold the other harmless against any claim of liability or loss from personal injury or property damage resulting from or arising out of the negligence or willful misconduct of the indemnifying Party, its employees, contractors or agents, except to the extent such claims or damages may be due to or caused by the negligence or willful misconduct of the other Party, or its employees, contractors or agents.

8. INSURANCE.

a. The Parties remain responsible for damage caused by their own negligent acts or omissions to the property of the other to the maximum limit of the insurance policy limits required herein.

b. LESSOR and LESSEE each agree that at its own cost and expense, each will maintain commercial general liability insurance with limits not less than \$2,000,000 per occurrence for bodily injury (including death) and for damage or destruction to property.

9. LIMITATION OF LIABILITY. Except for indemnification pursuant to Paragraphs 7 and 21, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

10. ANNUAL TERMINATION.

a. Notwithstanding anything to the contrary contained herein, provided LESSEE is not in default hereunder beyond applicable notice and cure periods, LESSEE shall have the right to terminate this Agreement upon the annual anniversary of the Commencement Date provided that three (3) months prior notice is given to LESSOR.

11. INTERFERENCE. LESSEE agrees to install equipment of the type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to any equipment of LESSOR or other lessees of the Property which existed on the Property prior to the date this Agreement is executed by the Parties or to LESSOR's reasonable use of LESSOR's facilities situated on the Property. In the event any after-installed LESSEE's equipment causes such interference, and after LESSOR has notified LESSEE of such interference by a written communication and a call to LESSEE's Network Operations Center [at (800) 264-6620/(800) 621-2622], LESSEE will take all commercially reasonable steps necessary to correct and eliminate the interference, including but not limited to, at LESSEE's option, powering down such equipment and later powering up such equipment for intermittent testing. In no event will LESSOR be entitled to terminate this Agreement or relocate the equipment as long as LESSEE is making a good faith effort to remedy the interference issue. LESSOR agrees that LESSOR and/or any other tenants of the Property who currently have or in the future take possession of the Property will be permitted to install only such equipment that is of the type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to the then existing equipment of LESSEE. The Parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Paragraph and therefore, either Party shall have the right to equitable remedies, such as, without limitation, injunctive relief and specific performance.

12. REMOVAL AT END OF TERM. LESSEE shall, upon expiration of the Term, or within ninety (90) days after any earlier termination of the Agreement, remove its equipment, conduits, fixtures and all personal property and restore the Premises to its original condition, reasonable wear and tear and casualty damage excepted. LESSOR agrees and acknowledges that all of the equipment, conduits, fixtures and personal property of LESSEE shall remain the personal property of LESSEE and LESSEE shall have the right to remove the same at any time during the Term, whether or not said items are considered fixtures and attachments to real property under applicable laws. If such time for removal causes LESSEE to remain on the Premises after termination of this Agreement, LESSEE shall pay rent at the then existing monthly rate or on the existing monthly pro-rata basis if based upon a longer payment term, until such time as the removal of the building, antenna structure, fixtures and all personal property are completed.

13. RIGHT OF FIRST REFUSAL (COMMUNICATIONS EASEMENT). Intentionally deleted.

14. RIGHTS UPON SALE. Should LESSOR, at any time during the Term decide (i) to sell or transfer all or any part of the Property or the Building thereon to a purchaser other than LESSEE, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Building and or Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, such sale or grant of an easement or interest therein shall be under and subject to this Agreement and any such purchaser or

transferee shall recognize LESSEE's rights hereunder under the terms of this Agreement. In the event that LESSOR completes any such sale, transfer, or grant described in this paragraph without executing an assignment of this Agreement whereby the third party agrees in writing to assume all obligations of LESSOR under this Agreement, then LESSOR shall not be released from its obligations to LESSEE under this Agreement, and LESSEE shall have the right to look to LESSOR and the third party for the full performance of this Agreement.

15. QUIET ENJOYMENT AND REPRESENTATIONS. LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall peaceably and quietly have, hold and enjoy the Premises. LESSOR represents and warrants to LESSEE as of the execution date of this Agreement, and covenants during the Term that LESSOR is seized of good and sufficient title and interest to the Property and has full authority to enter into and execute this Agreement. LESSOR further covenants during the Term that there are no liens, judgments or impediments of title on the Property, or affecting LESSOR's title to the same and that there are no covenants, easements or restrictions which prevent or adversely affect the use or occupancy of the Premises by LESSEE as set forth above.

16. ASSIGNMENT. This Agreement may be sold, assigned or transferred by the LESSEE without any approval or consent of the LESSOR to the LESSEE's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the Federal Communications Commission in which the Property is located by reason of a merger, acquisition or other business reorganization. As to other parties, this Agreement may not be sold, assigned or transferred without the written consent of the LESSOR, which such consent will not be unreasonably withheld, delayed or conditioned. No change of stock ownership, partnership interest or control of LESSEE or transfer upon partnership or corporate dissolution of LESSEE shall constitute an assignment hereunder.

17. NOTICES. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

LESSOR: Orange County, North Carolina  
Attention: Asset Management Service  
PO Box 8181  
Hillsborough, NC 27278

LESSEE: Cellco Partnership  
d/b/a Verizon Wireless  
Attention: Network Real Estate  
180 Washington Valley Road  
Bedminster, New Jersey 07921

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

18. RECORDING. LESSOR agrees to execute a Memorandum of this Agreement which LESSEE may record with the appropriate recording officer. The date set forth in the Memorandum of Lease is for recording purposes only and bears no reference to commencement of either the Term or rent payments.

19. DEFAULT. In the event there is a breach by a Party with respect to any of the provisions of this Agreement or its obligations under it, the non-breaching Party shall give the breaching Party written notice of such breach. After receipt of such written notice, the breaching Party shall have thirty (30) days in which to cure any breach, provided the breaching Party shall have such extended period as may be required beyond the thirty (30) days if the breaching Party commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. The non-breaching Party may not maintain any action or effect any remedies for default against the breaching Party unless and until the breaching Party has failed to cure the breach within the time periods provided in this Paragraph. Notwithstanding the foregoing to the contrary, it shall be a default under this Agreement if LESSOR fails, within ten (10) days after receipt of written notice of such breach, to perform an obligation required to be performed by LESSOR if the failure to perform such an obligation interferes with LESSEE's ability to conduct its business in the Building; provided, however, that if the nature of LESSOR's obligation is such that more than ten (10) days after such notice is reasonably required for its performance, then it shall not be a default under this Agreement if performance is commenced within such ten (10) day period and thereafter diligently pursued to completion.

20. REMEDIES. In the event of a default by either Party with respect to a material provision of this Agreement, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Agreement and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial decisions of the state in which the Premises are located. Further, upon a default, the non-defaulting Party may at its option (but without obligation to do so), perform the defaulting Party's duty or obligation on the defaulting Party's behalf, including but not limited to the obtaining of reasonably required insurance policies. The costs and expenses of any such performance by the non-defaulting Party shall be due and payable by the defaulting Party upon invoice therefor. If LESSEE undertakes any such performance on LESSOR's behalf and LESSOR does not pay LESSEE the full undisputed amount within thirty (30) days of its receipt of an invoice setting forth the amount due, LESSEE may offset the full undisputed amount due against all fees due and owing to LESSOR under this Agreement until the full undisputed amount is fully reimbursed to LESSEE.

21. ENVIRONMENTAL.

a. LESSOR will be responsible for all obligations of compliance with any and all environmental and industrial hygiene laws, including any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene conditions or concerns as may now or at any

time hereafter be in effect, that are or were in any way related to activity now conducted in, on, or in any way related to the Building or Property, unless such conditions or concerns are caused by the specific activities of LESSEE in the Premises.

b. To the extent authorized by North Carolina Law, LESSOR shall hold LESSEE harmless and indemnify LESSEE from and assume all duties, responsibility and liability at LESSOR's sole cost and expense, for all duties, responsibilities, and liability (for payment of penalties, sanctions, forfeitures, losses, costs, or damages) and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding which is in any way related to: a) failure to comply with any environmental or industrial hygiene law, including without limitation any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene concerns or conditions as may now or at any time hereafter be in effect, unless such non-compliance results from conditions caused by LESSEE; and b) any environmental or industrial hygiene conditions arising out of or in any way related to the condition of the Building or Property or activities conducted thereon, unless such environmental conditions are caused by LESSEE.

c. LESSEE shall hold LESSOR harmless and indemnify LESSOR from and assume all duties, responsibility and liability at LESSEE's sole cost and expense, for all duties, responsibilities, and liability (for payment of penalties, sanctions, forfeitures, losses, costs, or damages) and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding which is in any way related to: a) failure to comply with any environmental or industrial hygiene law, including without limitation any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene concerns or conditions as may now or at any time hereafter be in effect, to the extent that such non-compliance results from conditions caused by LESSEE; and b) any environmental or industrial hygiene conditions arising out of or in any way related to the condition of the Property or activities conducted thereon, to the extent that such environmental conditions are caused by LESSEE.

22. CASUALTY. In the event of damage by fire or other casualty to the Building or Premises that cannot reasonably be expected to be repaired within forty-five (45) days following same or, if the Property is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, then LESSEE may, at any time following such fire or other casualty, provided LESSOR has not completed the restoration required to permit LESSEE to resume its operation at the Premises, terminate this Agreement upon fifteen (15) days prior written notice to LESSOR. Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the Parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Agreement. Notwithstanding the foregoing, the rent shall abate during the period of repair following such fire or other casualty in proportion to the degree to which LESSEE's use of the Premises is impaired.

23. APPLICABLE LAWS. During the Term, LESSOR shall maintain the Property, the Building, Building systems, common areas of the Building, and all structural elements of the Premises in compliance with all applicable laws, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, and restrictions of record, permits, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect (including, without limitation, the Americans with Disabilities Act and laws regulating hazardous substances) (collectively "Laws"). LESSEE shall, in respect to the condition of the Premises and at LESSEE's sole cost and expense, comply with (a) all Laws relating solely to LESSEE's specific and unique nature of use of the Premises; and (b) all building codes requiring modifications to the Premises due to the improvements being made by LESSEE in the Premises. It shall be LESSOR's obligation to comply with all Laws relating to the Building in general, without regard to specific use (including, without limitation, modifications required to enable LESSEE to obtain all necessary building permits).

24. MOST FAVORED LESSEE. Intentionally Deleted.

25. SERVICE QUALITY. If upon completion of installation of LESSEE's communications facility as contemplated by this Agreement, LESSOR reasonably believes in good faith that LESSEE's communications facility does not provide reasonably sufficient coverage of its network within the Building, the LESSOR shall state in writing, with particularity, and deliver to LESSEE pursuant to the notice requirements within this Agreement, the deficiencies in coverage which LESSOR believes to exist (the "Service Quality Notice"). LESSOR and LESSEE shall thereupon meet at a time mutually agreed upon by the Parties and discuss options for resolving any performance issues asserted by LESSOR, and LESSEE shall use its best effort to resolve any actual performance issues with LESSEE's installed equipment. Notwithstanding anything to contrary contained herein, LESSOR may only send one Service Quality Notice to LESSEE every three (3) years during the Term of the Agreement.

26. MISCELLANEOUS. This Agreement contains all agreements, promises and understandings between the LESSOR and the LESSEE regarding this transaction, and no oral agreement, promises or understandings shall be binding upon either the LESSOR or the LESSEE in any dispute, controversy or proceeding. This Agreement may not be amended or varied except in a writing signed by all parties. This Agreement shall extend to and bind the heirs, personal representatives, successors and assigns hereto. The failure of either party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights hereunder shall not waive such rights and such party shall have the right to enforce such rights at any time. This Agreement and the performance thereof shall be governed interpreted, construed and regulated by the laws of the state in which the Premises is located without reference to its choice of law rules. Each of the Parties hereto warrants to the other that the person or persons executing this Agreement on behalf of that Party has the full right, power and authority to enter into and execute this Agreement on that Party's behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Agreement.

*[Signatures on Following Page]*

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year first above written.

**LESSOR:**

**Orange County, North Carolina**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**LESSEE:**

**Cellco Partnership d/b/a Verizon Wireless**

By: \_\_\_\_\_

Abhijit Apte  
Senior Manager Real Estate Network

Date: \_\_\_\_\_

EXHIBIT A

SITE PLAN OF WALL SPACE, GROUND SPACE,  
ANTENNA SPACE, AND CABLING SPACE

*[see attached]*

**NOTES:**

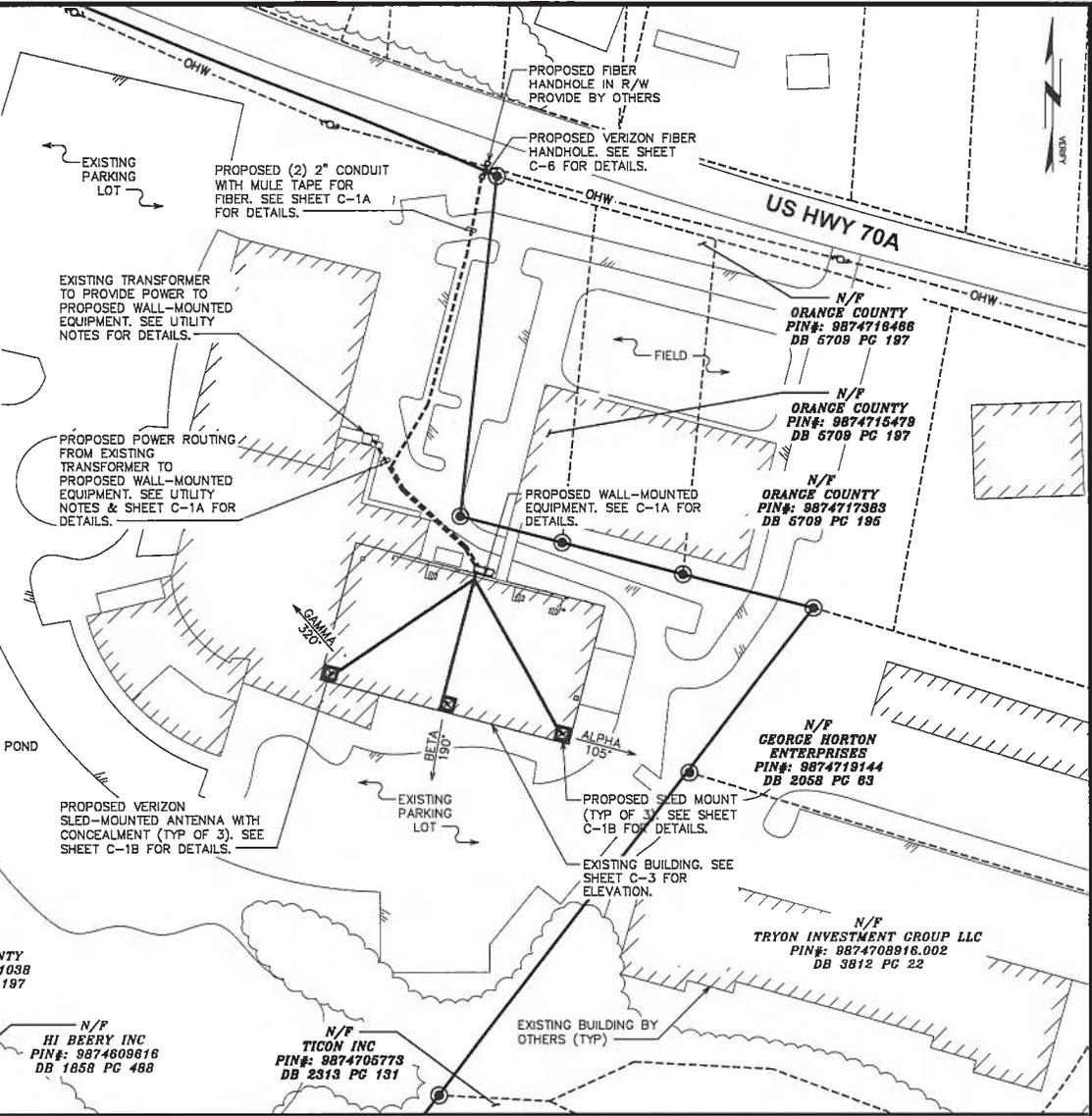
1. SITE PLAN SHOWN BELOW WAS REPRODUCED FROM INFORMATION PROVIDED BY ORANGE COUNTY GIS MAPS. CONTRACTOR TO VERIFY ALL EXISTING INFORMATION IS AS INDICATED ON SITE PLAN. CONTRACTOR IS TO ESTABLISH THE EXISTENCE AND LOCATION OF ALL EXISTING UNDERGROUND AND OVERHEAD UTILITIES. IMMEDIATELY NOTIFY THE CONSTRUCTION MANAGER OF ANY DISCREPANCIES.
2. EXISTING INFORMATION INDICATED ON THE SITE PLAN SHOWN WAS REPRODUCED FROM MAPS PROVIDED BY ORANGE COUNTY. TEP DOES NOT GUARANTEE, OR ENSURE THE PRECISION, ACCURACY OR CORRECTNESS AND ASSUMES NO RESPONSIBILITY OR LIABILITY FOR DAMAGES, LOSS OF REVENUE, OR INJURY THAT MIGHT OCCUR.

**UTILITY NOTES:**

1. CONTRACTOR TO CONTACT ANTHONY PERRY WITH DUKE ENERGY TO INITIATE UTILITY ROUTE INSTALLATION. CELL PHONE: (336) 708-0652 EMAIL: Anthony.Perry@duke-energy.com
2. DUKE ENERGY TO PROVIDE POWER FROM EXISTING 277/480V TRANSFORMER LOCATED ON PROPERTY. DUKE WILL PROVIDE A MINIMUM OF 400A SERVICE TO CUSTOMER OWNED CT CABINET.
3. DUKE ENERGY TO PROVIDE AND INSTALL CONDUIT FROM EXISTING TRANSFORMER TO CT CABINET
4. CONTRACTOR TO INSTALL MINIMUM 32" WIDE x 24" HIGH x 12" DEEP CT CABINET
5. CONTRACTOR TO INSTALL 3/4" THICK PLYWOOD BACKBOARD ON CT CABINET
6. CONTRACTOR TO CUT HOLES IN CT CABINET FOR DUKE ENERGY'S SERVICE CONDUCTORS FOR AN UNDERGROUND SERVICE

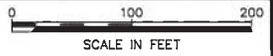
**LEGEND**

	EXIST. PROPERTY LINE
	EXIST. ADJACENT PROP.
	EXIST. UTILITY POLE
	EXIST. TELCO PEDESTAL
	PROPERTY CORNER
	EDGE OF PAVEMENT
	OVERHEAD WIRE
	RIGHT-OF-WAY
	RAILROAD TRACKS
	EXISTING TREE LINE



**SITE PLAN**

SCALE: 1" = 100'



PLANS PREPARED FOR:

8921 Research Drive  
Charlotte, NC 28262  
(704) 519-9957

PROJECT INFORMATION:  
**VZW SITE NAME: SMC  
ORANGE COUNTY  
SPORTS COMPLEX**  
101 MEADOWLANDS DRIVE  
HILLSBOROUGH, NC 27278  
(ORANGE COUNTY)

PLANS PREPARED BY:

**TOWER ENGINEERING PROFESSIONALS**  
326 TRYON ROAD  
RALEIGH, NC 27603-3530  
OFFICE: (919) 861-6351  
www.tepgroup.net  
NC LICENSE # C-1794

SEAL:

9	12-05-19	CONSTRUCTION
8	11-11-19	CONSTRUCTION
7	11-01-19	CONSTRUCTION
6	01-24-19	CONSTRUCTION

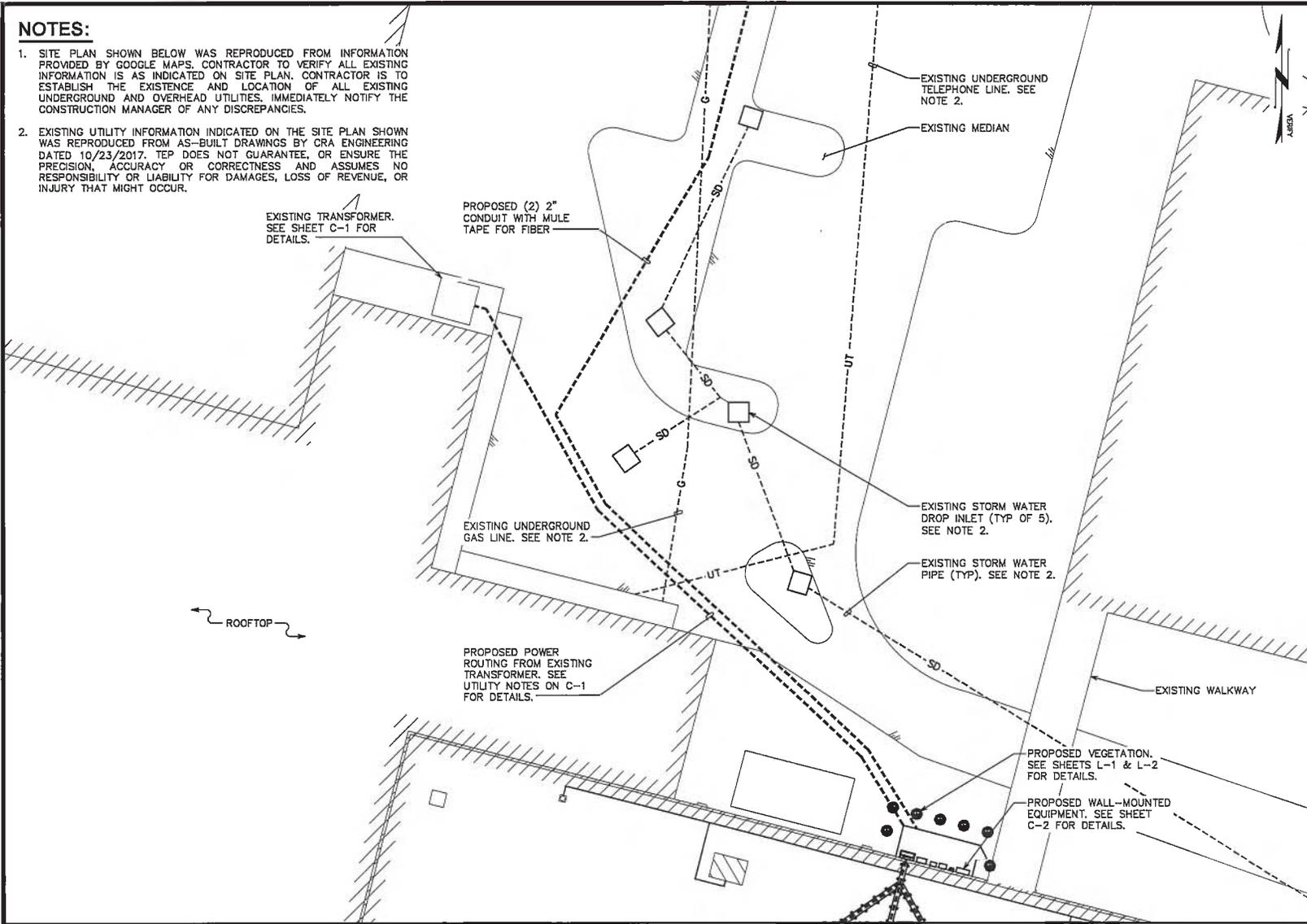
REV DATE ISSUED FOR:  
DRAWN BY: SAM CHECKED BY: SCB

SHEET TITLE:  
**SITE PLAN**

SHEET NUMBER: <b>C-1</b>	REVISION: 9 TEP#: 83172
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**NOTES:**

1. SITE PLAN SHOWN BELOW WAS REPRODUCED FROM INFORMATION PROVIDED BY GOOGLE MAPS. CONTRACTOR TO VERIFY ALL EXISTING INFORMATION IS AS INDICATED ON SITE PLAN. CONTRACTOR IS TO ESTABLISH THE EXISTENCE AND LOCATION OF ALL EXISTING UNDERGROUND AND OVERHEAD UTILITIES. IMMEDIATELY NOTIFY THE CONSTRUCTION MANAGER OF ANY DISCREPANCIES.
2. EXISTING UTILITY INFORMATION INDICATED ON THE SITE PLAN SHOWN WAS REPRODUCED FROM AS-BUILT DRAWINGS BY CRA ENGINEERING DATED 10/23/2017. TEP DOES NOT GUARANTEE, OR ENSURE THE PRECISION, ACCURACY OR CORRECTNESS AND ASSUMES NO RESPONSIBILITY OR LIABILITY FOR DAMAGES, LOSS OF REVENUE, OR INJURY THAT MIGHT OCCUR.



**UTILITY LAYOUT**

SCALE: 1" = 20'



PLANS PREPARED FOR:

8921 Research Drive  
Charlotte, NC 28262  
(704) 519-9957

PROJECT INFORMATION:  
**VZW SITE NAME: SMC  
ORANGE COUNTY  
SPORTS COMPLEX**  
101 MEADOWLANDS DRIVE  
HILLSBOROUGH, NC 27278  
(ORANGE COUNTY)

PLANS PREPARED BY:

**TOWER ENGINEERING PROFESSIONALS**  
326 TRYON ROAD  
RALEIGH, NC 27603-3530  
OFFICE: (919) 841-6351  
www.tepgrp.com  
N.C. LICENSE # 0-1794

SEAL:

December 5, 2019

REV	DATE	ISSUED FOR:
9	12-05-19	CONSTRUCTION
8	11-17-19	CONSTRUCTION
7	11-01-19	CONSTRUCTION
6	01-24-19	CONSTRUCTION

DRAWN BY: SAM      CHECKED BY: SCB

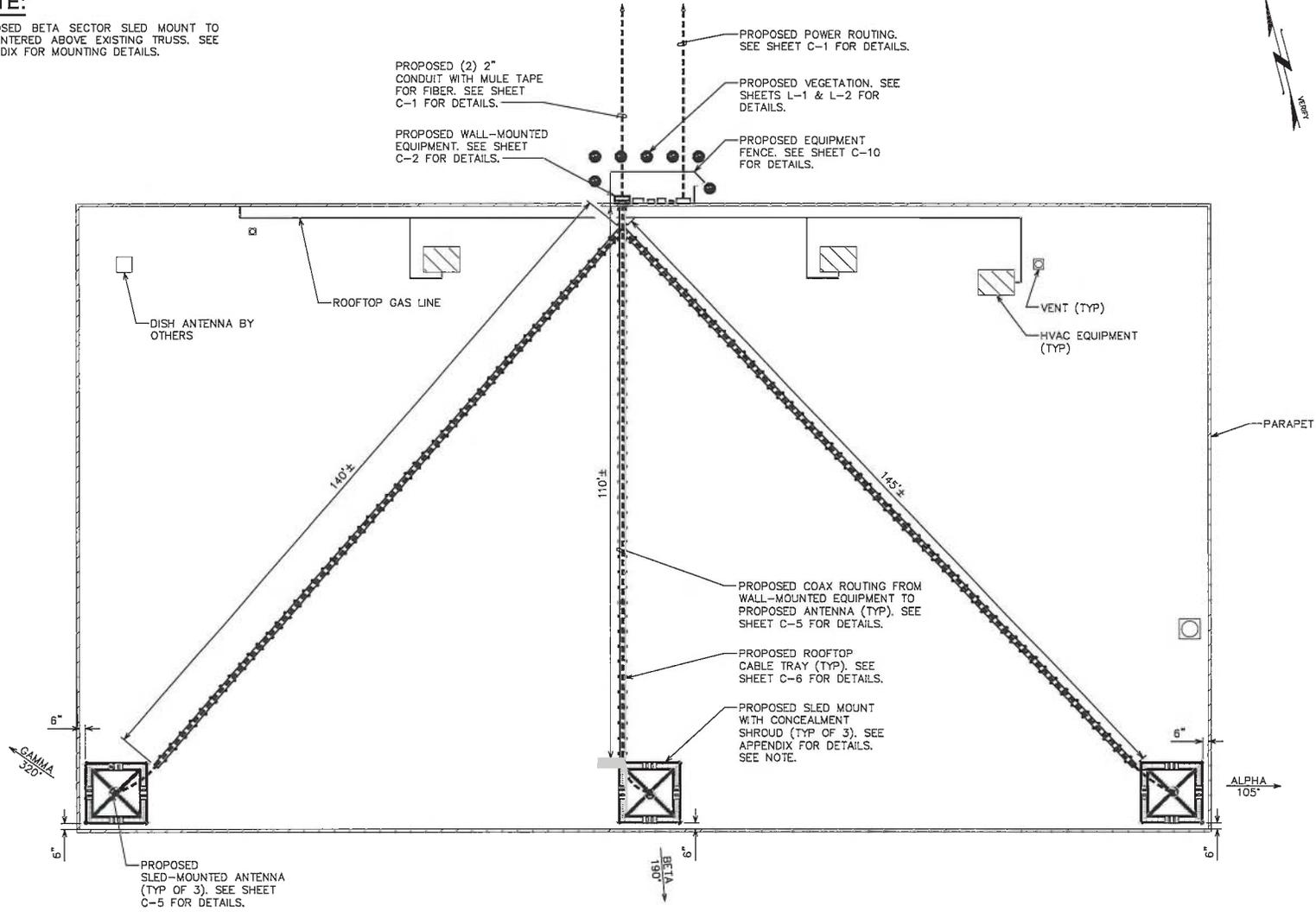
SHEET TITLE:

**UTILITY LAYOUT**

SHEET NUMBER: **C-1A**      REVISION: **9**  
TEP#: 83172

**NOTE:**

PROPOSED BETA SECTOR SLED MOUNT TO BE CENTERED ABOVE EXISTING TRUSS. SEE APPENDIX FOR MOUNTING DETAILS.



PLANS PREPARED FOR:

**verizon**

8921 Research Drive  
Charlotte, NC 28262  
(704) 519-9957

PROJECT INFORMATION:

**VZW SITE NAME: SMC  
ORANGE COUNTY  
SPORTS COMPLEX**

101 MEADOWLANDS DRIVE  
HILLSBOROUGH, NC 27278  
(ORANGE COUNTY)

PLANS PREPARED BY:



**TOWER ENGINEERING PROFESSIONALS**  
326 TRYON ROAD  
RALEIGH, NC 27603-3530  
OFFICE: (919) 661-6351  
www.tepgroup.net  
NC LICENSE # C-178

SEAL:



December 5, 2019

9	12-05-19	CONSTRUCTION
8	11-11-19	CONSTRUCTION
7	11-01-19	CONSTRUCTION
6	01-24-19	CONSTRUCTION
REV	DATE	ISSUED FOR:

DRAWN BY: SAM    CHECKED BY: SCB

SHEET TITLE:

**ROOFTOP LAYOUT**

SHEET NUMBER: **C-1B**    REVISION: **9**

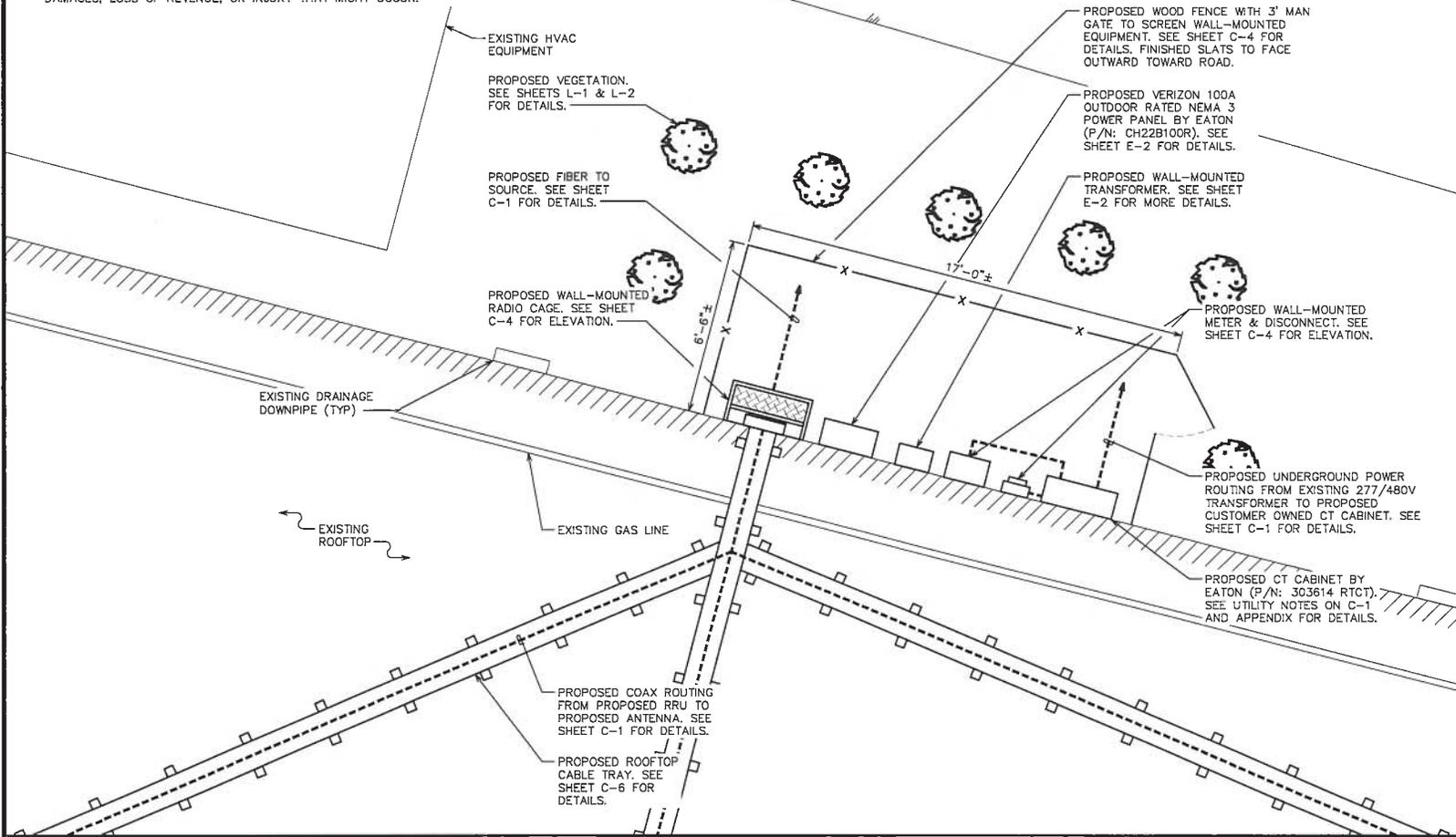
T.E.P.#: 83172

**ROOFTOP LAYOUT**  
SCALE: 1" = 20'



**NOTES:**

1. SITE PLAN SHOWN BELOW WAS REPRODUCED FROM INFORMATION PROVIDED BY ORANGE COUNTY GIS MAPS. CONTRACTOR TO VERIFY ALL EXISTING INFORMATION IS AS INDICATED ON SITE PLAN. CONTRACTOR IS TO ESTABLISH THE EXISTENCE AND LOCATION OF ALL EXISTING UNDERGROUND AND OVERHEAD UTILITIES. IMMEDIATELY NOTIFY THE CONSTRUCTION MANAGER OF ANY DISCREPANCIES.
2. EXISTING INFORMATION INDICATED ON THE SITE PLAN SHOWN WAS REPRODUCED FROM MAPS PROVIDED BY ORANGE COUNTY. TEP DOES NOT GUARANTEE, OR ENSURE THE PRECISION, ACCURACY OR CORRECTNESS AND ASSUMES NO RESPONSIBILITY OR LIABILITY FOR DAMAGES, LOSS OF REVENUE, OR INJURY THAT MIGHT OCCUR.



**EQUIPMENT LAYOUT**

SCALE: 1/4" = 1'-0"



PLANS PREPARED FOR:

**verizon**<sup>✓</sup>

8921 Research Drive  
Charlotte, NC 28262  
(704) 519-9957

PROJECT INFORMATION:

**VZW SITE NAME: SMC  
ORANGE COUNTY  
SPORTS COMPLEX**

101 MEADOWLANDS DRIVE  
HILLSBOROUGH, NC 27278  
(ORANGE COUNTY)

PLANS PREPARED BY:

**TOWER ENGINEERING PROFESSIONALS**  
326 TRYON ROAD  
RALEIGH, NC 27603-3530  
OFFICE: (919) 861-6351  
www.tepgroup.net  
NC LICENSE # C-1794

SEAL:

December 5, 2019

9	12-05-19	CONSTRUCTION
8	11-11-19	CONSTRUCTION
7	11-01-19	CONSTRUCTION
6	01-24-19	CONSTRUCTION
REV	DATE	ISSUED FOR:
DRAWN BY: SAM		CHECKED BY: SCB

SHEET TITLE:

**EQUIPMENT LAYOUT**

SHEET NUMBER:	REVISION:
<b>C-2</b>	<b>9</b>
TEP#:	83172

**NOTES:**

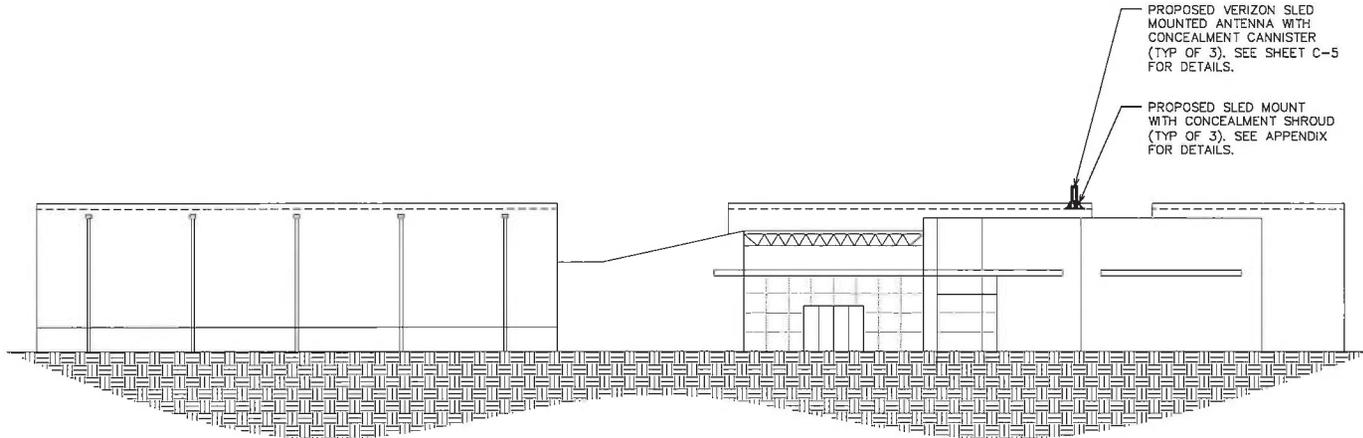
1. ALL PROPOSED EQUIPMENT TO BE PAINTED TO MATCH EXISTING
2. THE DRAWING IS ONLY A GRAPHIC REPRESENTATION OF THE STRUCTURE. CONDITIONS IN THE FIELD MAY VARY.
3. ALL PROPOSED EQUIPMENT TO BE MOUNTED PER MANUFACTURER'S SPECIFICATIONS.



**PHOTO OF BUILDING ELEVATION**

SCALE: N.T.S.

- 39'-10"±  
T/APPURTENANCE
- 37'-6"±  
C PROPOSED ANTENNAS
- 33'-6"±  
T/PARAPET
- 31'-7"±  
T/ROOFTOP
  
- 0'-0"± (REFERENCE)  
EXISTING GRADE



**BUILDING ELEVATION (WESTERN VIEW)**

SCALE: N.T.S.

PLANS PREPARED FOR:

**verizon**  
 8921 Research Drive  
 Charlotte, NC 28262  
 (704) 519-9957

PROJECT INFORMATION:

**VZW SITE NAME: SMC  
 ORANGE COUNTY  
 SPORTS COMPLEX**  
 101 MEADOWLANDS DRIVE  
 HILLSBOROUGH, NC 27278  
 (ORANGE COUNTY)

PLANS PREPARED BY:



**TOWER ENGINEERING PROFESSIONALS**  
 326 TRYON ROAD  
 RALEIGH, NC 27603-3530  
 OFFICE: (919) 651-6351  
 www.teppro.com  
 NC LICENSE #C-1794

SEAL:



REV	DATE	ISSUED FOR:
8	12-05-19	CONSTRUCTION
6	11-11-19	CONSTRUCTION
7	11-01-19	CONSTRUCTION
6	01-24-19	CONSTRUCTION

DRAWN BY: SAM      CHECKED BY: SCB

SHEET TITLE:

**BUILDING ELEVATION**

SHEET NUMBER:	REVISION:
<b>C-3</b>	<b>9</b>
TEP#:	03172

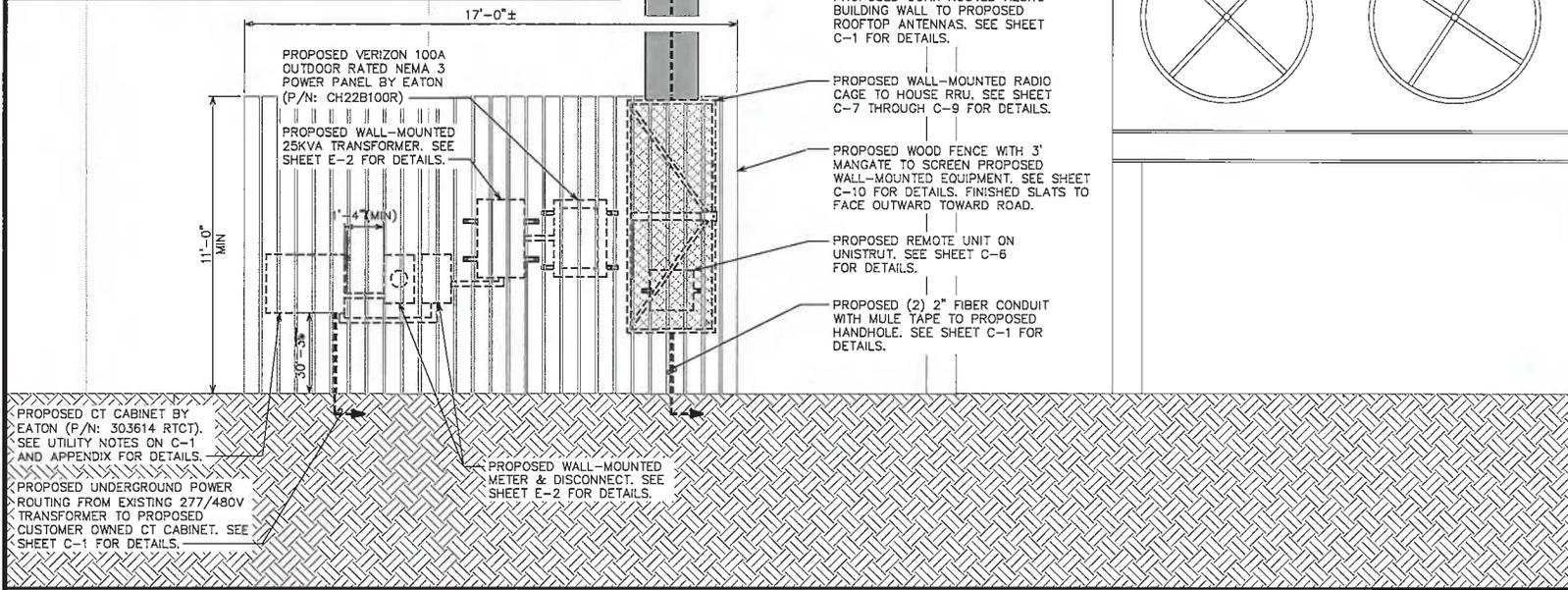


**PHOTO OF EQUIPMENT LOCATION**

SCALE: N.T.S.

**NOTES:**

1. ALL PROPOSED EQUIPMENT TO BE PAINTED TO MATCH EXISTING
2. THE DRAWING IS ONLY A GRAPHIC REPRESENTATION OF THE STRUCTURE. CONDITIONS IN THE FIELD MAY VARY.
3. ALL PROPOSED EQUIPMENT TO BE MOUNTED PER MANUFACTURER'S SPECIFICATIONS.
4. VEGETATION TO BE PLACED AROUND PROPOSED WOODEN FENCE. SEE SHEETS L-1 & L-2 FOR LANDSCAPING DETAILS.



PROPOSED CT CABINET BY EATON (P/N: 303614 RTCT). SEE UTILITY NOTES ON C-1 AND APPENDIX FOR DETAILS.

PROPOSED UNDERGROUND POWER ROUTING FROM EXISTING 277/480V TRANSFORMER TO PROPOSED CUSTOMER OWNED CT CABINET. SEE SHEET C-1 FOR DETAILS.

PROPOSED WALL-MOUNTED METER & DISCONNECT. SEE SHEET E-2 FOR DETAILS.

PROPOSED WALL MOUNT COVERED COAX KIT (SITE PRO PART WMC8).

PROPOSED COAX ROUTED ALONG BUILDING WALL TO PROPOSED ROOFTOP ANTENNAS. SEE SHEET C-1 FOR DETAILS.

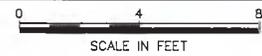
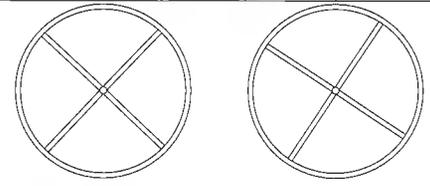
PROPOSED WALL-MOUNTED RADIO CAGE TO HOUSE RRU. SEE SHEET C-7 THROUGH C-9 FOR DETAILS.

PROPOSED WOOD FENCE WITH 3' MANGATE TO SCREEN PROPOSED WALL-MOUNTED EQUIPMENT. SEE SHEET C-10 FOR DETAILS. FINISHED SLATS TO FACE OUTWARD TOWARD ROAD.

PROPOSED REMOTE UNIT ON UNISTRUT. SEE SHEET C-6 FOR DETAILS.

PROPOSED (2) 2" FIBER CONDUIT WITH MULE TAPE TO PROPOSED HANDHOLE. SEE SHEET C-1 FOR DETAILS.

EXISTING DRAINAGE DOWNPIPE  
EXISTING HVAC EQUIPMENT



**EQUIPMENT ELEVATION**

SCALE: 1/2" = 1'-0"

PLANS PREPARED FOR:

8921 Research Drive  
Charlotte, NC 28262  
(704) 519-9957

PROJECT INFORMATION:  
**VZW SITE NAME: SMC  
ORANGE COUNTY  
SPORTS COMPLEX**  
101 MEADOWLANDS DRIVE  
HILLSBOROUGH, NC 27278  
(ORANGE COUNTY)

PLANS PREPARED BY:

**TOWER ENGINEERING PROFESSIONALS**  
326 TRYON ROAD  
RALEIGH, NC 27603-3530  
OFFICE: (919) 664-6351  
www.tepgroup.net  
NC LICENSE # C1784

SEAL:

December 5, 2019

9	12-05-19	CONSTRUCTION
8	11-11-19	CONSTRUCTION
7	11-01-19	CONSTRUCTION
6	01-24-19	CONSTRUCTION
REV	DATE	ISSUED FOR:

DRAWN BY: SAM      CHECKED BY: SCB

SHEET TITLE:

**EQUIPMENT  
ELEVATION**

SHEET NUMBER:	REVISION:
<b>C-4</b>	<b>9</b>
TEP#:	03172



3. Subject to the terms and conditions set forth in the Agreement, Lessor has leased to Lessee certain space (the "**Premises**") on the Property, and on and within the building located on the Property for the installation, operation and maintenance of communications equipment, together with the non-exclusive right of ingress and egress from a public right-of-way, seven (7) days a week, twenty four (24) hours a day, over the Property and in and through such building to and from the Premises for the purpose of installation, operation and maintenance of Lessee's communications facility

4. Lessee has the right of first refusal to obtain a communications easement under the Premises during the initial term and all renewal terms of the Agreement.

5. Copies of the Agreement are on file in the offices of Lessor and Lessee.

6. The terms, covenants and provisions of the Agreement, of which this is a Memorandum, shall extend to and be binding upon the respective administrators, successors and assigns of Lessor and Lessee.

[Remainder of Page Intentionally Left Blank]

Lessee Site Name: SMC\_ORNGECNTY\_SPORTSPLX\_1  
Lessee Site No.: 394388

IN WITNESS WHEREOF, Lessor and Lessee have caused this Memorandum to be duly executed on the day and year first written above.

**LESSOR: Orange County, North Carolina**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**LESSEE: Cellco Partnership d/b/a Verizon Wireless**

By: \_\_\_\_\_  
Abhijit Apte  
Senior Manager Real Estate Network

Lessee Site Name: SMC\_ORNGECNTY\_SPORTSPLX\_1  
Lessee Site No.: 394388

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

Before me, the undersigned officer, personally appeared \_\_\_\_\_, with whom I am personally acquainted (or whose identity was proven to me on the basis of satisfactory evidence), who acknowledged himself/herself to be the \_\_\_\_\_ of **Orange County, North Carolina**, and affirmed that, being duly authorized, he/she executed the foregoing instrument on behalf of **Orange County, North Carolina** for the purposes therein contained.

Witness my hand and seal this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

[SEAL]

Lessee Site Name: SMC\_ORNGECNTY\_SPORTSPLX\_1  
Lessee Site No.: 394388

STATE OF NORTH CAROLINA )  
COUNTY OF MECKLENBURG )

Before me, the undersigned officer, personally appeared **Abhijit Apte**, with whom I am personally acquainted (or whose identity was proven to me on the basis of satisfactory evidence), who acknowledged himself to be the Senior Manager Real Estate Network of **Cellco Partnership d/b/a Verizon Wireless**, and affirmed that, being duly authorized, he/she executed the foregoing instrument on behalf of **Cellco Partnership d/b/a Verizon Wireless** for the purposes therein contained.

Witness my hand and seal this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

[SEAL]

Lessee Site Name: SMC\_ORNGECNTY\_SPORTSPLX\_1  
Lessee Site No.: 394388

## EXHIBIT A

Property located in Orange, NC

That certain parcel of land located in the Town of Hillsborough and Hillsborough Township, Orange County, North Carolina and being more particularly described as follows:

BEGINNING at a pin set at the intersection of southern edge of the 60-foot wide right-of-way of U.S. 70, and the eastern edge of the 60-foot wide right-of-way of Meadowlands Drive, said pin set being the northern most corner of "Lot 1" as shown on a map recorded in Plat Book 70, Page 178, Orange County Registry; runs thence from said point and place of beginning with the said southern edge of the right-of-way of U.S. 70 South  $66^{\circ} 12' 36''$  East 222.38 feet to a pin set; runs thence continuing with said southern edge of the right-of-way of U.S. 70 South  $67^{\circ} 17' 15''$  East 224.35 feet to an existing iron in the western line of that certain parcel now or formerly belonging to Carter; thence leaves said right-of-way and runs with the western line of that certain parcel now or formerly belonging to Carter South  $04^{\circ} 33' 05''$  West 296.84 feet to an existing iron at a fence corner in the southwest corner of said Carter parcel; runs thence with the southern line of the aforementioned Carter property the following two courses and distances (1) South  $80^{\circ} 05' 01''$  East 4.07 feet to an existing iron, and (2) South  $74^{\circ} 01' 45''$  East 202.32 feet to an existing iron in the southeast corner of the Carter property and the southwest corner of certain property now or formerly belonging to Jeff Woods; runs thence with the southern line of the aforementioned Jeff Woods parcel South  $74^{\circ} 01' 45''$  East 99.50 feet to a pin set in the western line of "Lot B," now or formerly belonging to Meadowlands Associates, as shown on a map recorded in Plat Book 85, Page 35, Orange County Registry; runs thence with the boundary line of said "Lot B" the following six courses and distances: (1) South  $38^{\circ} 48' 06''$  West 561.88 feet to a pin set; (2) South  $89^{\circ} 45' 00''$  West 69.10 feet to a pin set; (3) South  $50^{\circ} 44' 07''$  West 84.77 feet to a pin set; (4) North  $85^{\circ} 51' 21''$  West 72.62 feet to a pin set; (5) North  $77^{\circ} 32' 04''$  West 56.06 feet to a pin set; and (6) North  $70^{\circ} 20' 36''$  West 49.53 feet to a pin set; runs thence North  $52^{\circ} 23' 22''$  West 67.48 feet to a pin set; runs thence North  $75^{\circ} 57' 06''$  West 53.46 feet to a pin set; runs thence South  $77^{\circ} 27' 37''$  West 143.34 feet to an existing iron; runs thence North  $83^{\circ} 48' 26''$  West 127.62 feet to an existing iron; runs thence North  $56^{\circ} 53' 05''$  West 93.79 feet to an existing iron; runs thence North  $27^{\circ} 48' 47''$  West 157.04 feet to a pin set; runs thence North  $13^{\circ} 00' 27''$  West 104.68 feet to a pin set; runs thence along and with a curve to the right having a radius of 55.00 feet, an arc length of 102.26 feet, a chord bearing of North  $38^{\circ} 22' 13''$  East and a chord distance of 88.16 feet to a pin set; runs thence South  $88^{\circ} 21' 52''$  East 129.82 feet to a pin set; runs thence along and with a curve to the left having a radius of 246.95 feet, an arc length of 162.81 feet, a chord bearing of North  $40^{\circ} 19' 56''$  East a chord distance of 159.87 feet to a pin set; runs thence along and with a curve to the right having a radius of 1110.70 feet, an arc length of 76.83 feet, a chord bearing of North  $23^{\circ} 25' 37''$  East a chord distance of 76.81 feet to a pin set; runs thence North  $51^{\circ} 49' 45''$  West 31.35 feet to a pin set in the eastern edge of the 60-foot wide right-of-way of Meadowlands Drive; runs thence with the eastern edge of said right-of-way the following four courses and distances: (1) along and with a curve to the left having a radius of 405.00 feet, an arc length of 100.38 feet, a chord bearing of North  $31^{\circ} 04' 14''$  East a chord distance of 100.12 feet to a pin set; (2) North  $23^{\circ} 58' 12''$  East 47.58 feet to a pin set; (3) North  $27^{\circ} 00' 07''$  East 135.54 feet to a pin set; and (4) North  $33^{\circ} 36' 11''$  East 189.52 feet to a pin set, the point and place BEGINNING, and being all of Lot "1" as shown on map recorded in Plat Book 70, Page 178, Orange County Registry, save and except that certain property conveyed by Deed recorded in Book 2043, Page 245, Orange County Registry. For further reference, see that certain map recorded in Plat Book 85, Page 35, Orange County Registry.

Lessee Site Name: SMC\_ORNGECNTY\_SPORTSPLX\_1  
 Lessee Site No.: 394388

AND BEING the same property conveyed to Orange County, North Carolina, a North Carolina body politic and corporate entity from RT Holdings, LLC, a North Carolina limited liability company by North Carolina Special Warranty Deed dated December 15, 2005 and recorded December 15, 2005 in Deed Book RB3933, Page 307.

Tax Parcel No. 9874711038

Lessee Site Name: SMC\_ORNGECNTY\_SPORTSPLX\_1  
Lessee Site No.: 394388

4845-7199-1642v2  
3000001-101524

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This Instrument Prepared By  
 And Upon Recording MAIL To:  
 Patrick Pope, Esq.  
 Baker, Donelson, Bearman, Caldwell & Berkowitz, PC  
 211 Commerce Street, Suite 800  
 Nashville, TN 37201

STATE OF NORTH CAROLINA )  
 )  
 COUNTY OF ORANGE )

NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS NON-DISTURBANCE AND ATTORNMENT AGREEMENT (“**Agreement**”) is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and among Celco Partnership d/b/a Verizon Wireless, a Delaware general partnership, with its principal office at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920 (“**Lessee**”), Orange County, North Carolina, with a mailing address of PO Box 8181, Hillsborough, North Carolina 27278 (collectively, “**Lessor**”), and Sterling National Bank, whose address is 1412 Broadway, 7th Floor, New York, New York 10018, Attention: NYC Team 114 (“**Lender**”).

**RECITALS:**

A. Lessor is the owner of certain property located at 101 Meadowlands Drive, Hillsborough, Orange County, North Carolina (the “**Property**”), more particularly described in the attached Exhibit "A".

B. Lessor and Lessee have entered or intend to enter into a Lease Agreement (the “**Lease**”), by which Lessor will lease to Lessee certain space on the Property and grant to Lessee certain access rights (the “**Premises**”).

C. Lender is the holder of the following mortgage instruments executed by Lessor, which encumber the Property:

Deed of Trust and Security Agreement dated June 14, 2017, and recorded in Book RB6319, Page 169 (the "**Mortgage**"), in the Register of Deed's Office for Orange County, North Carolina (the "**Register's Office**");

**AGREEMENT:**

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. So long as the Lessee is not in default in the performance of any of the terms of the Lease beyond applicable notice and cure periods, the parties agree that if Lender, or any other party, succeeds to the interest of Lessor under the Lease ("**Lessor's Successor**") by foreclosure, or by acquisition of title to the Property in lieu of foreclosure, or otherwise, pursuant to any rights granted to Lender, in any case pending pursuant to 11 U.S.C. §101 et seq., or any action taken under the Mortgage by Lender, or if Lender exercises the rights granted to it by any assignment (any such occurrence being referred to herein as an "**Attornment Event**"), the Lessee shall be bound to Lessor's Successor under all of the terms of the Lease for the balance of the term thereof remaining, and any extension or renewal terms thereof, with the same force and effect as if Lessor's Successor was the lessor under the Lease, and the Lessee shall attorn to Lessor's Successor as its lessor, such attornment to be effective and self-operative, without the execution of any further instruments on the part of any of the parties hereto, immediately upon the Lessor's Successor succeeding to the interest of the Lessor under the Lease. Notwithstanding anything herein to the contrary, the Lessee shall be under no obligation to pay rent or other costs, if any, which may be due Lessor pursuant to the terms of the Lease to the Lessor's Successor until the Lessee receives written notice from the Lessor's Successor that it has succeeded to the interest of the Lessor under the Lease. The respective rights and obligations of the Lessee and Lessor's Successor upon such attornment shall, to the extent of the then remaining balance of the term of the Lease and any extension or renewal thereof, be the same as now set forth therein, it being the intention of the parties hereto for this purpose to incorporate the Lease in this Agreement by reference with the same force and effect as if set forth at length herein.

2. Subject to Lessee's attornment to Lessor's Successor pursuant to Section 1 above, upon the occurrence of an Attornment Event, so long as Lessee is not in default in the performance of any of the terms of the Lease beyond applicable notice and cure periods, Lessor's Successor shall not affect or disturb Lessee's right to possession, use and enjoyment of the Premises, shall be bound to the Lessee under all of the terms of the Lease for the balance of the term thereof remaining and any extension or renewal terms thereof with the same force and effect as if Lessor's Successor was the lessor under the Lease, and shall perform each and every one of the obligations of Lessor thereunder. In no event shall the Lessor's Successor be liable for any act or omission of any prior lessor, be subject to any offsets or defenses which the Lessee might have against any prior lessor, or be bound by any rent or additional rent which may be due Lessor pursuant to the terms and provisions of the Lease which the Lessee might have paid to any prior lessor for more than the current month.

3. Lender understands, acknowledges and agrees that notwithstanding anything to the contrary contained in the Mortgage and/or any related financing documents, including,

without limitation the Assignment of Rents and any associated UCC-1 Financing Statement, Lender shall acquire no interest in any fixtures, equipment and/or other property owned or leased by Lessee and now or hereafter located on or affixed to the Premises or any portion thereof except to the extent, if any, set forth in the Lease or to the extent owned by Lessor. Lender hereby expressly waives any interest which Lender may have or acquire with respect to fixtures, equipment and/or other property owned or leased by Lessee which is now, or hereafter, located on, or affixed to, the Premises or any portion thereof, except to the extent, if any, set forth in the Lease or to the extent owned by Lessor, and Lender hereby agrees that same do not constitute realty regardless of the manner in which same are attached or affixed.

4. So long as the Lessee is not in default in the performance of any of the terms of the Lease beyond applicable notice and cure periods, in no event whatsoever shall Lender or Lessor disturb the rights to possession, use and enjoyment of Lessee in and to the Premises, nor shall the rights granted by the Lease be affected in any manner whatsoever, nor the obligations of the parties thereunder be modified or amended in any way, notwithstanding any foreclosure or proceeding in lieu thereof affecting the Premises, whether or not Lessee is made a party thereto. Each of Lessor and Lender agrees that it will not oppose, in court or otherwise, any position taken or argument or claim made by Lessee or Lessor, as the case may be, that the Lease is an unexpired lease of real property (as such term is used in 11 U.S.C. §365(h) or any successor statute).

5. The rights and obligations hereunder of the Lessee, Lessor and the Lender shall bind and inure to the benefit of their respective successors and assigns. This Agreement is intended by the parties hereto to be an amendment to the Lease and the provisions hereof shall supersede any inconsistent provisions contained in the Lease.

6. Lender hereby consents to the execution and delivery of the Lease and further agrees to the terms and conditions of this Agreement.

7. This Agreement shall automatically expire upon the occurrence of either of the following: (i) the term of the Lease expires or the Lease is terminated, or (ii) the loan secured by the Mortgage is paid in full by the Lessor such that neither Lender nor anyone claiming by or through Lender has any interest in the Property and the Mortgage is released of record.

*[Signatures appear on following page]*

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year as first indicated above.

**LENDER:**

**Sterling National Bank**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**LESSOR:**

**Orange County, North Carolina**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**LESSEE:**

**Cellco Partnership d/b/a Verizon Wireless**

By: \_\_\_\_\_  
Niraj Patel  
Director - Network Field Engineering

LESSOR ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ )  
 )  
COUNTY OF \_\_\_\_\_ )

Before me, the undersigned officer, personally appeared \_\_\_\_\_, with whom I am personally acquainted (or whose identity was proven to me on the basis of satisfactory evidence), who acknowledged himself/herself to be the \_\_\_\_\_ of **Orange County, North Carolina**, and affirmed that, being duly authorized, he/she executed the foregoing instrument on behalf of **Orange County, North Carolina** for the purposes therein contained.

WITNESS my hand and official Notarial Seal, this \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_ [SEAL]

LENDER ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ )  
 )  
COUNTY OF \_\_\_\_\_ )

Before me, the undersigned officer, personally appeared \_\_\_\_\_, with whom I am personally acquainted (or whose identity was proven to me on the basis of satisfactory evidence), who acknowledged himself/herself to be the \_\_\_\_\_ of **Sterling National Bank**, and affirmed that, being duly authorized, he/she executed the foregoing instrument on behalf of **Sterling National Bank** for the purposes therein contained.

WITNESS my hand and official Notarial Seal, this \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_ [SEAL]

LESSEE ACKNOWLEDGMENT

STATE OF NORTH CAROLINA )  
 )  
COUNTY OF MECKLENBURG )

Before me, the undersigned officer, personally appeared **Niraj Patel**, with whom I am personally acquainted (or whose identity was proven to me on the basis of satisfactory evidence), who acknowledged himself to be the Director - Network Field Engineering of **Cellco Partnership**, and affirmed that, being duly authorized, he executed the foregoing instrument on behalf of **Cellco Partnership d/b/a Verizon Wireless**, for the purposes therein contained.

WITNESS my hand and official Notarial Seal, this \_\_\_ day of \_\_\_\_\_, 20\_\_.

My Commission Expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public  
[SEAL]

## EXHIBIT "A"

Property located in Orange County, North Carolina, described as follows:

Tract 1 (Sportsplex Property): PIN 9874-71-1038

BEGINNING AT A PIN SET AT THE INTERSECTION OF SOUTHERN EDGE OF THE 60-FOOT WIDE RIGHT-OF-WAY OF U.S. 70, AND THE EASTERN EDGE OF THE 60-FOOT WIDE RIGHT-OF-WAY OF MEADOWLANDS DRIVE, SAID PIN SET BEING THE NORTHERNMOST CORNER OF "LOT 1" AS SHOWN ON A MAP RECORDED IN PLAT BOOK 70, PAGE 178, ORANGE COUNTY REGISTRY, RUNS THENCE FROM SAID POINT AND PLACE OF BEGINNING WITH THE SAID SOUTHERN EDGE OF THE RIGHT-OF-WAY OF U.S. 70 SOUTH 66 DEG. 12 MIN. 36 SEC. EAST 222.38 FEET TO A PIN SET; RUNS THENCE CONTINUING WITH SAID SOUTHERN EDGE OF THE RIGHT-OF-WAY OF U.S. 70 SOUTH 67 DEG. 17 MIN 15 SEC EAST 224.35 FEET TO AN EXISTING IRON IN THE WESTERN LINE OF THAT CERTAIN PARCEL NOW OR FORMERLY BELONGING TO CARTER; THENCE LEAVES SAID RIGHT-OF-WAY AND RUNS WITH THE WESTERN LINE OF THAT CERTAIN PARCEL NOW OR FORMERLY BELONGING TO CARTER SOUTH 04 DEG. 33 MIN 05 SEC. WEST 296.84 FEET TO AN EXISTING IRON AT A FENCE CORNER IN THE SOUTHWEST CORNER OF SAID CARTER PARCEL; RUNS THENCE WITH THE SOUTHERN LINE OF THE AFOREMENTIONED CARTER PROPERTY THE FOLLOWING TWO COURSES AND DISTANCES (1) SOUTH 80 DEG. 05 MIN 01 SEC EAST 4.07 FEET TO AN EXISTING IRON, AND (2) SOUTH 74 DEG. 01 MIN 45 SEC. EAST 202.32 FEET TO AN EXISTING IRON IN THE SOUTHEAST CORNER OF THE CARTER PROPERTY AND THE SOUTHWEST CORNER OF CERTAIN PROPERTY NOW OR FORMERLY BELONGING TO JEFF WOODS; RUNS THENCE WITH THE SOUTHERN LINE OF THE AFOREMENTIONED JEFF WOODS PARCEL SOUTH 74 DEG. 01 MIN 45 SEC. EAST 99.50 FEET TO A PIN SET IN THE WESTERN LINE OF "LOT B", NOW OR FORMERLY BELONGING TO MEADOWLANDS ASSOCIATES, AS SHOWN ON A MAP RECORDED IN PLAT BOOK 85, PAGE 35, ORANGE COUNTY REGISTRY; RUNS THENCE WITH THE BOUNDARY LINE OF SAID "LOT B" THE FOLLOWING SIX COURSES AND DISTANCES: (1) SOUTH 38 DEG. 48 MIN 06 SEC. WEST 561.88 FEET TO A PIN SET; (2) SOUTH 89 DEG. 45 MIN 00 SEC WEST 69.10 FEET TO A PIN SET; (3) SOUTH 50 DEG. 44 MIN 07 SEC. WEST 84.77 FEET TO A PIN SET; (4) NORTH 85 DEG. 51 MIN 21 SEC. WEST 72.62 FEET TO A PIN SET; (5) NORTH 77 DEG. 32 MIN 04 SEC WEST 56.06 FEET TO A PIN; AND (6) NORTH 70 DEG. 20 MIN 36 SEC. WEST 49.53 FEET TO A PIN SET; RUNS THENCE NORTH 52 DEG. 23 MIN 22 SEC WEST 67.48 FEET TO A PIN SET; RUNS THENCE NORTH 75 DEG. 57 MIN 06 SEC WEST 53.46 FEET TO A PIN SET; RUNS THENCE SOUTH 77 DEG. 27 MIN 37 SEC. WEST 143.34 FEET TO AN EXISTING IRON; RUNS THENCE NORTH 83 DEG. 48 MIN 26 SEC WEST 127.62 FEET TO AN EXISTING IRON; RUNS THENCE NORTH 56 DEG. 53 MIN 05 SEC. WEST 93.79 FEET TO AN EXISTING IRON; RUNS THENCE NORTH 27 DEG. 48 MIN. 47 SEC. WEST 157.04 FEET TO A PIN SET; RUNS THENCE NORTH 13 DEG. 00 MIN 27 SEC. WEST 104.68 FEET TO A PIN SET; RUNS THENCE ALONG AND WITH A CURVE TO THE RIGHT HAVING A RADIUS OF 55.00 FEET, AN ARC LENGTH OF 102.26 FEET, A CHORD BEARING OF NORTH 38 DEG. 22 MIN 13 SEC. EAST AND A CHORD DISTANCE OF 88.16

FEET TO A PIN SET; RUNS THENCE SOUTH 88 DEG. 21 MIN 52 SEC. EAST 129.82 FEET TO A PIN SET; RUNS THENCE ALONG AND WITH A CURVE TO THE LEFT HAVING A RADIUS OF 246.95 FEET, AN ARC LENGTH OF 162.81 FEET, A CHORD BEARING OF NORTH 40 DEG. 19 MIN 56 SEC. EAST A CHORD DISTANCE OF 159.87 FEET TO A PIN SET; RUNS THENCE ALONG AND WITH A CURVE TO THE RIGHT HAVING A RADIUS OF 1110.70 FEET, AN ARC LENGTH OF 76.83 FEET, A CHORD BEARING OF NORTH 23 DEG. 25 MIN. 37 SEC. EAST A CHORD DISTANCE OF 76.81 FEET TO A PIN SET; RUNS THENCE NORTH 51 DEG. 49 MIN 45 SEC WEST 31.35 FEET TO A PIN SET IN THE EASTERN EDGE OF THE 60-FOOT WIDE RIGHT-OF-WAY OF MEADOWLANDS DRIVE; RUNS THENCE WITH THE EASTERN EDGE OF SAID RIGHT-OF-WAY THE FOLLOWING FOUR COURSES AND DISTANCES: (1) ALONG AND WITH A CURVE TO THE LEFT HAVING A RADIUS OF 405.00 FEET, AN ARC LENGTH OF 100.38 FEET, A CHORD BEARING OF NORTH 31 DEG. 04 MIN 14 SEC EAST A CHORD DISTANCE OF 100.12 FEET TO A PIN SET; (2) NORTH 23 DEG 58 MIN 12 SEC. EAST 47.58 FEET TO A PIN SET; (3) NORTH 27 DEG. 00 MIN 07 SEC. EAST 135.54 FEET TO A PIN SET; AND (4) NORTH 33 DEG. 36 MIN 11 SEC EAST 189.52 FEET TO A PIN SET, THE POINT AND PLACE BEGINNING, AND BEING ALL OF LOT "1" AS SHOWN ON MAP RECORDED IN PLAT BOOK 70, PAGE 178, ORANGE COUNTY REGISTRY, SAVE AND EXCEPT THAT CERTAIN PROPERTY CONVEYED BY DEED RECORDED IN BOOK 2043, PAGE 245, ORANGE COUNTY REGISTRY. FOR FURTHER REFERENCE SEE THAT CERTAIN MAP RECORDED IN PLAT BOOK 85, PAGE 35, ORANGE COUNTY REGISTRY.

**ORANGE COUNTY BOARD OF COMMISSIONERS  
RESOLUTION LEASING PROPERTY UP TO TEN YEARS**

**Whereas**, Orange County owns the Orange County Sportsplex, located at 101 Meadowlands Drive, Hillsborough, NC 27278, comprising approximately 80,903 conditioned square feet (the "Premises"); and

**Whereas**, Cellco Partnership (dba Verizon Wireless) desires to lease certain space on the wall and roof of Sportsplex located at 101 Meadowlands Drive, Hillsborough, Orange County, North Carolina, for the installation, operation and maintenance of communications equipment; and

**Whereas**, Cellco Partnership will pay an annual rent of \$1,800 over the course of an initial 5 year term with automatic renewal for one five (5) year term; and

**Whereas**, North Carolina General Statute 160A-272 authorizes the lease of county-owned properties for terms of up to ten years upon resolution of the Board of Commissioners at a regular meeting after thirty days' public notice; and

**Whereas**, in consideration of the annual rent and improved cell service to nearby residents that will be provided by the addition of a cell tower, including those using the County's Sportsplex and Passmore facilities, the Board of Orange County Commissioners desires to lease the necessary space to Verizon Wireless, the required notice has been published and the Board of Commissioners is convened at a regular meeting;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Orange County Commissioners hereby approves the lease of the County property described above to Cellco Partnership, for a term of five years commencing May 1<sup>st</sup>, 2020 with automatic renewal for up to one five (5) year term, ratifies the signed lease, and directs the execution, registration, and filing of all necessary instruments accordingly.

This the 21st Day of April 2020.

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Penny Rich, Chair  
Orange County Board of Commissioners

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** April 21, 2020

**Action Agenda  
Item No.** 8-h

**SUBJECT:** Change in BOCC Meeting Schedule for 2020

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**DEPARTMENT:** County Commissioners

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**ATTACHMENT(S):**

**INFORMATION CONTACT:**

Donna Baker, 245-2130, Clerk to the Board

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**PURPOSE:** To consider changes to the Board of Commissioners' meeting calendar for 2020.

**BACKGROUND:** Pursuant to North Carolina General Statute 153A-40, the Board of County Commissioners must fix the time and place of its meetings or provide a notice of any change in the Meeting Schedule.

Due to current public health concerns, the Board of Commissioners will be conducting Virtual Board meetings during the month of May. Members of the Board of Commissioners will be participating in the meetings remotely. As in prior meetings, members of the public will be able to view and listen to the meetings via real-time video streaming on the County's website and on Spectrum Cable TV. The meetings will also be video-recorded for future television broadcast and reference on the County's website.

\*\*\*\*If a meeting(s) needs to be canceled, the County will provide proper notice.

May Virtual Meetings:

May 5 <sup>th</sup>	BOCC Virtual Business Meeting - 7:00pm
May 12 <sup>th</sup>	BOCC Virtual Closed Session - 5:30pm Manager's Evaluation
May 12 <sup>th</sup>	BOCC Virtual Budget Public Hearing - 7:00pm
May 14 <sup>th</sup>	BOCC Virtual Closed Session at 5:30pm - Clerk's Evaluation
May 14 <sup>th</sup>	BOCC Virtual Budget Work Session – 7:00pm
May 19 <sup>th</sup>	BOCC Virtual Business Meeting - 7:00pm
May 21 <sup>st</sup>	BOCC Virtual Closed Session - 5:30pm- Attorney's Evaluation
May 21 <sup>st</sup>	BOCC Virtual Budget Work Session - 7:00pm
May 28 <sup>th</sup>	BOCC Virtual Budget Work Session - 7:00pm

**FINANCIAL IMPACT:** There is no financial impact associated with this item.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The Manager recommends the Board amend its meeting calendar for 2020:

May Virtual Meetings:

May 5 <sup>th</sup>	BOCC Virtual Business Meeting - 7:00pm
May 12 <sup>th</sup>	BOCC Virtual Closed Session - 5:30pm Manager's Evaluation
May 12 <sup>th</sup>	BOCC Virtual Budget Public Hearing - 7:00pm
May 14 <sup>th</sup>	BOCC Virtual Closed Session at 5:30pm - Clerk's Evaluation
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May 21 <sup>st</sup>	BOCC Virtual Budget Work Session - 7:00pm
May 28 <sup>th</sup>	BOCC Virtual Budget Work Session - 7:00pm

**BOCC Meeting Follow-up Actions**

(Individuals with a \* by their name are the lead facilitators for the group of individuals responsible for an item)

<b>Meeting Date</b>	<b>Task</b>	<b>Target Date</b>	<b>Person(s) Responsible</b>	<b>Status</b>
4/07/20	Review and consider request by Commissioner Bedford that the addition of Vice Chair Price to the Policy Committee be considered to provide continuity in case Chair Rich becomes sick	4/21/2020	Chair/Vice Chair/Manager	<b>DONE</b> Commissioner Rich conferred with Commissioner Bedford regarding leadership team being named after the State of Emergency was in place; Chief Elected Officials are named to the team, Mayors, Chair, Managers, Emergency Services, Health, Sheriff, Law Enforcement, Fire, UNC Health and OWASA; Orange County has 6-9 people present at each meeting, with discussions forward looking and notes being distributed to elected boards after the meeting; Determined no reason to change Policy Team membership at this time
4/07/20	Review and consider request by Commissioner Price that the Board receive an update on the status on evictions in Orange County, specifically those that were in process when the current health concerns/stay at home order	5/5/2020	Emila Sutton Annette Moore	Staff to pursue information and provide to the Board
4/07/20	Review and consider request by Commissioner Dorosin that the Board receive an update on activities and applications for the Emergency Small Business Loan Program, and info on how the Program is being publicized	5/5/2020	Gary Donaldson Steve Brantley Travis Myren	Updates provided to the Board and additional updates to be provided as process continues
4/07/20	Review and consider request by Commissioner Dorosin that the Board encourage (by resolution/letter) the ABC Board to adopt the new living wage scale, even if it means a potential reduction in funds returned to the County General Fund	5/5/2020	Gary Donaldson Bonnie Hammersley	To be addressed as part of 2020-21 Manager's Recommended Budget

<b>Meeting Date</b>	<b>Task</b>	<b>Target Date</b>	<b>Person(s) Responsible</b>	<b>Status</b>
4/07/20	Review and consider request by Commissioner Dorosin that the Board consider changing its electoral process to eliminate the multi-district seat so that it can be put on the ballot in November 2020 and be in place for the 2022 election	7/1/2020	Chair/Vice Chair/Manager John Roberts	In discussion for a spring agenda item
4/07/20	Review and consider request by Commissioner Dorosin that the Board request a report and pursue discussion of and potential change to the current policy regarding housing federal inmates in the Orange County Detention Center	11/1/2020	Chair/Vice Chair/Manager	To be scheduled for Fall 2020 work session discussion
4/07/20	Review and consider request by Commissioner Dorosin that the County consider a policy that would incentivize private property owners to install vehicle charging stations, with Commissioner Rich suggesting that the County include the towns in the conversation	11/1/2020	Travis Myren, Brennan Bouma & Craig Benedict	Staff to review and develop possible options for Board consideration
4/07/20	Review and consider request by Commissioner Rich that the Board request a report from the Board of Elections on its abilities and needs related to handling an election with a large number of mail-in ballots	6/16/2020	Rachel Raper	Staff to review and provide information to the Board
4/07/20	Confer with both school systems on proposed solar arrays associated with climate action tax projects, and provide updates to the Board at the April 21, 2020 Business meeting for the Board to move forwards on those projects and/or the proposed generator project	4/21/2020	Bonnie Hammersley Brennan Bouma	<b>DONE</b> Staff conferred with both school systems and item to be presented at April 21, 2020 Business meeting

COUNTY OF ORANGE  
**ALCOHOLIC BEVERAGE CONTROL BOARD**

601 VALLEY FORGE RD  
 HILLSBOROUGH, NORTH CAROLINA 27278  
 919-732-3432  
 FAX: 919-732-5829  
[ocabc@mindspring.com](mailto:ocabc@mindspring.com)

KEITH BAGBY, Chair  
 PAT BURNS, Vice Chair  
 TONY DUBOIS, General Manager

Board Members  
 JANE COUSINS  
 LIZ CARTER  
 MIKE LASSITER

April, 1 2020

Orange County Board of County Commissioners

In the current fiscal year, a distribution of \$500,000 was made to the Orange County General fund. The board also set aside \$ 83,128 to contribute to the Board Retiree Health Care Plan. The board funded local Alcohol Law Enforcement agencies \$147,000. The board also granted funds to schools as well as Alcohol Education and Rehabilitation programs and local community organizations totaling \$183,000. The distributions from the board for fiscal year 2019-20 totaled \$930,128. The current stay at home orders have adversely affected our operations but we continue to serve the citizens as we have been deemed an essential government operation by Governor Cooper's order. Details of our distributions are listed below.

<b>Alcohol Law Enforcement</b>	<b>Amount</b>
Hillsborough Police Department	\$ 10,000
Chapel Hill Police Department	\$ 18,000
Carrboro Police Department	\$ 19,000
Orange County Sheriff's Department	\$100,000
<b>Total Alcohol Law Enforcement</b>	<b>\$147,000</b>

<b>Alcohol Education and Rehabilitation</b>	
Pathways to Change	\$ 9,000
El Centro Hispano	\$ 13,000
Mental Health Orange Co Teen Partnership	\$ 14,000
Carpe Diem	\$ 14,000
Chapel Hill/UNC Collaborative	\$ 20,000
El Futuro	\$ 21,000
Orange County Drug Court	\$ 25,000
Orange County Schools	\$ 30,000
Chapel Hill-Carrboro city Schools	\$ 37,000
<b>Total Alcohol Education and Rehabilitation</b>	<b>\$183,000</b>

Sincerely,

Tony DuBois  
 Orange County ABC  
 General Manager  
 919-732-3432 ext. 102  
[ocabc@orangeabc.com](mailto:ocabc@orangeabc.com)

**NAME OF BOARD/COMMISSION****Orange County ABC Board (a political subdivision of the state)****Report Period****2019/20****ORANGE COUNTY ADVISORY BOARDS AND COMMISSIONS  
ANNUAL REPORT/ WORK PLAN FOR THE COUNTY COMMISSIONERS**

The Board of Commissioners appreciates the dedication of all the volunteers on their boards and commissions and welcomes input from various advisory boards and commissions throughout the year. Please complete the following information, limited to the front and back of this form. Other background materials may be provided as a supplement to, but not as a substitute for, this form.

Board/Commission Name: **Orange County ABC Board**

Person to address the BOCC at work session- if applicable- and contact information:

**Tony DuBois 601 Valley Forge rd. Hillsborough 27278  
919-732-3432 ext 102 [ocabc@orangeabc.com](mailto:ocabc@orangeabc.com)**

Primary County Staff Contact:

**Renee Price and Donna Baker**

How many times per month does this board/commission meet, including any special meetings and sub-committee meetings?

**The Board meets once per month on the 3<sup>rd</sup> Tuesday at 8:30am**

Brief Statement of Board/Commission's Assigned Charge and Responsibilities.

**The Orange County ABC Board is a political subdivision of the state and operated as an independent government agency inside Orange County. The Mission of the Orange County ABC Board and our employees is to serve our locality responsibly by controlling the sale of spirituous liquor, returning profits to Law Enforcement, Alcohol Education, and the County Fund while providing excellent service in customer friendly, modern and efficient stores**

What are your Board/Commission's most important accomplishments?

**In the current fiscal year a distribution of \$500,000 is being made to the Orange County General fund. The board also set aside \$ 83,128 to contribute to the Board Retiree Health Care Plan. The board funded local Alcohol Law Enforcement agencies \$147,000. The board also increased the amount available for community Alcohol Education and Rehabilitation grants for schools and local community organizations to \$183,000. The distributions from the board for fiscal year 2019/20 total \$930,128.**

List of Specific Tasks, Events, or Functions Performed or Sponsored Annually.

**We partner with local agencies by providing grants for work done in the community for alcohol education, rehabilitation and underage drinking prevention in the amounts listed below.**

<b>Pathways to Change</b>	<b>\$ 9,000</b>
<b>El Centro Hispano</b>	<b>\$ 13,000</b>
<b>Mental Health Orange Co Teen Partnership</b>	<b>\$ 14,000</b>
<b>Carpe Diem</b>	<b>\$ 14,000</b>
<b>Chapel Hill/UNC Collaborative</b>	<b>\$ 20,000</b>
<b>El Futuro</b>	<b>\$ 21,000</b>
<b>Orange County Drug Court</b>	<b>\$ 25,000</b>
<b>Orange County Schools</b>	<b>\$ 30,000</b>
<b>Chapel Hill-Carrboro city Schools</b>	<b>\$ 37,000</b>
<b>Total Alcohol Education and Rehabilitation</b>	<b>\$183,000</b>

Describe this board/commission's activities/accomplishments in carrying out BOCC goal(s)/priorities, if applicable.

**The Orange County ABC board provides funds to local law enforcement as listed below to help keep Orange County a great place to live, work and get an education.**

<b>Hillsborough Police Department</b>	<b>\$ 10,000</b>
<b>Carrboro Police Department</b>	<b>\$ 18,000</b>
<b>Chapel Hill Police Department</b>	<b>\$ 19,000</b>
<b>Orange County Sheriff's Department</b>	<b>\$100,000</b>
<b>Total Alcohol Law Enforcement</b>	<b>\$147,000</b>

Describe the collaboration relationship(s) this particular board has with other advisory boards and commissions?

**NA**

If your board/commission played the role of an Element Lead Advisory Board involved in the 2030 Comprehensive Plan preparation process, please indicate your board's activities/accomplishments as they may relate to the Comprehensive Plan's goals or objectives.

*(The Element Lead Advisory Boards include: Planning Board, EDC, OUTBoard, Commission for the Environment, Historic Preservation Commission, Agriculture Preservation Board, Affordable Housing Board, Recreation and Parks Advisory Council)*

**NA**

Identify any activities this board/commission expects to carry out in 2019 as they relate to established BOCC goals and priorities.

If applicable, is there a fiscal impact (i.e., funding, staff time, other resources) associated with these proposed activities (please list).

**No fiscal impact as we are self-funded**

What are the concerns or emerging issues your board has identified for the upcoming year that it plans to address, or wishes to bring to the Commissioners' attention?

**NA**



FINANCE and ADMINISTRATIVE SERVICES

Gary Donaldson, CTP, Chief Financial Officer | gdonaldson@orangecountync.gov | 405 Meadowlands Dr., Hillsborough, NC 27278 | 919.245.2453

To: Board of County Commissioners
From: Gary Donaldson, Chief Financial Officer
Date: April 21, 2020
Re: Financial Report for Third Quarter of FY 2019-20

OVERVIEW

This FY 2019-20 third quarter financial report summarizes the coronavirus impact on County finances primarily sales tax, charges for services and occupancy taxes through March 31, 2020. Based on nine-months of fiscal year activity the General Fund is still projected to end FY 2019-20 with no use of fund balance; contingent on adherence to the cost containment measures listed in the Manager’s Economic Contingency Plan. Further General Fund detail is included for additional review.

ECONOMY

U.S. Economists concur that the economy’s precipitous decline in employment and consumer spending caused by COVID-19 has led to a recession which started in the latter first quarter of calendar 2020. The duration of the economic distress and the negative growth trend is contingent on a protracted pandemic, vaccine and re-opening of the economy. As a result, the County’s long-term financial model has been revised to reflect negative economic growth for the last four months of FY 2019-20 and through the first six months of FY 2020-21; or V-shape recovery in comparison to the Great Recession’s L-shape recovery. Consumer spending which comprises two-thirds of Gross Domestic Product is a large determinant of gross sales. Our Economic Development Department management shared this interactive consumer spending by metro areas Model produced by Impact Data Source which illustrates the COVID-19 lockdown impact throughout the nation.

March 2020 represents the first month of the COVID-19 pandemic’s impact on the economy. Sales tax remittance from the NC Department of Revenue (NCDOR) represents a 3-month lag which means that March Sales Transactions will be remitted to local governments in June 2020. The chart below illustrates the 3-month lag from the sales tax transaction to the County receiving that month’s sales tax revenue.

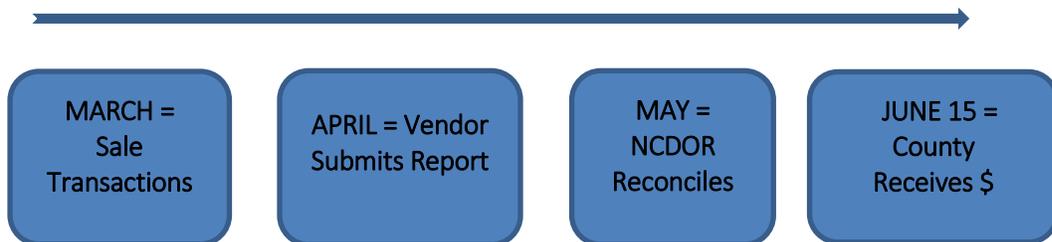


Table 1 below indicates COVID-19 impacting the last four months of FY 2019-20 due to the necessary public health restrictions/social distancing and closed economy. The Department of Finance applied a 12% sales tax decline for the months of March, April, May and June 2020 which is consistent with the percentage declines experienced during Great Recession FY 2009 in Table 2 below.

**TABLE 1-FY 2019-20-PROJECTED 4-MONTH IMPACT FROM COVID-19**

Economic Activity	Sales Tax Revenue	Financial Impact
December	March	Not Applicable
January	April	Not Applicable
February	May	Negligible; minimal social distancing
March	<b>June</b>	-12% due to COVID-19 economic crisis
April	<b>July</b>	-12% due to COVID-19 economic crisis
May	<b>August</b>	-12% due to COVID-19 economic crisis
June	<b>Sept</b>	-12% due to COVID-19 economic crisis

**TABLE 2- GENERAL FUND SALES TAX ARTICLES DURING THE GREAT RECESSION**

	39		40		42	
FY2008	\$7,407,395.81	0.7%	\$5,555,760.05	2.0%	\$5,517,245.09	2.0%
<b>FY2009</b>	<b>\$6,202,897.12</b>	<b>-16.3%</b>	<b>\$5,047,888.55</b>	<b>-9.1%</b>	<b>\$5,002,534.31</b>	<b>-9.3%</b>
FY2010	\$7,149,075.19	15.3%	\$4,839,459.49	-4.1%	\$3,804,507.95	-23.9%

**Sales Tax Financial Impact:** The General Fund FY 2019-20 sales tax revenue was forecasted at \$28.3 million prior to COVID-19. The pandemic and economic crisis financial impact is forecasted to range from \$1 million-\$1.4 million based on four months of sales tax declines at 12%/month. The revised forecast for Articles 39, 40 and 42 ranges from \$26.9 million to \$27.3 million. One positive sales tax note is NCDOR enforcement of online sales which curtailed an even larger negative impact from COVID-19.

#### Revenues- General Fund

General Fund revenue collections through the end of March represents 82.9% of total budget as compared with 80.9% in the prior fiscal year. Property taxes consists of real, personal property and motor vehicles which represents 97.2% of revenue collections as compared with 98% in the prior fiscal year. There remains three months of motor vehicle taxes and delinquent collections to meet the budget. Property taxes represents 72% of the revenue budget and sales tax represents 12% of the revenue budget.

#### Expenditures- General Fund

General Fund expenditures represent 71.2% of total expenditure as compared with the prior fiscal year of 72.2%. Expenditures are projected to be within budget primarily attributed to personnel savings and prudent management of non-personnel expenditures. The Finance Department established a COVID-19 project account to track pandemic expenditures for eligible FEMA reimbursement. As of March 30, a total amount of \$36,659 has been spent and encumbered by front line departments for medical supplies and social service client needs.

**Other County Funds**

The Enterprise Funds and Special Revenue Funds are projected to end the fiscal year consistent with the FY 2019-20 operating budget as well with the exceptions of the Sportsplex and Visitors Bureau funds which have been impacted by declining gross sales/revenue due to COVID-19 and the subsequent social distancing and closure of recreation and lodging facilities. The Sportsplex user fees and Visitors Bureau occupancy taxes are being closely monitored by Finance staff and subject to cost containment measures to counter the revenue declines from decreased business activity.

cc: Bonnie Hammersley, County Manager

Enclosures



Finance and Administrative Services  
FY 2019-20 Third Quarter

	GENERAL FUND	FY 2020				FY 2019		FYs 2020 vs 2019		
		Original Budget	Revised Budget	YTD Actual*	Percentage	YTD Actual*	Percentage	YTD	% Variance <sup>+</sup>	
Revenue	Property Tax	\$165,153,931	\$165,153,931	\$160,573,078	97.2%	\$155,362,363	98.0%	\$5,210,715	-0.8%	●
	Sales & Use Tax	\$25,372,861	\$25,372,861	\$13,434,121	52.9%	\$11,648,916	48.3%	\$1,785,205	4.7%	●
	Licenses and Permits	\$313,260	\$313,260	\$131,627	42.0%	\$142,274	45.5%	-\$10,647	-3.4%	●
	Charges for Services	\$12,704,833	\$12,738,515	\$8,988,639	70.6%	\$7,795,825	62.6%	\$1,192,814	8.0%	● <sup>1</sup>
	Intergovernmental	\$18,278,612	\$19,110,574	\$9,678,552	50.6%	\$9,308,330	50.3%	\$370,222	0.4%	●
	Transfers In	\$4,034,600	\$4,034,600	\$0	0.0%	\$0	0.0%	\$0	0.0%	■
	Investment Earnings	\$415,000	\$449,721	\$336,883	74.9%	\$862,916	207.9%	-\$526,033	-133.0%	● <sup>2</sup>
	Miscellaneous	\$3,040,769	\$3,544,605	\$6,017,911	169.8%	\$907,412	28.2%	\$5,110,499	141.6%	●
	Appropriated Fund Balance	\$7,808,006	\$9,402,256	\$0	0.0%	\$0	0.0%	\$0	0.0%	■
	<b>Total</b>	<b>\$237,121,872</b>	<b>\$240,120,323</b>	<b>\$199,160,811</b>	<b>82.9%</b>	<b>\$186,028,036</b>	<b>80.9%</b>	<b>\$13,132,775</b>	<b>2.1%</b>	●
Expenditure	Community Services	\$14,421,090	\$14,855,941	\$10,062,766	67.7%	\$8,889,108	66.0%	\$1,173,658	1.8%	●
	General Government	\$10,556,767	\$10,827,286	\$7,749,597	71.6%	\$7,592,745	75.5%	\$156,852	-3.9%	●
	Public Safety	\$26,643,096	\$27,539,139	\$18,739,293	68.0%	\$17,841,971	69.3%	\$897,323	-1.3%	●
	Human Services	\$40,822,906	\$42,270,109	\$27,380,870	64.8%	\$28,111,307	68.9%	-\$730,437	-4.2%	●
	Education	\$93,508,573	\$93,508,573	\$67,734,927	72.4%	\$66,256,017	71.8%	\$1,478,910	0.6%	●
	Support Services	\$12,465,362	\$12,282,198	\$8,986,456	73.2%	\$9,569,180	69.7%	-\$582,724	3.4%	● <sup>3</sup>
	Debt Service	\$30,754,428	\$30,754,428	\$30,207,453	98.2%	\$27,974,271	93.4%	\$2,233,182	4.8%	● <sup>4</sup>
	Transfers Out	\$7,949,650	\$8,082,650	\$0	0.0%	\$0	0.0%	\$0	0.0%	■
	<b>Total</b>	<b>\$237,121,872</b>	<b>\$240,120,324</b>	<b>\$170,861,362</b>	<b>71.2%</b>	<b>\$166,234,599</b>	<b>72.2%</b>	<b>\$4,626,763</b>	<b>-1.1%</b>	●

Notes:

\* - Actual amounts include Encumbrances.

+ - Based on percentage.

1 - Higher fee collections at Register of Deeds, Planning and Inspections, and Emergency Services compared to FY 2018-19.

2 - Investment earnings reflect a declining interest rate from more than 2% to below 1%.

3 - Finance Department is reviewing material variances with affected departments.

4 - Based on increased Debt Service payments for School and County projects.



Finance and Administrative Services  
FY 2019-20 Third Quarter

	OTHER FUNDS	FY 2020				FY 2019		FYs 2020 vs 2019		
		Original Budget	Revised Budget	YTD Actual*	Percentage	YTD Actual*	Percentage	YTD	% Variance +	
Revenue	29 - Annual Grants Project Fund	\$141,464	\$163,155	\$64,544	39.6%	\$74,411	35.3%	-\$9,867	4.3%	5
	30 - Multi-Year Grant Projects Fund	\$129,765	\$671,565	\$363,624	54.1%	\$266,052	7.0%	\$97,572	47.2%	5
	32 - Multi-Year Community Development Fund	\$1,724,544	\$1,804,544	\$385,483	21.4%	\$220,008	2.8%	\$165,476	18.5%	6
	33 - Housing Fund	\$4,422,324	\$5,171,930	\$3,259,182	63.0%	\$3,560,865	52.9%	-\$301,683	10.1%	6
	35 - Emergency Telephone Fund	\$768,078	\$782,023	\$382,150	48.9%	\$422,636	28.5%	-\$40,486	20.3%	5
	37 - Visitor's Bureau Fund	\$1,924,380	\$2,368,880	\$1,667,877	70.4%	\$1,575,649	53.1%	\$92,228	17.3%	
	38 - Spay/Neuter Fund	\$71,726	\$96,851	\$31,586	32.6%	\$35,742	24.5%	-\$4,156	8.1%	
	50 - Solid Waste Enterprise Fund	\$11,884,383	\$12,576,402	\$10,425,047	82.9%	\$9,911,943	75.2%	\$513,104	7.7%	
	51 - Efland Sewer Operating Fund	\$480	\$480	\$2,233	465.2%	\$95,736	38.4%	-\$93,503	426.8%	7
	53 - Sportsplex Fund	\$4,025,654	\$4,579,480	\$2,925,460	63.9%	\$2,776,479	43.6%	\$148,981	20.3%	
70 - Employee Health & Dental Fund	\$17,114,072	\$17,114,072	\$8,757,557	51.2%	\$8,742,353	32.0%	\$15,204	19.2%		
Expenditure	29 - Annual Grants Project Fund	\$141,464	\$163,155	\$127,013	77.8%	\$127,295	65.3%	-\$282	12.6%	
	30 - Multi-Year Grant Projects Fund	\$129,765	\$671,565	\$490,657	73.1%	\$324,677	6.0%	\$165,980	67.0%	6
	32 - Multi-Year Community Development Fund	\$1,724,544	\$1,804,544	\$987,146	54.7%	\$621,250	8.6%	\$365,896	46.1%	6
	33 - Housing Fund	\$4,422,324	\$5,171,930	\$3,182,204	61.5%	\$3,354,323	49.4%	-\$172,119	12.1%	
	35 - Emergency Telephone Fund	\$768,078	\$782,023	\$521,770	66.7%	\$589,663	47.7%	-\$67,893	19.0%	8
	37 - Visitor's Bureau Fund	\$1,924,380	\$2,368,880	\$1,545,995	65.3%	\$1,314,511	52.2%	\$231,484	13.0%	9
	38 - Spay/Neuter Fund	\$71,726	\$96,851	\$45,731	47.2%	\$37,893	29.1%	\$7,838	18.1%	
	50 - Solid Waste Enterprise Fund	\$11,884,383	\$12,576,403	\$7,225,913	57.5%	\$6,764,963	55.0%	\$460,950	2.4%	
	51 - Efland Sewer Operating Fund	\$480	\$480	\$431	89.8%	\$191,866	65.8%	-\$191,435	24.0%	7
	53 - Sportsplex Fund	\$4,025,654	\$4,579,481	\$2,417,877	52.8%	\$2,776,852	63.8%	-\$358,975	-11.0%	10
70 - Employee Health & Dental Fund	\$17,114,072	\$17,114,072	\$10,078,381	58.9%	\$10,562,837	44.1%	-\$484,456	14.8%	11	

Notes:

\* - Actual amounts include Encumbrances.

+ - Based on percentage.

5 - Based on timing of receipt of funds.

6 - Multi Year Fund budgets only reflect budget authority authorized in current fiscal year.

7 - Efland Sewer System operations transferred over the the City of Mebane starting in FY 2019-20.

8 - Finance Department is reviewing material variances with affected department.

9 - Reflects higher encumbrances for advertising in FY 2019-20.

10 - Reflects higher encumbrances for Field House in FY 2018-19.

11 - FY 2018-19 included Run Out Claims during the transition from United Health Care to Blue Cross Blue Shield.