

Mayor
Jill Swain

Mayor Pro-Tem
Melinda Bales

Commissioners
Ron Julian
Rob Kidwell
Sarah McAulay
Jeff Neely
Danny Phillips

Town Manager
Gregory H. Ferguson



Department Heads
Max Buchanan, Public Works
Bill Coxe, Transportation
Michael Jaycocks, Parks&Rec
Jack Simoneau, Planning
Cleveland Spruill, Police Chief
Janet Stoner, Finance

Assistant Town Manager
Gerry Vincent

Town Clerk
Janet Pierson

Town Attorney
Bob Blythe

AGENDA
Regular Town Board Meeting
November 16, 2015 - 6:30 PM
TOWN HALL(101 Huntersville-Concord Road)

I. Pre-meeting

A. Closed Session - Property Acquisition. (6:00 p.m.)

II. Call to Order

III. Invocation - Moment of Silence

IV. Pledge of Allegiance

V. Mayor and Commissioner Reports-Staff Questions

- A. Mayor Jill Swain (MTC, Commerce Station Management Team)
- B. Commissioner Melinda Bales (LNTC)
- C. Commissioner Ron Julian (LNREDC Board, Planning Coordinating Committee)
- D. Commissioner Rob Kidwell (Olde Huntersville Historic Society)
- E. Commissioner Sarah McAulay (CRTPO, COG, NC 73 Council of Planning)
- F. Commissioner Jeff Neely (Lake Norman Chamber Board, Visit Lake Norman Board)
- G. Commissioner Danny Phillips (Arts and Science Council)

VI. Public Comments, Requests, or Presentations

A. Presentation of FY 2015 Financial Statements.

VII. Agenda Changes

- A. Agenda changes if any.
- B. Adoption of Agenda.

VIII. Public Hearings

- A. Conduct public hearing on Petition #ANNEX15-05, a request by MVC LLC and Bernard F. McLeod, Jr. to annex 38.163-acres into the Town of Huntersville. (*David Peete*)

IX. Other Business

- A. Consider decision on Petition #ANNEX15-05, a request by MVC LLC and Bernard F. McLeod, Jr. to annex 38.163-acres into the Town of Huntersville. *(David Peete)*
- B. Consider approval of refunding 2004 General Obligation Bonds. *(Greg Ferguson)*
- C. Consider approving budget amendment appropriating \$50,000 from Fund Balance - General Fund to pay Health & Sport Works, Inc. the at-risk performance fee in the contract for the last fiscal year of operation. *(Janet Stoner/Greg Ferguson)*

X. Consent Agenda

- A. Approve minutes of the November 2, 2015 Regular Town Board Meeting. *(Janet Pierson)*
- B. Approve SL362 Property Tax Refund Report No. 46. *(Janet Stoner/Greg Ferguson)*
- C. Approve SL362 Property Tax Refund Report No. 47. *(Janet Stoner/Greg Ferguson)*
- D. Authorize Town Manager to execute Construction Agreement between Epcon Huntersville, LLC and Town of Huntersville for installation of an eastbound left-turn lane on NC 73 at Terry Lane. *(Max Buchanan)*
- E. Approve revised Capital Project Ordinance for Veterans Park. *(Janet Stoner/Michael Jaycocks)*
- F. Call a public hearing for Monday, December 21, 2015 at 6:30 p.m. at Huntersville Town Hall on Petition #TA15-06, a request by the Town of Huntersville to amend Article 3, Article 4 and Article 8 removing residential building design standards to conform to North Carolina Statute Amendment, Senate Bill 25. *(Jack Simoneau)*
- G. Approve One NC Fund Grant Agreement for Nutec, Inc. *(Greg Ferguson)*

XI. Closing Comments

XII. Adjourn

To speak concerning an item on the Agenda, please print your name and address on the sign-up sheet on the table outside the Board Room prior to the meeting. If you wish to speak concerning an item that is added to the Agenda during the meeting, please raise your hand during that item. Each speaker will be limited to no more than 3 minutes. The Mayor, as the presiding officer may, at her discretion, shorten the time limit for speakers when an unusually large number of persons have signed up to speak.

**AS A COURTESY, PLEASE TURN CELL PHONES
OFF WHILE MEETING IS IN PROGRESS**

Town of Huntersville
REQUEST FOR BOARD ACTION
11/16/2015

REVIEWED:

To: The Honorable Mayor and Board of Commissioners
From: David Peete, AICP
Subject: ANNEX 15-05 Skybrook West

Conduct Public Hearing for Monday, November 16, 2015 at 6:30 PM in the Huntersville Town Hall on petition # ANNEX 15-05, a request by MVC LLC & Bernard F. McLeod, Jr. to annex 38.163-acres into the Town of Huntersville. The area to be annexed is non-contiguous to the Town of Huntersville.

ACTION RECOMMENDED:

Conduct Public Hearing for Monday, November 16, 2015.

FINANCIAL IMPLICATIONS:

ATTACHMENTS:

Description	Type
☐ Skybrook West Annex public hearing packet	Cover Memo

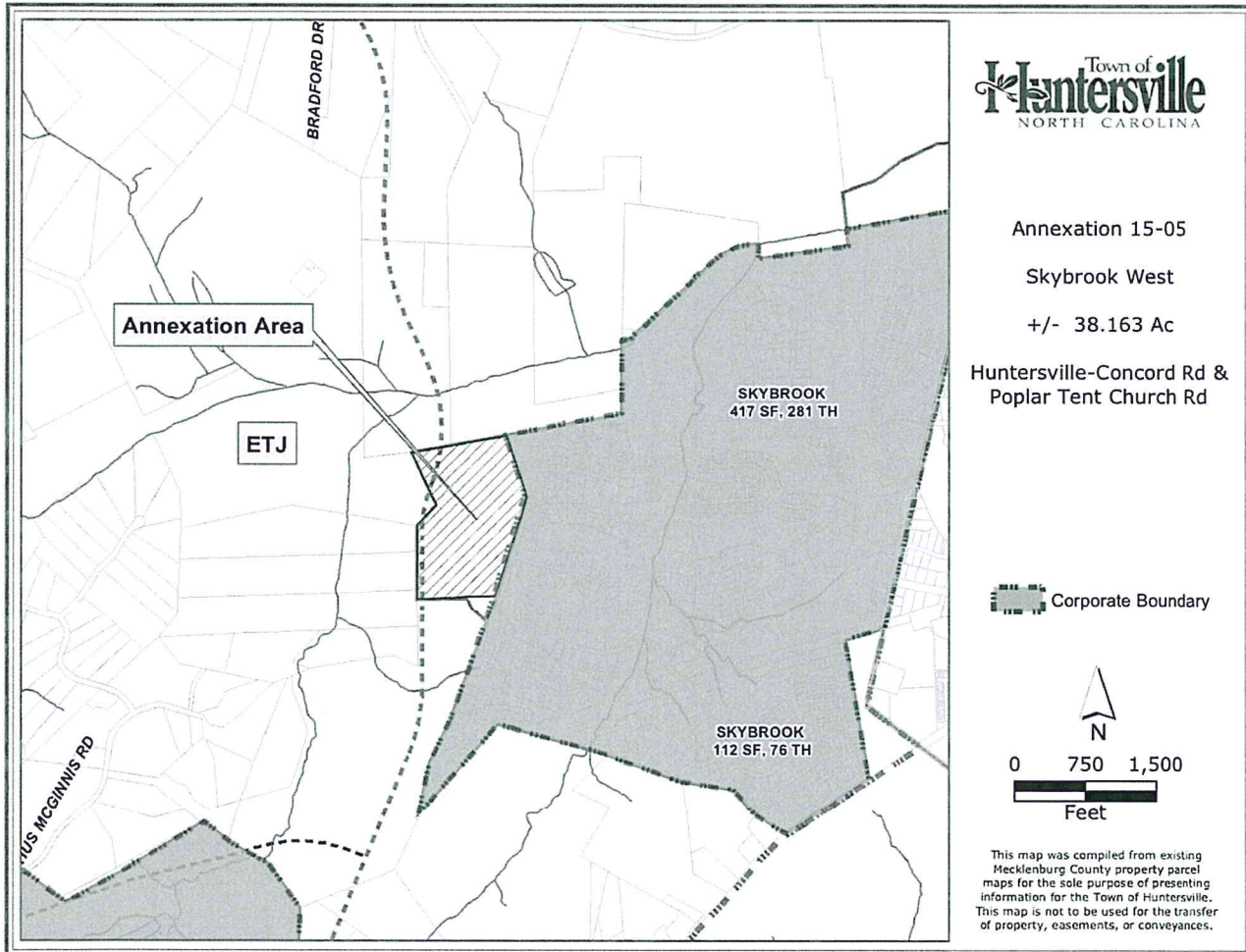
Non-Contiguous Annexation Petition # 15-05

Skybrook West

EXPLANATION OF THE REQUEST

Petition Annex #15-05 is for non-contiguous annexation into the Town of Huntersville of 38.163-acres consisting of the Skybrook West subdivision.

LOCATION



BACKGROUND

Bernard F. McLeod, Jr. and MVC LLC (Skybrook) has filed petitions to consider voluntary non-contiguous annexation pursuant to North Carolina General Statutes Section 160A-58 et seq. A Resolution of Intent to Annex was adopted by the Board of Commissioners on October 19, 2015, pursuant to N.C.G.S.160A-58.7; the proposed area to annex is 38.163-acres.

All statutory requirements for annexation have been met:

- The Petitions Requesting Annexation were received on September 23, 2014 (see Attachment A & B).
- The Town Clerk certified the sufficiency of the Petition on October 12, 2015 (see Attachment D).
- The Board of Commissioners adopted a resolution of Intent to annex said property and set the date for the public hearing as November 16, 2015 (see Attachment E).
- Notice of the public hearing was placed in a newspaper of general circulation. The notice appeared in the Charlotte Observer on November 1, 2015 (see Attachment G).
- The Towns of Cornelius, Davidson and Huntersville, as well as the City of Charlotte, have an agreement with one another to provide a standard 60-day notice period when any annexation is proposed within their jurisdictions. The Towns of Cornelius and Davidson have signed a letter agreeing to waive the full 60-day notice period so that the Town of Huntersville may proceed expeditiously with the annexation petition (see Attachments H & I). The property is not required to have a waiver from City of Charlotte, per the 2014 Annexation Agreement.

Per Article 160A-58.1(b), a non-contiguous area proposed for annexation must meet all of the following standards:

- (1) The nearest point on the proposed satellite corporate limits must be not more than three miles from the primary corporate limits of the annexing city. Skybrook West is located 2.1 miles from the primary corporate limits of Huntersville.
- (2) No point on the proposed satellite corporate limits may be closer to the primary corporate limits of another city than to the primary corporate limits of the annexing city, except as set forth in subsection (b2) of this section. The area proposed for annexation is in an area in which the Town has an agreement with other municipalities that such other municipalities will not annex into and that the Town may annex into that area, and therefore the requirements of NCGS 160A-58.1(b)(1), (2) and (5) are not applicable;
- (3) The area must be so situated that the annexing city will be able to provide the same services within the proposed satellite corporate limits that it provides within its primary corporate limits. The area to be annexed is so situated that the Town will be able to provide the same service within the proposed satellite corporate limits that it provides within the primary corporate limits of the Town.
- (4) If the area proposed for annexation, or any portion thereof, is a subdivision as defined in G.S. 160A-376, all of the subdivision must be included. Skybrook West is a subdivision, as defined in G.S. 160A-376 and all of the subdivision is proposed to be annexed.
- (5) The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed ten percent (10%) of the area within the primary corporate limits of the annexing city. Currently, Huntersville's satellite annexations are 6.9% of the primary corporate limits and this annexation will not increase that percentage over 10%.

STAFF RECOMMENDATION

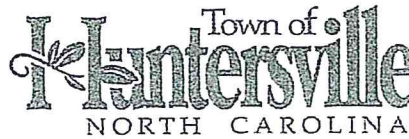
Since all statutory requirements have been met in full, staff recommends that the Board of Commissioners approve the petition with Mayor's signature on the associated ordinance. If the final action of this annexation takes place on November 16, 2015, the voluntary non-contiguous annexation would also become effective on November 16, 2015.

ATTACHMENTS

- A & B - Non-Contiguous Annexation Petitions
- C - Site Survey
- D - Certificate of Sufficiency
- E - Resolution of Intent to Annex
- F - Non-Contiguous Annexation Ordinance
- G - Public Hearing Ad
- H - Town of Cornelius 60-day Notice
- I - Town of Davidson 60-day Notice

Rec'd 9/8/15

skybrook west
mcLeod



PETITION REQUESTING ANNEXATION

To the Board of Commissioners of the Town of Huntersville:

1. We, the undersigned owners of all or a part of the real property described on the metes and bounds description attached hereto, request that the described area be annexed to the Town of Huntersville.
2. The area to be annexed is (contiguous) (non-contiguous) [circle one] to the primary corporate limits of the Town of Huntersville. The petitioner attaches hereto and submits as part of the petition:

(a) a metes and bounds description of the parcel(s) identified in paragraph 1, and

(b) a plat, suitable for recordation in the office of the Mecklenburg County Register of Deeds, showing the area proposed for annexation with relation to the primary corporate limits of the Town of Huntersville.

3. The petitioner (does) (does not) [circle one] claim vested rights in the property pursuant to N.C.G.S. 153A-344.1 or 160A-385.1. The basis of this claim of vested rights is as follows:

Vested rights have been established under the approved rezoning and subdivision sketch plans for Skybrook West, Approved November 20, 2006 (with subsequent vested rights extensions approved through November 20, 2016)

4. This petition may be one of multiple petitions of all owners within the described area and, if so, shall be considered as a single petition. If petitioner is the owner of a portion of described area, a brief description of that portion (for example, lot number on a recorded plat or tax parcel number), as of the date of this petition, is as follows:

(N/A)

Bernard F McLeod, Jr.

Property Owner(s)

100 Park Ave Fuquay - Varina, NC 27526

Address of Property Owner(s)

H 919-552-4826 M 919-632-9999

Telephone Number

E-mail address

Bernard F. McLeod

Signature of Property Owner

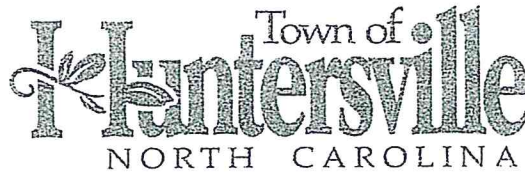
August 18, 2015

Date

Rec'd 9/8/15

Skybrook ~~West~~

MVC LLC



PETITION REQUESTING ANNEXATION

To the Board of Commissioners of the Town of Huntersville:

1. We, the undersigned owners of all or a part of the real property described on the metes and bounds description attached hereto, request that the described area be annexed to the Town of Huntersville.
2. The area to be annexed is (contiguous) (non-contiguous) [circle one] to the primary corporate limits of the Town of Huntersville. The petitioner attaches hereto and submits as part of the petition:

(a) a metes and bounds description of the parcel(s) identified in paragraph 1, and

(b) a plat, suitable for recordation in the office of the Mecklenburg County Register of Deeds, showing the area proposed for annexation with relation to the primary corporate limits of the Town of Huntersville.

3. The petitioner (does) (does not) [circle one] claim vested rights in the property pursuant to N.C.G.S. 153A-344.1 or 160A-385.1. The basis of this claim of vested rights is as follows:

Vested rights have been established under the approved rezoning and subdivision sketch plans for Skybrook North. Approved November 20, 2006 (with subsequent vested rights extensions approved through November 20, 2016)- (Skybrook West)

4. This petition may be one of multiple petitions of all owners within the described area and, if so, shall be considered as a single petition. If petitioner is the owner of a portion of described area, a brief description of that portion (for example, lot number on a recorded plat or tax parcel number), as of the date of this petition, is as follows:

(N/A) _____

Annexation Petition (2013 version)

MVC, LLC
Property Owner(s)

P.O. Box 38 Holly Springs, NC 27540
Address of Property Owner(s)

(919) 303-8091
Telephone Number

coley@bpropnc.com
E-mail address

MVC, LLC By: *Robert Coley, Jr.* manager
Signature of Property Owner

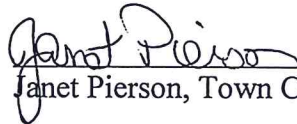
September 23, 2014
Date

CERTIFICATE OF SUFFICIENCY OF PETITION
Skybrook West

To: The Board of Commissioners of the Town of Huntersville, North Carolina.

I, JANET PIERSON, Town Clerk, do hereby certify that I have investigated the Petition for Skybrook West for non-contiguous annexation of certain property, and have found as a fact that said Petition is signed by all the owners of real property lying in the area described therein, in accordance with North Carolina General Statutes 160A-58, *et seq.* The undersigned therefore certifies that the Petition is sufficient for the voluntary annexation of a non-contiguous area pursuant to Section 160A-58 of the General Statutes of North Carolina.

IN WITNESS WHEREOF, I have hereto set my hand and affixed the seal of the Town of Huntersville, this 10th day of October, 2015.



Janet Pierson, Town Clerk

**RESOLUTION FIXING DATE OF PUBLIC HEARING
ON QUESTION OF ANNEXATION PURSUANT TO N.C.G.S. 160A-58**

WHEREAS, a petition requesting annexation of the area described herein has been received; and

WHEREAS, the Board of Commissioners has directed the Town Clerk to investigate the sufficiency thereof; and

WHEREAS, certification by the Town Clerk as to the sufficiency of said petition has been made;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Town of Huntersville, North Carolina:

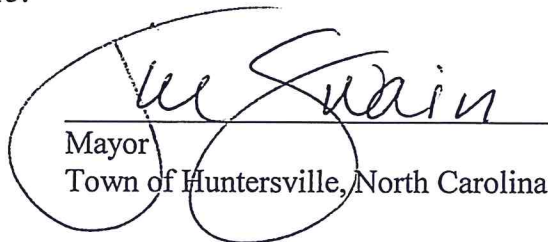
Section 1. That a public hearing on the question of annexation of the area described herein which is contiguous to the primary town limits of the Town of Huntersville will be held at the Town Hall at 6:30 p.m. on the 16th day of November, 2015.

Section 2. The area proposed for annexation is described as follows:

(Metes and bounds description attached hereto as Exhibit A.)

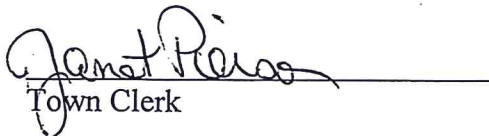
Section 3. Notice of said public hearing shall be published in the Charlotte Observer, a newspaper having a general circulation in the Town of Huntersville, at least ten (10) days prior to the date of said public hearing.

Adopted this the 5th day of October, 2015.



Mayor
Town of Huntersville, North Carolina

ATTEST:



Town Clerk

Exhibit A:

Skybrook West Annexation – 38.163 Acres

Commencing at a rebar found, the southwest corner of the Metrolina Greenhouses Inc. property as recorded in Deed 25662-210 in the Mecklenburg County Register of Deeds Office, said point also being an angle point in the William O. Bradford Jr., John Scott Bradford and Ross M. Bradford property as recorded in Deed 28922-278 in the Mecklenburg County Register of Deeds Office; Thence with the southern line of the Metrolina Greenhouses Inc. property N80-05-13E 495.00' to a rebar found, in the southern line of the Metrolina Greenhouses Inc. property, said rebar found also being the northeast corner of the William O. Bradford Jr., John Scott Bradford and Ross M. Bradford property and the **Point of Beginning**.

Thence from said **Point of Beginning** with the southern line of the Metrolina Greenhouses Inc. property as recorded in Deed 25662-210 in the Mecklenburg County Register of Deeds Office, N80-05-13E 427.67' to a rebar found, the southeast corner of the Metrolina Greenhouses Inc. property and the southwest corner of the Metrolina Greenhouses Inc. property as shown on Map Book 39-286 recorded in the Mecklenburg County Register of Deeds Office; Thence with the southern property line of the Metrolina Greenhouses Inc. property as shown on Map Book 39-286 N81-23-25E 600.95' to a rebar found in the southern line of the Metrolina Greenhouses Inc. property as shown on Map Book 39-286, said iron being the northwest corner of the MVC, LLC property as recorded in Deed 9980-298 in the Mecklenburg County Register of Deeds Office; Thence with the western line of the MVC, LLC. property 8 calls;

1) S18-28-42E 632.33' to a point; 2) S18-28-42E 40.00' to a point; 3) S17-21-03W 392.63' to a point; 4) S17-14-56W 428.00' to a point; 5) S17-14-56W 78.73' to a point; 6) S17-14-25W 211.32' to a rebar found; 7) S17-14-25W 94.39' to a rebar found; 8) S17-14-25W 161.09' to a rebar found in the western line of Lot 877 of Skybrook Phase 11 Map 3 as recorded in Map Book 55-83 in the Mecklenburg County Register of Deeds Office; Thence with the western line of Lot 877 S19-31-52W 32.36' to a rebar found in the rear lint of Lot 877, said rebar found being the a corner of the Silas W. Davis Jr. and Mary S. Davis property as recorded in Deed 29449-909 in the Mecklenburg County Register of Deeds Office; Thence 3 calls with the Silas W. Davis Jr. and Mary S. Davis property; 1) N47-23-41W 209.80' to a rebar found; 2) N26-47-35W 140.80' to a rebar found; 3) S88-43-16W 530.07' to a rebar found, the northwest corner of the Silas W. Davis Jr. and Mary S. Davis property in the eastern line of the Gary Nelson and Icilda Nelson property as recorded in Deed 26750-101 in the Mecklenburg County Register of Deeds Office; Thence N00-16-44W 781.38' to a rebar found, the northeast corner of the Barbara J. Washam and Burl J. Washam property as recorded in Deed 20771-243 in the Mecklenburg County Register of Deeds Office, said rebar found also being the southeast corner of the William O. Bradford Jr., John Scott Bradford and Ross M. Bradford property; Thence 2 calls with the William O. Bradford Jr., John Scott Bradford and Ross M. Bradford property; 1) N42-26-37E 298.71' to a rebar found; 2) N25-24-47W 610.50' to a rebar found, the **Point of Beginning**.

Said property containing 38.163 Acres as shown on the Annexation plat of Skybrook West by Yarbrough-Williams & Houle, Inc., dated 09/02-15.

AN ORDINANCE TO ANNEX CERTAIN NONCONTIGUOUS AREAS
TO THE TOWN OF HUNTERSVILLE, NORTH CAROLINA

ANNEXATION ORDINANCE 2015-05

WHEREAS, the Board of Commissioners has been petitioned under G.S. 160A-58, as amended, to annex the area described herein; and

WHEREAS, the Board of Commissioners has by Resolution of Intent to Annex adopted by the Board of Commissioners on the 19th day of October, 2015, pursuant to N.C.G.S.160A-58.7; and

WHEREAS, the Board of Commissioners has by resolution directed the Town Clerk to investigate the sufficiency of said petition; and

WHEREAS, the Town Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held at Huntersville Town Hall at 6:30 p.m. on the 16th day of November, 2015, after due notice by publication in The Charlotte Observer on November 1, 2015; and

WHEREAS, the Board of Commissioners does hereby find as a fact that said petition meets the requirements of G.S. 160A-58, as amended, namely (i) the area described herein meets all of the standards set out in G.S. 160A-58; (ii) the petition bears the signatures of all of the owners of real property within the area proposed for annexation; (iii) the petition is otherwise valid; (iv) the public health, safety, and welfare of the inhabitants of the city and of the area proposed for annexation will be best served by the annexation;

WHEREAS, the Board of Commissioners does hereby find as a fact that:

1. The nearest point on the proposed satellite corporate limits is not more than three (3) miles from the primary corporate limits of the Town of Huntersville;
2. The entire subdivision is included in the proposed annexation;
3. The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits of the Town of Huntersville, will not exceed ten (10) percent of the area within the primary corporate limits of the Town of Huntersville; and
4. The area to be annexed is so situated that the Town will be able to provide the same service within the proposed satellite corporate limits that it provides within the primary corporate limits of the Town.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Town of Huntersville, North Carolina;

Section 1. By virtue of the authority granted by G.S. 160A-58, as amended, the following described territory is hereby annexed and made part of the Town of Huntersville as of the 16th day of November, 2015:

See Exhibit A attached hereto for a metes and bounds description of the subject tract

Section 2. Upon and after the 16th day of November 2015, the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the Town of Huntersville and

shall be entitled to the same privileges and benefits as other parts of the Town of Huntersville. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Mayor of the Town of Huntersville shall cause to be recorded in the office of the Register of Deeds of Mecklenburg County, and in the office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 hereof, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the County Board of Elections, as required by G.S. 163-288.1.

Adopted this 16th day of November, 2015. Mayor: _____

ATTEST:

APPROVED AS TO FORM:

Town Clerk

Town Attorney



Legal
2012 2014 1/2/2015

Search Results:

05 Per Page

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Notice Type : [Public Hearing](#)

Posting Date : 11/1/2015

Printer Friendly

NOTICE OF PUBLIC HEARING ON REQUEST FOR ANNEXATION Take notice that the Town of Huntersville Board of Commissioners has called a public hearing at 6:30 p.m. on November 19, 2015, at Town Hall on the question of annexing the following described territory requested by petition filed pursuant to NCGS 160A-58, as amended, to annex to the Town of Huntersville certain non-contiguous property. The property subject to the Petition consists of approx 38.163 ac, known as Skybrook West located south of Huntersville-Concord Rd. and north of Eastfield Rd. and is described as follows: LEGAL DESCRIPTION: Commencing at a rebar found, the southwest corner of the Metrolina Greenhouses Inc. property as recorded in Deed 25662-210 in the Mecklenburg County Register of Deeds Office, said point also being an angle point in the William O. Bradford Jr., John Scott Bradford and Ross M. Bradford property as recorded in Deed 28922-278 in the Mecklenburg County Register of Deeds Office; Thence with the southern line of the Metrolina Greenhouses Inc. property N80-05-13E 495.00' to a rebar found, in the southern line of the Metrolina Greenhouses Inc. property, said rebar found also being the northeast corner of the William O. Bradford Jr., John Scott Bradford and Ross M. Bradford property and the Point of Beginning. Thence from said Point of Beginning with the southern line of the Metrolina Greenhouses Inc. property as recorded in Deed 25662-210 in the Mecklenburg County Register of Deeds Office, N80-05-13E 427.67' to a rebar found, the southeast corner of the Metrolina Greenhouses Inc. property and the southwest corner of the Metrolina Greenhouses Inc. property as shown on Map Book 39-286 N81-23-25E 600.95' to a rebar found in the southern line of the Metrolina Greenhouses Inc. property as shown on Map Book 39-286, said iron being the northwest corner of the MVC, LLC property as recorded in Deed 9980-298 in the Mecklenburg County Register of Deeds Office; Thence with the western line of the MVC, LLC property 8 calls; 1) S18-28-42E 632.33' to a point; 2) S18-28-42E 40.00' to a point; 3) S17-21-03W 392.63' to a point; 4) S17-14-56W 428.00' to a point; 5) S17-14-56W 78.73' to a point; 6) S17-14-25W 211.32' to a rebar found; 7) S17-14-25W 94.39' to a rebar found; 8) S17-14-25W 161.09' to a rebar found in the western line of Lot 877 of Skybrook Phase 11 Map 3 as recorded in Map Book 55-83 in the Mecklenburg County Register of Deeds Office; Thence with the western line of Lot 877 S19-31-52W 32.36' to a rebar found in the rear lint of Lot 877, said rebar found being the corner of the Silas W. Davis Jr. and Mary S. Davis property as recorded in Deed 29449-909 in the Mecklenburg County Register of Deeds Office; Thence 3 calls with the Silas W. Davis Jr. and Mary S. Davis property; 1) N47-23-41W 209.80' to a rebar found; 2) N26-47-35W 140.80' to a rebar found; 3) S88-43-16W 530.07' to a rebar found, the northwest corner of the Silas W. Davis Jr. and Mary S. Davis property in the eastern line of the Gary Nelson and Icilda Nelson property as recorded in Deed 26750-101 in the Mecklenburg County Register of Deeds Office; Thence N00-16-44W 781.38' to a rebar found, the northeast corner of the Barbara J. Washam and Burl J. Washam property as recorded in Deed 20771-243 in the Mecklenburg County Register of Deeds Office, said rebar found also being the southeast corner of the William O. Bradford Jr., John Scott Bradford and Ross M. Bradford property; Thence 2 calls with the William O. Bradford Jr., John Scott Bradford and Ross M. Bradford property; 1) N42-26-37E 298.71' to a rebar found; 2) N25-24-47W 610.50' to a rebar found, the Point of Beginning. Said property containing 38.163 Acres as shown on the Annexation plat of Skybrook West by Yarbrough-Williams & Houle, Inc., dated 09/02-15. A copy of the area is on file in the Huntersville Town Hall. LP2058436

01 Per Page

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LEGALNOTICE.ORG

Information without boundaries

© 2003-2014 Legal Notice Registry Corporation ("LNRC") (solely with regard to the content provided by LNRC).



WAIVER OF NOTICE

Pursuant to the provisions of that Annexation Agreement or Sphere of Influence Agreement by and between the Town of Davidson and the Town of Huntersville, dated August 1, 1984, as amended, and on behalf of the Town of Davidson, the undersigned does hereby waive the sixty (60) day notice requirement under said Agreement for the proposed annexation by the Town of Huntersville of Skybrook West ("Subject Property") whose boundary is shown by a heavy, dark line on Exhibit A, attached hereto.

This 9 day of November, 2015.

Town of Davidson

By: 
Mayor, Manager, or Authorized Official

RE: Skybrook West

Town of Huntersville
REQUEST FOR BOARD ACTION
11/16/2015

REVIEWED:

To: The Honorable Mayor and Board of Commissioners
From: David Peete, AICP
Subject: ANNEX 15-05 Skybrook West

Final Action for Monday, November 16, 2015 at 6:30 PM in the Huntersville Town Hall on Petition # ANNEX 15-05, a request by MVC LLC & Bernard F. McLeod, Jr. to annex 38.163-acres into the Town of Huntersville. The area to be annexed is non-contiguous to the Town of Huntersville.

ACTION RECOMMENDED:

Consider Final Action on Annex #15-05 for Monday, November 16, 2015.

FINANCIAL IMPLICATIONS:

ATTACHMENTS:

Description	Type
Annex 15-05 Ordinance	Cover Memo

AN ORDINANCE TO ANNEX CERTAIN NONCONTIGUOUS AREAS
TO THE TOWN OF HUNTERSVILLE, NORTH CAROLINA

ANNEXATION ORDINANCE 2015-05

WHEREAS, the Board of Commissioners has been petitioned under G.S. 160A-58, as amended, to annex the area described herein; and

WHEREAS, the Board of Commissioners has by Resolution of Intent to Annex adopted by the Board of Commissioners on the 19th day of October, 2015, pursuant to N.C.G.S.160A-58.7; and

WHEREAS, the Board of Commissioners has by resolution directed the Town Clerk to investigate the sufficiency of said petition; and

WHEREAS, the Town Clerk has certified the sufficiency of said petition and a public hearing on the question of this annexation was held at Huntersville Town Hall at 6:30 p.m. on the 16th day of November, 2015, after due notice by publication in The Charlotte Observer on November 1, 2015; and

WHEREAS, the Board of Commissioners does hereby find as a fact that said petition meets the requirements of G.S. 160A-58, as amended, namely (i) the area described herein meets all of the standards set out in G.S. 160A-58; (ii) the petition bears the signatures of all of the owners of real property within the area proposed for annexation; (iii) the petition is otherwise valid; (iv) the public health, safety, and welfare of the inhabitants of the city and of the area proposed for annexation will be best served by the annexation;

WHEREAS, the Board of Commissioners does hereby find as a fact that:

1. The nearest point on the proposed satellite corporate limits is not more than three (3) miles from the primary corporate limits of the Town of Huntersville;
2. The entire subdivision is included in the proposed annexation;
3. The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits of the Town of Huntersville, will not exceed ten (10) percent of the area within the primary corporate limits of the Town of Huntersville; and
4. The area to be annexed is so situated that the Town will be able to provide the same service within the proposed satellite corporate limits that it provides within the primary corporate limits of the Town.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Town of Huntersville, North Carolina;

Section 1. By virtue of the authority granted by G.S. 160A-58, as amended, the following described territory is hereby annexed and made part of the Town of Huntersville as of the 16th day of November, 2015:

See Exhibit A attached hereto for a metes and bounds description of the subject tract

Section 2. Upon and after the 16th day of November 2015, the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the Town of Huntersville and

shall be entitled to the same privileges and benefits as other parts of the Town of Huntersville. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Mayor of the Town of Huntersville shall cause to be recorded in the office of the Register of Deeds of Mecklenburg County, and in the office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 hereof, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the County Board of Elections, as required by G.S. 163-288.1.

Adopted this 16th day of November, 2015. Mayor: _____

ATTEST:

APPROVED AS TO FORM:

Town Clerk

Town Attorney

Town of Huntersville
REQUEST FOR BOARD ACTION
11/16/2015

REVIEWED:

To: The Honorable Mayor and Board of Commissioners
From: Greg Ferguson, Town Manager
Subject: 2015 G.O. Refunding Bond RFP

Consider refunding 2004 General Obligation Bonds as described in attached memo.

ACTION RECOMMENDED:

The following action is recommended:

1. Award bid to Carter Bank & Trust for the purchase of a General Obligation Refunding Bond to refinance the Town's outstanding General Obligation Bonds, Series 2004 and fund the associated Costs of Issuance.
2. Adopt Resolution making certain statements of fact concerning proposed bond issue.
3. Adopt Bond Order authorizing the issuance of not to exceed \$2,400,000 General Obligation Refunding Bonds.
4. Adopt Resolution for the issuance of a General Obligation Refunding Bond in an aggregate principal amount not to exceed \$2,400,000.
Consider approval of a Final Resolution.

FINANCIAL IMPLICATIONS:

Savings of \$160,988 over term.

ATTACHMENTS:

Description	Type
❑ Refunding Bond RFP Summary	Backup Material
❑ Resolution Making Certain Statements of Fact	Resolution
❑ Bond Order	Backup Material
❑ Resolution - Issuance of GO Refunding Bond	Resolution

To Town of Huntersville, NC
From Davenport & Company LLC
Date November 16, 2015
Subject 2015 General Obligation Refunding Bond RFP Summary

Background

Davenport & Company LLC ("Davenport"), on behalf of the Town of Huntersville, NC (the "Town"), distributed a Request for Proposals ("RFP") to secure a bank commitment for the purchase of a General Obligation Refunding Bond to refinance the Town's outstanding General Obligation Bonds, Series 2004 ("2004 GOs") and fund the associated Costs of Issuance.

The RFP was distributed to over 35 National, Regional, and Local Banks. After the initial distribution, Davenport contacted each of the potential bidders to assess their interest in the financing and address any questions they had.

RFP Responses

Through this process, the Town was able to secure ten responses to the RFP, including:

1. Bank of North Carolina ("Bank of NC");
2. Branch Banking & Trust ("BB&T");
3. Capital One Public Funding ("Capital One");
4. Carter Bank & Trust ("Carter Bank");
5. First Bank ("First Bank");
6. First Tennessee Bank ("First Tennessee");
7. Pinnacle Public Finance ("Pinnacle");
8. Regions Bank ("Regions");
9. TD Bank ("TD Bank"); and
10. Wells Fargo ("Wells Fargo").

The following pages contain a summary of the key terms and conditions for each of the responses received. A detailed summary of the bids received is contained in Attachment A to this memorandum.

November 16, 2015

Discussion Points**1. Interest Rate**

While ten banks submitted proposals consistent with the RFP specifications, Carter Bank offered the lowest interest rate, as shown in Table 1 below. The rates offered by all of the banks are fixed through the final maturity of the loan and, with the exception of Wells Fargo, BB&T, First Tennessee, and Capital One, will be held firm for a closing on or about December 22nd.

Table 1: Summary of Interest Rates

Bank	Interest Rate	Final Maturity	Rates Held Firm Through
Carter Bank	1.95%	6/1/2024	December 31 st
Wells Fargo	2.05% ⁽¹⁾	6/1/2024	Approximately December 5 th
	Variable ⁽²⁾	6/1/2024	
TD Bank	2.08% (PPP)	6/1/2024	December 22 nd (3)
	2.41% (No PPP)	6/1/2024	
BB&T	2.13%	6/1/2024	Approximately December 20 th (4)
First Tennessee	2.16%	6/1/2024	November 30 th
Pinnacle	2.18%	6/1/2024	December 23 rd
First Bank	2.375%	6/1/2024	Not specified ⁽⁵⁾
Regions	2.39%	6/1/2024	December 22 nd (6)
Capital One	2.47%	6/1/2024	December 18 th (7)
Bank of NC	2.65%	6/1/2024	December 31 st

⁽¹⁾ Indicative pricing only. Based on a pricing formula to be set five to ten days prior to closing.

⁽²⁾ The Variable Rate Bond will contain an Index Floating Rate Mode whereby the interest rate on the Bond will be reset monthly at 70% of 1 month LIBOR plus a Spread of 1.03%.

⁽³⁾ Must be accepted by November 20, 2015.

⁽⁴⁾ Must be accepted by November 15, 2015.

⁽⁵⁾ Must be accepted by November 20, 2015.

⁽⁶⁾ Must be accepted by November 17, 2015.

⁽⁷⁾ Must be accepted by November 16, 2015.

November 16, 2015

2. Prepayment Provisions

Prepayment provisions offered by the ten bank proposals are shown in Table 2 below.

Table 2: Summary of Prepayment Provisions

Bank	Prepayment Provisions
Carter Bank	In whole or in part at any time without penalty
Wells Fargo	Noncallable
TD Bank	PPP: Make-whole call No PPP: Prepayable in whole or in part at any time at par
BB&T	In whole on any payment date at 101%
First Tennessee	Make-whole call
Pinnacle	Prior to 6/1/2019: Noncallable Thereafter: In whole at any time at par
First Bank	Prepayable in whole or in part at any time at par
Regions	In whole or in part at any time at 101%
Capital One	Years 1-4: Noncallable Thereafter: In whole on any payment date at par
Bank of NC	Prepayable in whole or in part at any time at par

3. Public Market Sale Alternative

As an alternative to refinancing the 2004 GOs with one of the proposing banks, the Town could consider a public sale of General Obligation Refunding Bonds. In order to effect the public sale refunding, the Town would have to prepare formal offering documents (Official Statement and Notice of Sale) and obtain credit ratings. The Bonds sold in the public markets would not be prepayable.

The process to complete a public sale would take approximately 60-75 days at a minimum. During this time period, the Town would be subject to daily interest rate changes until rates could be locked in around day 45-60 (at the earliest). Since the Town is considering the issuance of authorized new money General Obligation Bonds, the timing for a public sale refinancing will largely be driven by the timing of the projected new money projects and associated financing.

November 16, 2015

4. Estimated Savings

A preliminary indication of the estimated savings structure for the Carter Bank proposal is shown in Table 3 below. These savings are compared to current estimates for a Public Market sale to provide additional perspective. The preliminary estimated savings shown in Table 3 are "Net Savings" that account for estimated costs of issuance.

Table 3: Estimated Net Debt Service Savings Comparison

	Carter Bank & Trust		Public Markets Estimate		Difference	
1 Final Maturity	6/1/2024		6/1/2024		N/A	
2 Interest Rate	1.95%		1.73%		0.22%	
3 Rate Expiration	December 31st		N/A		N/A	
4 Bank / Legal Fees	None		None		N/A	
5 Par Amount	\$2,341,000		\$2,250,000		\$91,000	
6						
7 Fiscal Year	Debt Service ¹	Savings ¹	Debt Service ²	Savings ²	Debt Service	Savings
8 2016	\$ 289,162	\$ 10,348	\$ 293,613	\$ 5,897	\$ (4,451)	\$ 4,451
9 2017	316,404	18,690	308,850	26,244	7,554	(7,554)
10 2018	307,022	18,892	303,650	22,264	3,372	(3,372)
11 2019	297,718	18,888	293,450	23,156	4,268	(4,268)
12 2020	288,492	18,552	283,350	23,694	5,142	(5,142)
13 2021	278,344	18,500	273,350	23,494	4,994	(4,994)
14 2022	267,294	19,350	261,000	25,644	6,294	(6,294)
15 2023	252,360	18,765	243,800	27,325	8,560	(8,560)
16 2024	241,622	19,004	236,900	23,725	4,722	(4,722)
17 Total	\$ 2,538,417	\$ 160,988	\$ 2,497,963	\$ 201,442	\$ 40,454	\$ (40,454)
18 Net Present Value Savings ^{1,2}	N/A	\$ 148,913	N/A	\$ 178,746	N/A	\$ (29,834)
19 % NPV Savings ^{1,2}	N/A	6.52%	N/A	7.82%	N/A	-1.31%

¹ Preliminary and subject to change. Savings shown include assumed Cost of Issuance of \$50,000.

² Interest rate estimates shown as of 11/9/2015, preliminary and subject to change. Assumes the Publicly Sold Bonds are issued in conjunction with \$10 million of authorized new money GO Bonds. Savings shown include assumed Cost of Issuance of \$26,370.87 (representing pro-rata total cost of issuance of \$140,000) and Underwriter's Discount of \$11,250.

November 16, 2015

Recommendation

Based upon our review of the proposals, related analyses, and discussions with Town Staff and Bond Counsel, Davenport recommends that the Town select the Carter Bank proposal. The Carter Bank proposal offers the lowest interest rate, the highest debt service savings, and most prepayment flexibility compared to the other bank proposals.

While the public market sale is producing higher debt service savings based on estimated current market interest rates, the Town would be exposed to future interest rate risk by waiting to issue this refunding in conjunction with the Town's proposed issuance of authorized new money General Obligation Bonds. In addition, the public market sale would not be prepayable.

By moving forward with the Carter Bank proposal, the Town can lock-in debt services savings at currently low interest rates and maintain the ability to prepay the loan at any time without a penalty.

Next Steps

November 16 th	Town Board Meeting <ul style="list-style-type: none">– Town Board considers approval of winning bidder– Town Board considers approval of a Preliminary Findings Resolution– Town Board considers approval of a Bond Order– Town Board considers approval of a Final Resolution
As soon as possible following November 16 th	Notice of Bond Order Published (start of 30-day wait period)
December 1 st	LGC considers approval of the financing.
On or about December 22 nd	Close on Financing.

Detailed Bids



	Carter Bank & Trust <small>Member of Sun Life Insurance Company</small>	Wells Fargo WELLS FARGO	TD Bank Bank
NTE Amount Term Interest Mode Bank Qualification Final Maturity Interest Rate Optional Call Provisions	2,360,000 8 Years Fixed through maturity BQ 6/1/2024 1.95% The loan may be prepaid without penalty at anytime.	2,360,000 8 Years Fixed through maturity BQ 6/1/2024 2.05% (indicative) 70% of 1 month LIBOR plus 1.03% The 2015 Bond is not subject to optional redemption or conversion to other interest rates prior to the Maturity Date.	2,360,000 8 Years Fixed through maturity BQ 6/1/2024 2.08% 2.41% Make-whole call Prepayable in whole or in part at any time
Bank / Legal Fees	The bank will not impose any fees and does not anticipate any expenses in connection with this transaction. Borrower will be responsible for bond counsel and financial advisor costs.	The Bank will require separate counsel whose cost shall be borne by the Obligor. The Bank's counsel cost is estimated at \$1,500.00.	It will be the responsibility of the Town to compensate Bond Counsel. The Town will further be responsible for Bank legal fees in the amount not to exceed \$1,000. Legal counsel engaged to represent the Bank in review of the documents shall be McGuire Woods LLP.
Offer Expiration	This commitment will expire on December 31, 2015	Unless this term sheet is earlier rescinded, it shall expire automatically without further action or notice by the Bank 30 days from the date thereof (approximately December 5th).	The Bank's commitment hereunder will expire in the event the Bank has not received such acceptance and applicable fees, if any, on or November 20, 2015 or the closing has not occurred by December 22, 2015.
Other		<p>1) Comprehensive Annual Financial Report of the Town of Huntersville due within 180 days of fiscal year end; Approved annual Budget of the Town within 30 days of adoption; Other information as reasonably requested by the Bank from time to time.</p> <p>2) Wells Fargo's purchase is conditioned on its ability to treat the Bond as a loan for accounting purposes. To achieve this treatment the following conditions must be met: 1. The Bonds cannot be purchased pursuant to an Offering Statement of a Placement Agent; 2. No rating can be assigned to the Bonds; 3. The Bonds must be delivered in physical form; 4. The physical Bond must carry a legend referencing the transfer restrictions; 5. Wells Fargo's ability to transfer is limited to certain commercial banks that constitute Qualified Institutional Buyers; 6. The Bonds must have minimum denominations of not less than \$250,000.</p> <p>3) To maintain transparency with its existing bondholders and the rating agencies, Wells Fargo requests that the Town a) post the Bond, Bond Purchase and Loan Agreement and Resolution on the MSRB's EMMA site following the closing of the transaction, provided that pricing and certain other information contained therein, as directed by the Bank, shall be redacted prior to such posting and b) deliver relevant financing documents to the rating agencies.</p>	<p>1) The Town shall maintain public ratings on general obligation bonds from two of the three national recognized bond rating agencies (Moody's, S&P and Fitch) during the term of the Loan.</p> <p>2) The Town shall deliver to the Bank within 180 days of each fiscal year end, audited financial statements carrying an unqualified opinion of a Certified Public Accountant, prepared according to GAAP and presented on a consistent basis. In addition, the Town will submit along with the annual financial statements, a certificate from the Director of Finance or other responsible official stating that the Town is in compliance with all terms and conditions of the Bond documents and detailing any defaults or events of default. The Town shall deliver to the Bank within 30 days of approval a copy of its annual budget.</p>

Detailed Bids



	BB&T	First Tennessee	Pinnacle Public Finance
NTE Amount Term Interest Mode Bank Qualification Final Maturity Interest Rate	2,360,000 8 Years Fixed through maturity BQ 6/1/2024 2.13%	2,360,000 8 Years Fixed through maturity BQ 6/1/2024 2.16%	2,360,000 8 Years Fixed through maturity BQ 6/1/2024 2.18%
Optional Call Provisions	The financing documents shall allow prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.	Makes-whole call	Prior to 6/1/2019; Noncallable; Thereafter: In whole at anytime at par (subject to negotiation)
Bank / Legal Fees	Remuneration for our legal expenses and underwriting for this financing transaction shall be \$3,900.00.	Attorney's fees are the responsibility of Borrower not to exceed \$2,500.00	Pinnacle proposes the inclusion of p to \$5,000 for Lender's Counsel in the costs of issuance.
Offer Expiration	The interest rate stated above is valid for a closing not later than 45 days after today (approximately December 20th).	November 30th	December 23rd
Other		1.) The Borrower will also be open to discussions with regard to additional deposits and treasury services business with the Lender	<p>1) Pinnacle will require a gross up provision in the event the loan becomes taxable due to any actions or omissions of the Town. The taxable rate of interest will be 3.35% and will be effective as of the date the tax status is ruled to have changed.</p> <p>2) In the event of default the interest rate will become 5%. If the loan has become taxable the default rate will become 6% (subject to negotiation).</p> <p>3) Pinnacle requires the loan documents make no reference to any Uniform Commercial Code Section relating to Investment Securities.</p> <p>4) Pinnacle will request the Town agree to provide its CAFR within 210 days of the close of each fiscal year. Additionally, Pinnacle will request the Town agree to provide such other financial information as Pinnacle may reasonably request, including but not limited to, its annual budget for any prior or current fiscal year or subsequent fiscal years (subject to negotiation).</p>

Detailed Bids



First Bank		Regions Bank <i>d/b/a</i> REGIONS
NTE Amount Term Interest Mode Bank Qualification Final Maturity Interest Rate Optional Call Provisions	2,360,000 8 Years Fixed through maturity BQ 6/1/2024 2.375% The loan may be prepaid at any time without penalty	2,360,000 8 Years Fixed through maturity BQ 6/1/2024 2.39% At the time of any full or partial prepayment, the Borrower shall pay to Lender a fee equal to 1% of the principal balance being prepaid.
Bank / Legal Fees	No Fees	The Borrower will invoice the Lender's counsel for an amount not-to-exceed \$3,000, plus out-of-pocket costs and disbursements.
Offer Expiration	Acceptance by November 20th, no expiration specified	December 22nd
Other	1) First Bank may require additional documentation, opinions of counsel for Borrower, evidence of environmental compliance, utilities, permits and zoning as may reasonably be necessary to assure feasibility and authority of the purposes for which loan proceeds will be used. General and customary covenants for this type of transaction may be included.	1) Conditions Precedent to Financing including but not limited to, the following, each in form and substance satisfactory to the Lender and its counsel, their sole discretion: (i) Satisfactory completion of due diligence regarding the Borrower and any Security. (ii) Execution of all documentation as may be requested by the Lender relating to the Debt Instrument and/or the Loan in form and substance satisfactory to the Lender and its counsel. (iii) Payment of all applicable fees and expenses by the Borrower (iv) Receipt of an opinion of counsel to the Borrower, including without limitation, due authorization, enforceability and compliance with all applicable laws and agreements and as to the validity of the best instruments and the tax-exempt and BQ status of the Debt Instruments. (v) Receipt and satisfactory review by the Lender of all applicable resolutions and evidence of authority. (vi) Evidence of Local Government Commission Approval (vii) Receipt by the Lender of such other legal opinions, certificates, proceedings, instruments and other documents as the Lender or its counsel may request. 2) The Borrower shall not file or submit, or permit the filing or submission, of all or any portion of any Loan Document with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system (or any successor continuing disclosure vehicle) unless such Loan Document or portion thereof, as applicable, to be so filed or submitted (i) has been submitted to the Lender in advance of such filing or submission and (ii) shall have been redacted to the extent required by the Lender.

Detailed Bids



	Capital One	Bank of North Carolina
<p>NTE Amount Term Interest Mode Bank Qualification Final Maturity Interest Rate</p> <p>Optional Call Provisions</p>	<p>2,360,000 8 Years Fixed through maturity BQ 6/1/2024 2.47%</p> <p>The Town shall have the right to pre-pay the Bond, in whole (but not in part), on any interest payment date, provided that the Town gives COPF at least thirty (30) days prior written notice of its intent to do so. The prepayment provisions shall be as follows: Years 1-4 Non-callable Thereafter Par</p>	<p>2,360,000 8 Years Fixed through maturity BQ 6/1/2024 2.65%</p> <p>No Prepayment Penalty; Borrower may make partial or total prepayments of principal at any time during the term of the loan.</p>
Bank / Legal Fees	No fees shall be charged by COPF to the Town for execution of the Bond.	Bank fees will be capped at \$5,000 which shall be paid by Borrower. Any Bank fees in excess of \$5,000 shall be borne by Bank. Bank fees include any closing, collateral filing and Bank Attorney fees. Any fees incurred other than Bank fees (such as Borrower's Counsel) shall be borne by Borrower.
Offer Expiration	This Proposal shall expire if not accepted by the November 16, 2015 by the Town. Once accepted, this Proposal shall expire if the transaction has not closed by December 18, 2015.	This commitment will expire if the transaction is not closed and funded by 12/31/15.
Other		

DAVENPORT & COMPANY

2015 General Obligation Refunding Bond RFP Summary

November 16, 2015

The U.S. Securities and Exchange Commission (the "SEC") has clarified that a broker, dealer or municipal securities dealer engaging in municipal advisory activities outside the scope of underwriting a particular issuance of municipal securities should be subject to municipal advisor registration. Davenport & Company LLC ("Davenport") has registered as a municipal advisor with the SEC. As a registered municipal advisor Davenport may provide advice to a municipal entity or obligated person. An obligated person is an entity other than a municipal entity, such as a not for profit corporation, that has commenced an application or negotiation with an entity to issue municipal securities on its behalf and for which it will provide support. If and when an issuer engages Davenport to provide financial advisory or consultant services with respect to the issuance of municipal securities, Davenport is obligated to evidence such a financial advisory relationship with a written agreement.

When acting as a registered municipal advisor Davenport is a fiduciary required by federal law to act in the best interest of a municipal entity without regard to its own financial or other interests. Davenport is not a fiduciary when it acts as a registered investment advisor, when advising an obligated person, or when acting as an underwriter, though it is required to deal fairly with such persons.

This material was prepared by public finance, or other non-research personnel of Davenport. This material was not produced by a research analyst, although it may refer to a Davenport research analyst or research report. Unless otherwise indicated, these views (if any) are the author's and may differ from those of the Davenport fixed income or research department or others in the firm. Davenport may perform or seek to perform financial advisory services for the issuers of the securities and instruments mentioned herein.

This material has been prepared for information purposes only and is not a solicitation of any offer to buy or sell any security/instrument or to participate in any trading strategy. Any such offer would be made only after a prospective participant had completed its own independent investigation of the securities, instruments or transactions and received all information it required to make its own investment decision, including, where applicable, a review of any offering circular or memorandum describing such security or instrument. That information would contain material information not contained herein and to which prospective participants are referred. This material is based on public information as of the specified date, and may be stale thereafter. We have no obligation to tell you when information herein may change. We make no representation or warranty with respect to the completeness of this material. Davenport has no obligation to continue to publish information on the securities/instruments mentioned herein. Recipients are required to comply with any legal or contractual restrictions on their purchase, holding, sale, exercise of rights or performance of obligations under any securities/instruments transaction.

The securities/instruments discussed in this material may not be suitable for all investors or issuers. Recipients should seek independent financial advice prior to making any investment decision based on this material. This material does not provide individually tailored investment advice or offer tax, regulatory, accounting or legal advice. Prior to entering into any proposed transaction, recipients should determine, in consultation with their own investment, legal, tax, regulatory and accounting advisors, the economic risks and merits, as well as the legal, tax, regulatory and accounting characteristics and consequences, of the transaction. You should consider this material as only a single factor in making an investment decision.

The value of and income from investments and the cost of borrowing may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions or companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance and estimates of future performance are based on assumptions that may not be realized. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or estimates. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes or to simplify the presentation and/or calculation of any projections or estimates, and Davenport does not represent that any such assumptions will reflect actual future events. Accordingly, there can be no assurance that estimated returns or projections will be realized or that actual returns or performance results will not materially differ from those estimated herein. This material may not be sold or redistributed without the prior written consent of Davenport.

Version 01.13.14 | CH MB TC

*Town of Huntersville, North Carolina
General Obligation Refunding Bonds*

Bond Documentation

EXTRACTS FROM MINUTES OF THE BOARD OF COMMISSIONERS

A regular meeting of the Board of Commissioners (the "*Board*") of the Town of Huntersville, North Carolina was held at the Town Hall, 101 Huntersville-Concord Road, Huntersville, North Carolina 28078, at 6:30 p.m. on November 16, 2015, after proper notice, and was called to order by Mayor Jill Swain, and upon the roll being called, the following members of the Board answered present:

Commissioners absent:

Also present:

Commissioner _____ introduced the following resolution, a summary of which had been provided to each Commissioner, a copy of which was available with the Clerk to the Board and which was read by title:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWN OF HUNTERSVILLE, NORTH CAROLINA MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE

WHEREAS, the Board of Commissioners (the "*Board*") is considering the issuance of bonds of the Town of Huntersville, North Carolina (the "*Town*") which shall be for the following purpose and in the following maximum amount:

Not to exceed \$2,400,000 of general obligation refunding bonds to pay the costs of refunding in advance of their maturities \$2,285,000 aggregate principal amount of the Town of Huntersville, North Carolina General Obligation Bonds, Series 2004 maturing on and after June 1, 2016.

WHEREAS, certain findings of fact by the Board must be presented to enable the Local Government Commission of the State of North Carolina to make certain determinations as set forth in Article 4 of Chapter 159 of the General Statutes, Section 52.

NOW, THEREFORE, BE IT RESOLVED that the Board meeting in open session on the 16th day of November, 2015, has made the following factual findings in regard to this matter:

A. ***Facts Regarding Necessity of Proposed Financing.*** The proposed bonds are necessary and expedient to lower debt service costs to the Town.

B. ***Facts Supporting the Amount of Bonds Proposed.*** The sums estimated for these bonds are adequate and not excessive for the proposed purpose.

C. ***Past Debt Management Policies.*** The Town's debt management policies have been carried out in compliance with law. The Town employs a Finance Director to oversee compliance with applicable laws relating to debt management. The Board requires annual audits of Town finances. In connection with these audits, compliance with laws is reviewed. The Town is not in default in any of its debt service obligations. The Town Attorney reviews all debt-related documents for compliance with laws.

D. ***Past Budgetary and Fiscal Management Policies.*** The Town's budgetary and fiscal management policies have been carried out in compliance with laws. Annual budgets are closely reviewed by the Board before final approval of budget ordinances. Budget amendments changing a function total or between functions are presented to the Board at regular Board meetings. The Finance Director presents financial information to Board which shows budget to actual comparisons annually and otherwise as the Town Manager deems necessary or as a member of the Board may request.

E. ***Retirement of Debt.*** The schedule for issuing the bonds does not require a property tax increase. The Town expects to issue all of the bonds in fiscal year 2015, though the Town may delay issuing the bonds until such issuance will generate sufficient net present value savings for the Town.

F. ***Financing Team.*** The Town Manager and the Finance Director, with advice from the Town Attorney, are hereby authorized and directed to retain Parker Poe Adams & Bernstein LLP, as bond counsel, and Davenport & Company, LLC, as financial advisor.

Upon motion of Commissioner _____, the foregoing order titled: **"A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWN OF HUNTERSVILLE, NORTH CAROLINA MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE"** was adopted by the following vote:

AYES:

NAYS:

PASSED, ADOPTED AND APPROVED this 16th day of November, 2015.

STATE OF NORTH CAROLINA)
) SS:
TOWN OF HUNTERSVILLE)

I, Janet Pierson, Clerk to the Board of Commissioners of the Town of Huntersville, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of the resolutions titled “**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWN OF HUNTERSVILLE, NORTH CAROLINA MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE**” adopted by the Board of Commissioners of the Town of Huntersville, North Carolina in regular session convened on the 16th day of November, 2015, as recorded in the minutes of the Board of Commissioners of the Town of Huntersville, North Carolina.

WITNESS my hand and the seal of the Town of Huntersville, North Carolina, this the 16th day of November, 2015.

(SEAL)

Janet Pierson
Clerk to the Board of Commissioners
Town of Huntersville, North Carolina

**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,400,000
GENERAL OBLIGATION REFUNDING BONDS OF THE TOWN OF HUNTERSVILLE, NORTH CAROLINA**

WHEREAS, the Town of Huntersville, North Carolina (the "*Town*") has issued \$5,000,000 aggregate principal amount of its General Obligation Bonds, Series 2004 (the "*2004 Bonds*");

WHEREAS, the Board of Commissioners (the "*Board*") of the Town deems it advisable to refund \$2,285,000 in aggregate principal amount of the 2004 Bonds maturing on and after June 1, 2016;

WHEREAS, an application has been filed with the Secretary (the "*Secretary*") of the Local Government Commission of North Carolina (the "*Commission*") requesting Commission approval of the bonds hereinafter described as required by the Local Government Bond Act.

NOW, THEREFORE, BE IT ORDERED by the Board of Commissioners of the Town of Huntersville, North Carolina, as follows:

Section 1. The Board deems it advisable to refund \$2,285,000 in aggregate principal amount of the 2004 Bonds maturing on and after June 1, 2016.

Section 2. To raise the money required to pay the costs of refunding the 2004 Bonds as set forth above, general obligation refunding bonds of the Town of Huntersville, North Carolina are hereby authorized and shall be issued pursuant to the Local Government Bond Act of North Carolina. The maximum aggregate principal amount of such general obligation refunding bonds authorized by this bond order shall not exceed \$2,400,000.

Section 3. A tax sufficient to pay the principal of and interest on said general obligation refunding bonds when due shall be annually levied and collected.

Section 4. A sworn statement of the Town's debt has been filed with the Clerk to the Board and is open to public inspection.

Section 5. This bond order shall take effect on its adoption.

The foregoing order was adopted on the 16th day of November, 2015 and is hereby published this _____ day of November, 2015. Any action or proceeding questioning the validity of the order must be begun within 30 days after the date of publication of this notice. The Finance Director of the Town has filed a statement estimating that the total amount of interest that will be paid on the bonds over the expected term of the bonds, if issued, is \$197,416.86. The estimate is preliminary, is for general informational purposes only, and may differ from the actual interest paid on the bonds.

/s/ Janet Pierson

Janet Pierson,

Clerk to the Board of Commissioners
Town of Huntersville, North Carolina

EXTRACTS FROM MINUTES OF THE BOARD OF COMMISSIONERS

A regular meeting of the Board of Commissioners (the "*Board*") of the Town of Huntersville, North Carolina was held at the Town Hall, 101 Huntersville-Concord Road, Huntersville, North Carolina 28078, at 6:30 p.m. on November 16, 2015, after proper notice, and was called to order by Mayor Jill Swain, and upon the roll being called, the following members of the Board answered present:

Commissioners Absent:

Also present:

Commissioner _____ moved that the following resolution (the "*Resolution*"), a copy of which was available with the Board and which was read by title:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWN OF HUNTERSVILLE, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF A GENERAL OBLIGATION REFUNDING BOND OF THE TOWN OF HUNTERSVILLE, NORTH CAROLINA IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,400,000

WHEREAS, the Bond Order (as defined below) has been adopted, and it is desirable to make provision for the issuance of the bonds authorized by the Bond Order;

WHEREAS, the Town of Huntersville, North Carolina (the "*Town*") desires to issue its General Obligation Refunding Bond, Series 2015 (the "*Bond*") and to request that the Local Government Commission of North Carolina (the "*Commission*") sell the Bond to Carter Bank & Trust (the "*Bank*"), each in accordance with the terms provided herein;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Town (the "*Board*") as follows:

Section 1. For purposes of this Resolution, in addition to the words defined above, the following words will have the meanings ascribed to them below:

"*Bond Order*" means the Bond Order authorizing the issuance of the Bond adopted by the Board on November 16, 2015 and effective on its adoption.

"*Bond*" means the Town's General Obligation Refunding Bond, Series 2015, authorized under the Bond Order, the proceeds of which will be used to refund the Refunded Bonds in advance of their maturities and to pay certain costs of issuance incurred in connection with the issuance of the Bond.

"*Code*" means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein will be deemed to include the United States Treasury Regulations proposed or in effect with respect thereto.

"*Federal Securities*" means, to the extent permitted by the General Statutes of North Carolina, as amended, (a) direct obligations of the United States of America for the timely payment of which the full faith and credit of the United States of America is pledged; (b) obligations issued by any agency

controlled or supervised by and acting as an instrumentality of the United States of America, the timely payment of the principal of and interest on which is fully guaranteed as full faith and credit obligations of the United States of America (including any securities described in (a) or (b) issued or held in the name of a trustee in book-entry form on the books of the Department of Treasury of the United States of America), which obligations, in either case, are held in the name of a trustee and are not subject to redemption or purchase prior to maturity at the option of anyone other than the holder; (c) any bonds or other obligations of the State of North Carolina or of any agency, instrumentality or local governmental unit of the State of North Carolina which are (i) not callable prior to maturity or (ii) as to which irrevocable instructions have been given to the trustee or escrow agent with respect to such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified, and which are rated by Moody's, if the Bond is rated by Moody's, and S&P, if the Bond is rated by S&P, within the highest rating category and which are secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or bonds or other obligations of the character described in clause (a) or (b) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; or (d) direct evidences of ownership of proportionate interests in future interest and principal payments on specified obligations described in (a) held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the underlying obligations described in (a), and which underlying obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, *"Moody's"* will be deemed to refer to any other nationally recognized rating agency other than S&P designated by the Town.

"Pricing Certificate" means the certificate of either the Town Manager or the Finance Director delivered in connection with the issuance of the Bond which establishes the final maturity amounts, the interest payment dates and the provisions for redemption or any other changes to the terms described in this Resolution.

"Refunded Bonds" means the 2004 Bonds maturing on and after June 1, 2016.

"Registrar" means the bond registrar, or alternate or successor registrars selected by the Town pursuant to Section 159E-8 of the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina.

"S&P" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, *"S&P"* will be deemed to refer to any other nationally recognized rating agency other than Moody's designated by the Town.

"2004 Bonds" means the \$5,000,000 aggregate principal amount of the Town's General Obligation Bonds, Series 2004, of which \$2,285,000 is currently outstanding.

Section 2. Unless otherwise changed by the Pricing Certificate, the Town shall issue the Bond in the principal amount of \$2,341,000. In no event shall the aggregate principal amount of the Bond exceed \$2,400,000.

Section 3. Unless otherwise changed by the Pricing Certificate, the Bond shall be dated as of its date of issuance, mature on June 1, 2024 and pay interest semiannually on June 1 and December 1, beginning June 1, 2016. The Bond is being issued to refund the Refunded Bonds pursuant to and in accordance with the Bond Order in order to lower the Town's debt service costs related to projects financed with the proceeds of the 2004 Bonds.

Section 4. The Bond is to be numbered "R-1" and shall bear interest from its date at a rate of 1.95%. Interest on the Bond shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 5. The Bond shall be registered as to principal and interest, and the Finance Director of the Town is directed to maintain the registration records with respect thereto. The Bond shall bear the original or facsimile signatures of the Mayor or Town Manager of the Town and the Clerk to the Board. An original or facsimile of the seal of the Town is to be imprinted on the Bond.

Section 6.

(a) Unless otherwise changed by the Pricing Certificate, the Bond may be redeemed, at the option of the Town, in whole or in part at any time on 15 days' prior written notice to the registered owner of the Bond at a redemption price equal to 100% of the principal amount to be redeemed, without premium, plus accrued interest thereon to the redemption date. If the Bond is redeemed in part, then the Town shall receive a credit against its mandatory payment obligations on the Bond in the inverse order of the due dates set forth in subsection (b) below (as such payment schedule may be modified by the Pricing Certificate). The Registrar shall direct the registered owner of the Bond to evidence any such partial redemption by appropriate notation on a schedule attached to the Bond for such purpose or on the registered owner's electronic books and records.

(b) Unless otherwise changed by the Pricing Certificate, the Bond is subject to mandatory redemption before maturity in part at the redemption price of 100% of the principal amount to be redeemed, without premium, on June 1 in the years and in the amounts as follows:

PRINCIPAL		PRINCIPAL	
<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>
2016	\$269,000	2021	\$259,000
2017	276,000	2022	253,000
2018	272,000	2023	243,000
2019	268,000	2024*	237,000
2020	264,000		

* Maturity

Section 7. The Bond and the provisions for the registration and for the approval of the Bond by the Secretary of the Commission are to be in substantially the form set forth in Appendix A hereto (with such changes as may be necessary to conform to the terms of the Bond established in the Pricing Certificate in accordance with this Resolution).

Section 8. The Finance Director of the Town is hereby authorized to execute a no-arbitrage certificate with respect to the Bond in order to comply with Section 148 of the Code and the applicable Income Tax Regulations thereunder.

Section 9. The Town covenants and agrees with the owner of the Bond as follows:

(a) The Town will not take any action, or fail to take any action, if any such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Bond for federal income tax purposes. The Town will not directly or indirectly use or permit the use of any proceeds of the Bond or any funds of the Town, or take or omit to take any action that would cause the Bond to be an "arbitrage bond" within the meaning of Section 148(a) of the Code. To that end, the Town will execute and deliver an Arbitrage and Tax Regulatory Certificate, dated the date the Bond is issued, and will comply with all of the requirements of Section 148 of the Code to the extent applicable.

(b) The Town acknowledges that the Bank is purchasing the Bond at the interest rate applicable to the Bond on the basis that the interest on the Bond is exempt from federal and State taxation and on the basis of other State and federal laws in effect as of the date the Bond is issued. If any action or failure to take any action by the Town shall (1) make the Bond not a "qualified tax exempt obligation" within the meaning of Section 265 of the Code or (2) make the interest received by the Bank on the Bond deemed to be taxable income to the Bank by any governmental agency or court of competent jurisdiction, then the interest rate applicable to, and the remaining interest on, the Bond will be adjusted upward in order to provide for the payment of interest by the Town at a taxable rate which will preserve the Bank's after-tax economic yield with respect to the Bond. In such event, the Town shall indemnify and hold harmless the Bank from any cost and expense incurred as a result of the loss of the tax-exempt status or the loss of status as a "qualified tax exempt obligation" within the meaning of Section 265 of the Code, specifically including without limitation all administrative expenses and reasonable attorneys' fees arising in connection with the amendment of the Bank's income tax returns. In addition, if any action or failure to take any action by the Town shall adversely affect the Bank's after-tax economic yield with respect to the Bond, then the interest rate applicable to the Bond shall be adjusted to produce an after-tax yield to the Bank equivalent to the Bank's after-tax yield immediately prior to such action or inaction.

(c) The Town shall give prompt written notice to the Bank on the Town's receipt of any oral or written notice or information from any source whatsoever to the effect that the interest received by the Bank on the Bond will be, or has been, deemed to be taxable income to the Bank.

(d) If the Town provides to the Bank an opinion of nationally recognized bond counsel to the effect that any action required under this Section is no longer required, or to the effect that some further action is required, to maintain the tax-exempt status of the interest on the Bond, then the Town and the Bank may rely conclusively on such opinion in complying with the provisions of this Section.

(e) The Town will provide the owner of the Bond:

(1) within 210 days of the end of each fiscal year, audited financial statements for that fiscal year, and

(2) such other documents relating to the financial condition of the Town as the owner of the Bond reasonably requests.

Section 10. Unless otherwise changed by the Pricing Certificate, the Finance Director shall (1) cause a portion of the proceeds of the sale of the Bond in an amount sufficient to redeem and discharge the Refunded Bonds to be transferred on December 22, 2015 to The Depository Trust Company on behalf of the registered owners of such Refunded Bonds and (2) deposit the balance of the proceeds of the Bond in a separate segregated account held by the Town; invest and reinvest such proceeds as permitted by the laws of the State of North Carolina; and apply such proceeds to pay the costs of issuance of the Bond. The Finance Director shall keep and maintain adequate records pertaining to such account and all disbursements from the account so as to satisfy the requirements of the laws of the State of North Carolina and to assure that the Town maintains its covenants with respect to the exclusion of the interest on the Bond from gross income for purposes of federal income taxation. To the extent any funds remain in the account on May 15, 2016, the Finance Director shall apply the remaining proceeds of the Bond to pay interest on the Bond on June 1, 2016.

Section 11. Actions taken by officials of the Town to select paying and transfer agents, and a Registrar, or alternate or successor agents and Registrars pursuant to Section 159E-8 of the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, are hereby authorized and approved.

Section 12. The Commission is hereby requested to sell the Bond in a private placement to the Bank subject to the provisions hereof. The Bond will be non-transferable, except to a bank, insurance company or similar financial institution or any other entity approved by the Commission.

Section 13. The Mayor, the Town Manager, the Finance Director and the Clerk to the Board of the Town are hereby authorized and directed to cause the Bond to be prepared and, when it has been duly sold by the Commission, to execute the Bond and to turn the Bond over to the Registrar and transfer agent of the Town for delivery to the Bank.

Section 14. The Mayor, the Town Manager, the Finance Director and the Clerk to the Board of the Town are authorized and directed, individually and collectively, to execute and deliver for and on behalf of the Town any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the documents contemplated in this Resolution or as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 15. Portions of this Resolution may be amended or supplemented, from time to time, without the consent of the owner of the Bond if, in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the owner of the Bond and would not cause the interest on the Bond to be included in the gross income of a recipient thereof for federal income tax purposes. All other amendments or supplements to this Resolution with respect to the Bond require the consent of the owner of the Bond, including any amendment or supplement that would reduce the principal amount of the Bond, reduce the interest rate payable on it, extend its maturity or the times for paying interest or change the monetary medium in which principal and interest is payable.

Any act done pursuant to a modification or amendment consented to by the owner of the Bond is binding on all owners of the Bond and will not be deemed an infringement of any of the provisions of this Resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution. After consent has been given, no owner of the Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the Town from taking any action pursuant to a modification or amendment.

Section 16. Nothing in this Resolution precludes the payment of the Bond from the proceeds of refunding bonds or from any legally available funds in accordance with the redemption provisions described in Section 6.

If the Town causes to be paid, or has made provisions to pay, on maturity or on redemption before maturity, to the owner of the Bond the principal of the Bond (including interest to become due thereon) and, premium, if any, on the Bond, through setting aside trust funds or setting apart in a reserve fund or special trust account created pursuant to this Resolution or otherwise, or through the irrevocable segregation for that purpose in some sinking fund or other fund or trust account with an escrow agent or otherwise, moneys sufficient therefor, including, but not limited to, interest earned or to be earned on Federal Securities, the Bond shall be considered to have been discharged and satisfied, and the principal of the Bond (including premium, if any, and interest thereon) shall no longer be deemed to be outstanding and unpaid; *provided, however*, that nothing in this Resolution requires the deposit of more than such Federal Securities as may be sufficient, taking into account both the principal amount of such Federal Securities and the interest to become due thereon, to implement any such defeasance.

If such a defeasance occurs and after the Town receives an opinion of a nationally recognized verification firm that the segregated money or Federal Securities together with interest earnings thereon are sufficient to effect a defeasance, the Town shall execute and deliver all such instruments as may be necessary to effect such a defeasance and desirable to evidence such release, discharge and satisfaction. The Town shall make provisions for the mailing of a notice to the owner of the Bond that such money is so available for such payment.

Section 17. All acts and doings of the Mayor, the Town Manager, the Finance Director of the Town and the Clerk to the Board that are in conformity with the purposes and intents of this Resolution and in the furtherance of the issuance of the Bond are in all respects approved and confirmed.

Section 18. If any one or more of the agreements or provisions contained in this Resolution is held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or for any reason whatsoever is held invalid, then such covenants, agreements or provisions are null and void and separable from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions hereof or of the Bond authorized hereunder.

Section 19. All resolutions or parts thereof of the Board in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby superseded and repealed.

Section 20. This Bond Resolution is effective on its adoption.

STATE OF NORTH CAROLINA)
)
TOWN OF HUNTERSVILLE) ss:

I, *Janet Pierson*, Clerk to the Board of Commissioners of the Town of Huntersville, North Carolina ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a resolution entitled "A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWN OF HUNTERSVILLE, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF A GENERAL OBLIGATION REFUNDING BOND OF THE TOWN OF HUNTERSVILLE, NORTH CAROLINA IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,400,000" adopted by the Board of Commissioners of the Town of Huntersville, North Carolina, at a meeting held on the 16th day of November, 2015.

WITNESS my hand and the corporate seal of the Town of Huntersville, North Carolina, this the ___ day of November, 2015.

Janet Pierson
Clerk to the Board
Town of Huntersville, North Carolina

[SEAL]

APPENDIX A

FORM OF BOND

No. R-1

\$2,341,000

**UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA
TOWN OF HUNTERSVILLE**

**INTEREST
RATE**

1.95%

MATURITY DATE

JUNE 1, 2024

DATED DATE

DECEMBER 22, 2015

REGISTERED OWNER: CARTER BANK & TRUST

PRINCIPAL SUM: TWO MILLION THREE HUNDRED FORTY-ONE THOUSAND DOLLARS

GENERAL OBLIGATION REFUNDING BOND, SERIES 2015

THE TOWN OF HUNTERSVILLE, NORTH CAROLINA (the "Town") acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, on the Maturity Date specified above, on surrender hereof, the Principal Sum shown above and to pay to the Registered Owner hereof interest thereon from the date of this Bond until it shall mature at the Interest Rate per annum specified above, payable on June 1, 2016 and semiannually thereafter on June 1 and December 1 of each year. Payment of the principal of and interest on this Bond, as applicable, shall be made on each payment date set forth herein in immediately available funds to the person who is the Registered Owner of this Bond as of the close of business on the 15th day of the month preceding each such payment date.

This Bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and pursuant to The Local Government Finance Act, a bond order adopted by the Board of Commissioners of the Town (the "Board") on November 16, 2015 and effective on the date of its adoption. This Bond is issued to provide funds (1) to refund in advance of their maturities \$2,285,000 in aggregate principal amount of the Town's General Obligation Bonds, Series 2004 and (2) to pay certain costs incurred in connection with the issuance of the Bond.

This Bond may be redeemed, at the option of the Town, in whole or in part at any time on 15 days' prior written notice to the Registered Owner at a redemption price equal to 100% of the principal amount to be redeemed, without premium, plus accrued interest thereon to the redemption date. If this Bond is redeemed in part, the Town shall receive a credit against its mandatory payment obligations on this Bond in the inverse order of the due dates set forth below. The Registrar shall direct the Registered Owner to evidence any such partial redemption by appropriate notation on a schedule attached to this Bond for such purpose or on the Registered Owner's electronic books and records.

This Bond is subject to mandatory redemption before maturity in part at the redemption price of 100% of the principal amount to be redeemed, without premium, on June 1 in the years and in the amounts as follows:

<u>DATE</u>	<u>PRINCIPAL AMOUNT</u>	<u>DATE</u>	<u>PRINCIPAL AMOUNT</u>
2016	\$269,000	2021	\$259,000
2017	276,000	2022	253,000
2018	272,000	2023	243,000
2019	268,000	2024*	237,000
2020	264,000		

* Maturity

THIS BOND IS NON-TRANSFERABLE, EXCEPT TO A BANK, INSURANCE COMPANY OR SIMILAR FINANCIAL INSTITUTION OR ANY OTHER ENTITY APPROVED BY THE LOCAL GOVERNMENT COMMISSION OF NORTH CAROLINA.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, and that the amount of this Bond, together with all other indebtedness of the Town, is within every debt and other limit prescribed by said Constitution or statutes. The faith and credit of the Town are hereby pledged to the punctual payment of the principal of and interest on this Bond in accordance with its terms.

This Bond is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission of North Carolina.

[Signatures Begin on Following Page]

IN WITNESS WHEREOF, the Town has caused this Bond to bear the original or facsimile of the signatures of the Mayor and the Clerk to the Board and an original or facsimile of the seal of the Town to be imprinted hereon and this Bond to be dated as of the Dated Date above.

(SEAL)

Clerk to the Board

Mayor

Date of Execution: December 22, 2015

The issue hereof has been approved under the
provisions of The Local Government Bond Act.

GREG C. GASKINS
Secretary of the Local Government Commission

FORM OF ASSIGNMENT

ASSIGNMENT

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

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

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

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

Dated: _____

Signature guaranteed by:

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

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

TRANSFER FEE MAY BE REQUIRED

Town of Huntersville
REQUEST FOR BOARD ACTION
11/16/2015

REVIEWED:

To: The Honorable Mayor and Board of Commissioners
From: Janet Stoner/Greg Ferguson
Subject: Budget Amendment for HSW at Risk Performance Fee

Appropriate \$50,000 from Fund Balance - General Fund. Funds will be used to pay Health & Sport Works, Inc. the at-risk performance fee in the contract for the last fiscal year of operation.

ACTION RECOMMENDED:

Approve Budget Amendment

FINANCIAL IMPLICATIONS:

\$50,000 appropriated from General Fund - Fund Balance.

The HFFA metrics developed by the Board are the basis of the evaluation. Scoring was weighted by the Board as follows:

Goal 1: 25%
Goal 2: 25%
Goal 3: 25%
Goal 4: 15%
Goal 5: 10%

Per Metrics Review:

Goal 1 achieved
Goal 2 achieved
Goal 3 achieved
Goal 4 achieved
Goal 5 achieved

ATTACHMENTS:

Description	Type
▢ Metrics Review	Backup Material

HFFA Metrics Review for 2014 / 2015 Budget year

1. Measure increase in net membership (sales versus cancellations). Goal is a 2% increase.

For the purpose of this review, HFFA is reviewing and comparing sales from 2013/2014 to 2014/2015. It is common for there to be confusion of members versus memberships. Members are the total number of individual people who are registered for use of the club. Memberships are equivalent to Bill Payers. Therefore, net memberships are determined by evaluating the change in bill payers or sales versus cancellations. (Reference document is E-Club Membership Count by Comparison – minus programming bill payers and staff)

Comparative Data	2013/2014 Total Contract Count	2542
Goal	2014/2015 Total Contract Count	2593
Actual	2014/2015 Total Contract Bill Payers	2766
Goal Exceeded	6.7%	

2. Increase in non-dues revenue. Goal is a 3% increase.

Non-dues revenue is defined as all revenues that are not associated with membership. For the purpose of this report certain revenues are not counted as they do not regularly occur and cannot be controlled. Reference document is year-to-date budget report.

Comparative Data	2013/2014 Actual Non-Dues Revenue	\$1,287,585.44
Goal:	2014/2015 Non-Dues Revenues	\$1,326,212.90
Actual	2014/2015 Actual Non-Dues Revenue	\$1,338,578.43
Goal Attained	4%	

3. Perform within budget parameters with revenues exceeding expenditures. Unexpected maintenance and capital items excluded. Budget and annual financials are the reference documents. Reference document Year End Financials.

2014/2015	Reference documents reflect positive budgetary performance with revenues exceeding expenses.
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Goal Attained.	Total revenues exceeded expenses by \$44,157 excluding capital reinvestment.
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Town of Huntersville
REQUEST FOR BOARD ACTION
11/16/2015

REVIEWED:

To: The Honorable Mayor and Board of Commissioners
From: Janet Pierson, Town Clerk
Subject: Approval of Minutes - November 2 Regular Meeting

Consider approving the minutes of the November 2, 2015 Regular Town Board Meeting.

ACTION RECOMMENDED:

Approve Minutes

FINANCIAL IMPLICATIONS:

N/A

ATTACHMENTS:

Description	Type
□ Draft Minutes	Backup Material

**TOWN OF HUNTERSVILLE
REGULAR TOWN BOARD MEETING
MINUTES**

**November 2, 2015
6:30 p.m. – Town Hall**

The Regular Meeting of the Huntersville Board of Commissioners was held at the Huntersville Town Hall at 6:30 p.m. on November 2, 2015.

GOVERNING BODY MEMBERS PRESENT: Mayor Jill Swain; Commissioners Melinda Bales, Ron Julian, Rob Kidwell, Sarah McAulay, Jeff Neely and Danny Phillips.

Mayor Swain called for a moment of silence.

Mayor Swain led the Pledge of Allegiance.

MAYOR AND COMMISSIONER REPORTS/STAFF QUESTIONS

Mayor Swain – No Report. Encouraged everyone to vote tomorrow.

Commissioner Bales

- The next meeting of the Lake Norman Transportation Commission is November 12 in Mooresville.
- The Lake Norman Education Collaborative is working with the Lake Norman Chamber and the Lake Norman EDC in partnering with local tourism and hospitality businesses to create a career readiness speed dating event at Hopewell High School for their Hospitality and Tourism Academy.

Commissioner Julian – No Report.

Commissioner Kidwell

- The next meeting of the Olde Huntersville Historic Society is November 4.
- There will be an Oyster Roast at Rural Hill on November 15.
- On November 18 Helping Others Help Themselves (H.O.H.T.) welcomes special speaker Michael Catlow. The topic will be "Perfecting the Elevator Speech."

Commissioner McAulay

- The next meeting of Centralina Council of Governments is November 11.
- The next meeting of the Charlotte Regional Transportation Planning Organization is November 18.
- NCDOT will hold public meetings on November 17 and 19 regarding the re-balloting for the proposed noise walls for the I-77 express lanes project in Iredell and Mecklenburg Counties.

Commissioner Neely

- Visit Lake Norman hosted the Top Gun Softball Winter World Series last weekend, with forty-two youth softball teams from four states participating.

- The Lake Norman Chamber was recognized as the 2015 Chamber of Commerce of the year for chambers over 700 members in North and South Carolina by the Carolinas Association of Chambers of Commerce Executives. The award will be presented on November 16 at the Port City Club. A Chamber Business Mixer will be held this Thursday at Spare Time. The Huntersville Police Department will present a presentation on Cyber Crime on November 20. The Chamber Elected Officials Luncheon is November 19.

Commissioner Phillips

- No Report. Encouraged everyone to shop local.

Greg Ferguson, Town Manager, noted Town Offices will be closed for Veterans Day on November 11.

PUBLIC COMMENTS, REQUESTS, OR PRESENTATIONS

Mayor Swain presented proclamation proclaiming November 13, 2015 as World Pancreatic Cancer Day to Kara Helf.

Town of Huntersville Proclamation

WHEREAS, in 2015 an estimated 48,960 people will be diagnosed with pancreatic cancer in the United States and 40,560 will die from the disease; and

WHEREAS, pancreatic cancer is one of the deadliest cancers, is currently the fourth leading cause of cancer death in the United States and is projected to become the second leading cause by 2020; and

WHEREAS, pancreatic cancer is the only major cancer with a five-year relative survival rate in the single digits at just seven percent; and

WHEREAS, when symptoms of pancreatic cancer present themselves it is generally in later stages and 73 percent of pancreatic cancer patients die within the first year of their diagnosis, while 93 percent of pancreatic cancer patients die within the first five years; and

WHEREAS, approximately 1,200 deaths will occur in North Carolina in 2015; and

WHEREAS, pancreatic cancer is the seventh most common cause of cancer-related death in men and women across the world; and

WHEREAS, there will be an estimated 367,000 new pancreatic cancer cases diagnosed globally in 2015; and

WHEREAS, the good health and well-being of the residents of the Town of Huntersville are enhanced as a direct result of increased awareness about pancreatic cancer and research into early detection, causes, and effective treatments.

NOW, THEREFORE, I, Jill Swain, Mayor of the Town of Huntersville, do hereby proclaim November 13, 2015 as ***“World Pancreatic Cancer Day”*** in the Town of Huntersville.

IN WITNESS WHEREOF, I do hereby set my hand and cause the Seal of the Town to be affixed, this the 2nd day of November, 2015.

Mayor Swain recognized Jeff Porter and Rachel Myers with Our Towns Habitat for Humanity. Our Towns Habitat for Humanity and the Town of Huntersville received an award from the North Carolina Housing Finance Agency for Norman Park.

Jeff Porter, Our Towns Habitat for Humanity, said I want to thank especially Bobby Williams. If it hadn't been for him Norman Park would still just be an empty piece of land. Back in 2009 Norman Park had been lying fallow for 50 years. Fifty years prior to that the piece of property had been bought up, divided into individual parcels, those parcels had been sold off and then the developer left. No one could develop it, roads were not made and it was literally as I said to one person Humpty Dumpty and was just sitting there waiting to be put back together again for 50 years. Rachel Myers our Associate Executive Director worked with Bobby Williams in order to get the funding necessary to put in the roads and the infrastructure in order to build Norman Park. Today 16 families live in quality affordable housing. They built a neighborhood with surrounding neighbors and they are thriving with their children, their grandchildren. Just this last Saturday night you could see children walking up and down this new neighborhood trick or treating from door to door with neighbors they already knew because they had helped each other build those homes one at a time. Today they are proud as citizens of Huntersville and they are proud to know that each year they contribute \$15,000 back to Huntersville in property taxes. If the land had been left undeveloped it would only generate \$300 a year. So they feel like they are part of a new community. So on behalf of Our Towns Habitat for Humanity I want to especially thank Bobby Williams and the Town of Huntersville for having the vision and the wherewithal to see this project through.

AGENDA CHANGES

Commissioner McAulay made a motion to move Item B (Consider adopting Capital Project Ordinance for the upgrade of Main Street) to the first item under Other Business and add Item C Under Other Business – Consider awarding bid for the installation of the Dectron Units to SMS and authorize Town Manager to negotiate contract to complete installation of the Dectron Units for the 50 meter and 25 yard pool.

Commissioner Neely seconded motion.

Motion carried unanimously.

PUBLIC HEARINGS

None

OTHER BUSINESS

Capital Project Ordinance. Commissioner Julian made a motion to adopt Capital Project Ordinance for the upgrade of Main Street.

Commissioner McAulay seconded motion.

Commissioner Phillips said on this item here it's \$9 million from 2016 bond proceeds and then we have the bonus allocation from CRTPO. Now this bonus allocation, does this have something to do with the HOT lanes.

Commissioner McAulay said it is part of the contract that was signed May 20, 2015 by the State of North Carolina DOT and the Town of Huntersville does receive an allocation of bonus allocation and \$5 million of it is designated to go to the Main Street project. Now I will anticipate your next question, because I checked on this today to be sure that I was right with an expert in it and second only to Bill Coxe, it was not Bill Coxe, this money.....there's a contract signed. This project is in the State Transportation

Improvement Plan. It's approved. The payback, normally on contracts like this with the state and other agencies, the town upfronts the money and applies for reimbursements. The reimbursement is by the State of North Carolina. The bonus money comes from the State of North Carolina, not the managed partners in it.

Commissioner Phillips said my question is, with the lawsuit that is out there pending and it won't be resolved until sometime in January. I think the date that they are posting up right now is January 8. Wouldn't we be putting our chickens before they hatch in order to see, or is the state on the hook win or lose. I was going to make a motion to postpone this vote until after the lawsuit or basically to the second meeting in January.

Commissioner McAulay said there is a signed contract and what I think.....I do hear that there's a lawsuit, I'm not quite sure who are the partners in it but I would think that they would have to pay for any lawsuits that had been incurred because of the lawsuit.

Commissioner Kidwell said can we ask Mr. Bill Coxe about.....and I prepped him because I asked this question earlier, so he's prepared. In regards to the bonus allocation money and the state and them being locked into it for us, we were discussing that.....and Commissioner McAulay brought it up where the money is coming from the state and Commissioner Phillips asked if we are guaranteed that money since the contract has been signed and we were discussing that earlier. Since the contract is signed and they say we are getting this, is the state locked in to providing that \$5 million to the Town of Huntersville if something should happen to where this project ceases.

Bill Coxe, Transportation Planner, said you are asking me to render a legal opinion that I am not qualified to render. I am absolutely not qualified to speculate on the outcome of a lawsuit. I can say that bonus allocation funds are designated by the General Assembly to come as a result of any project in North Carolina where the local governments or the regional transportation planning entities in this case accept tolling as an element for a project and the dollars are based on the amount of money that is borrowed and guaranteed with toll revenues for construction of the project.

Greg Ferguson, Town Manager, said I would echo what Bill said which is it is state law.

Commissioner Phillips said the next question I have is what are the implications should we pass this and then this money don't come. What is it going to be costing the taxpayer. Are we on the hook.

Mr. Ferguson said it would be actually the project that was approved by the voters in 2012 because this project was funded with GO funds to the tune of about \$12 million in the 2012 project list.....so it would fall back on Huntersville taxpayers to make up the difference versus right now state taxpayers are helping to shoulder the burden of a project that goes through downtown Huntersville.

Commissioner Phillips said but we also have monies out of the same bonds that goes to Gilead Road and 21.

Mr. Ferguson said there's additional funds that go underneath 77 for the extension of the greenway for the future. So that's a \$6 million project that is also funded in a like manner although that will not be constructed by the town likely.....it will be likely constructed by NCDOT or others during the construction process over 77.

Commissioner Neely said remembering back to the bond issue from 2012 specifically the two-way pair was called out in that bond issue if I remember correctly and the voters by an overwhelming more than two-thirds approved the money for this and then after the fact part of the 77 growth some bonus money grew out of that which helped the taxpayers and the Town of Huntersville because it stretched our money, but the original commitment when we asked for the bond money was for the two-way pair and it was spelled out and I believe the original money also stated that Gilead and 21 needed to be repaired. So the voters have spoken. They said overwhelmingly calling out those two items and laying out I believe over \$18 million for transportation, that's where they wanted to see the money allocated. The fact that the state has come back and said we like you and we are going to give you \$14.5 million has nothing to do with the fact that the voters have already said and approved the bond money for these two issues.

Commissioner Julian said I think I was going to reiterate some of the same things I've heard here. First of all at least in my opinion the managed lanes is a done thing. It was approved by the state. It was voted on. It's a done deal. There's a \$100 million penalty to back out.....no one, the state nor the town nor Vince nor anyone is going to shoulder that \$100 million. Now, whether you like it or not, the managed lanes are coming. Now on the flip side of this the two-way pair and revitalization of the downtown, this has been planned for six years. Voters did vote on that bond referendum. Whether bonus money is paying for it or the town's paying for it, the voters want the two-way pair fixed, they want the downtown revitalized and they want other road improvements – Exit 23 fixed. It doesn't matter who's paying for it, voters won't stand for their roads not to be fixed and as I go on here these are my opinions that deal with the bonus allocation money. After the managed lanes were voted on and approved by the state legislature, we have a commissioner, Sarah McAulay, who was smart and fought for Huntersville and Huntersville roads to bring back as much of that bonus allocation money as she can to Huntersville. Sorry Cornelius, sorry Davidson, Pineville and any other area – Huntersville is where I represent, Huntersville is where that money is coming. As far as the lawsuit, it's a frivolous I believe non-point that state law says this bonus money is coming so if for some unforeseen reason the state goes bankrupt or it goes away then I still think the voters want these road improvements and they want it fixed. They voted on this some years ago. That's my statement and I plan on supporting the two-way pair and road improvements for Huntersville.

Commissioner McAulay said I want you to look at the Capital Project Ordinance that we are being asked to pass. Now it talks about construction, the appropriation be for construction, utility relocation, purchase of right-of-way, landscaping, etc. Now I do not recall signing a contract for construction for the actual construction on the road. We signed a contract for the design of the work, the preliminary work. But I do not see any bulldozers out there tearing up pavement. I don't think they are going to be ready in the next two months. Landscape – I don't think we are doing any landscaping out there right now. We might be unlandscaping because of just riding around trying to survey on it but we are not doing that. What we are doing is preparing to do all of these things. We already have bought or are authorized either in the public or in closed session having the Town Manager work on properties, the right-of-way, to be purchased. What we are trying to establish is a means of actually using any funds that will come to us taking the necessary steps that either come through the bond sales, allocation from the state DOT or a bonus allocation. We are laying the ground work so that the actual funding of anything that we do now or did sixty days prior to now would not come out of our general fund and our taxpayer funds, it would be out of capital. That's what the capital ordinance is for and that's what my motion is.

Mayor Swain said it would seem to me that when we talk about buying local, this is an opportunity to get help for our local vendors and businesses too because it offloads the traffic and the citizens did want this.

Mayor Swain called for the vote to adopt Capital Project Ordinance.

Motion carried 5 to 1, with Commissioner Phillips opposed.

Reimbursement Resolution. Commissioner McAulay made a motion to adopt resolution declaring the intent of the Town of Huntersville to reimburse itself for capital expenditures incurred in connection with improvements to Main Street and the acquisition of rights-of-way therefor from the proceeds of certain tax-exempt obligations to be issued during Fiscal Year 2016.

Commissioner Neely seconded motion.

Motion carried unanimously.

Award Bid for Dectron Units. Commissioner Kidwell made a motion to award bid for the installation of the Dectron Units to SMS and authorize Town Manager to negotiate contract to complete installation of the Dectron Units for the 50 meter and 25 yard pool.

Commissioner Julian seconded motion.

Motion carried unanimously.

CONSENT AGENDA

Approval of Minutes – October 19 Pre-meeting. Commissioner McAulay made a motion to approve the minutes of the October 19, 2015 Town Board Pre-meeting. Commissioner Neely seconded motion. Motion carried unanimously.

Approval of Minutes – October 19 Regular Meeting. Commissioner McAulay made a motion to approve the minutes of the October 19, 2015 Regular Town Board Meeting. Commissioner Neely seconded motion. Motion carried unanimously.

Write-off Uncollected Final Electric Accounts – Fiscal Year 2012. Commissioner McAulay made a motion to approve the write-off of electric uncollected final accounts in the amount of \$24,939.93 for Fiscal Year 2012. Commissioner Neely seconded motion. Motion carried unanimously.

Budget Amendment – Parks & Recreation. Commissioner McAulay made a motion to approve budget amendment appropriating Sponsorship revenue in the amount of \$10,000 to the Downtown Festival account. Commissioner Neely seconded motion. Motion carried unanimously.

Call a Public Hearing – Petition #TA15-05. Commissioner McAulay made a motion to call a public hearing for Monday, December 7, 2015 at 6:30 p.m. at Huntersville Town Hall on Petition #TA15-05, a request by Primal Brewery to amend Article 3.2.10(a) of the Zoning Ordinance to allow temporary mobile food sales as a use permitted with conditions in the Special Purpose zoning district. Commissioner Neely seconded motion. Motion carried unanimously.

CLOSING COMMENTS

Commissioner Julian said I was going to thank this Board for their support of what the residents want. I will be at future meetings – that chair right down there, I want to see if the Board will allocate that to me on a permanent basis as far as looking this way.

There being no further business, the meeting was adjourned.

Approved this the _____ day of _____, 2015.

DRAFT

Town of Huntersville
REQUEST FOR BOARD ACTION
11/16/2015

REVIEWED:

To: The Honorable Mayor and Board of Commissioners
From: Janet Stoner/Greg Ferguson
Subject: SL362 Property Tax Refunds

Attached is Report 46 from Mecklenburg County of SL362 refunds. The Report contains 40 refunds. To date the Town of Huntersville has processed 9,361 refunds for a total of \$322,056.56 (\$291,471.96 without interest).

ACTION RECOMMENDED:

Approve SL362 property tax refund report.

FINANCIAL IMPLICATIONS:

Decrease in Revenue.

ATTACHMENTS:

Description	Type
☐ Tax Refund Report	Backup Material

Tax Year	Bill Number	Parcel #	Source Type	Adjustment #	Adjustment Reason	Date of Adjustment	Refund Recipient Name	Address Line 1	Address Line 2	City	State	Zip Code	Payment Date for Interest Calculation	Total Refund (\$)	Total Interest to Pay if mailed on or before 11/13/2015 (\$)
2011	0001436367-2011-2011-0000-00	00506109	REI		462804 BER SL362 Decision	7/17/2015	LBP KENTON LLC %	6225 SMITH AV #B100		BALTIMORE	MD	21209-3623	1/6/2012	3,882.68	748.35
2012	0001436367-2012-2012-0000-00	00506109	REI		466545 BER SL362 Decision	7/20/2015	LBP KENTON LLC %	6225 SMITH AV #B100		BALTIMORE	MD	21209-3623	1/8/2013	3,882.68	552.62
2013	0001436367-2013-2013-0000-00	00506109	REI		466547 BER SL362 Decision	7/20/2015	LBP KENTON LLC %	6225 SMITH AV #B100		BALTIMORE	MD	21209-3623	1/7/2014	3,882.68	359.01
2014	0001436367-2014-2014-0000-00	00506109	REI		466561 BER SL362 Decision	7/20/2015	WL-CK KENTON OWNER LLC	301 S COLLEGE ST STE 2800		CHARLOTTE	NC	28202	1/6/2015	4,191.92	178.59
2011	0001436399-2011-2011-0000-00	00506129	REI		462816 BER SL362 Decision	7/17/2015	LBP KENTON LLC %	6225 SMITH AV #B100		BALTIMORE	MD	21209-3623	1/6/2012	2,692.79	519.01
2012	0001436399-2012-2012-0000-00	00506129	REI		466552 BER SL362 Decision	7/20/2015	LBP KENTON LLC %	6225 SMITH AV #B100		BALTIMORE	MD	21209-3623	1/8/2013	2,692.79	383.26
2013	0001436399-2013-2013-0000-00	00506129	REI		466554 BER SL362 Decision	7/21/2015	LBP KENTON LLC %	6225 SMITH AV #B100		BALTIMORE	MD	21209-3623	1/7/2014	2,692.79	248.99
2014	0001436399-2014-2014-0000-00	00506129	REI		466563 BER SL362 Decision	7/20/2015	WL-CK KENTON OWNER LLC	301 S COLLEGE ST STE 2800		CHARLOTTE	NC	28202	1/6/2015	2,907.26	123.86
2014	0001455230-2014-2014-0000-00	00901241	REI		480312 BER SL362 Decision	8/3/2015	GLENS AT STILLWELL VILLAGE LLC THE	15669 BIRKDALE COMMONS PKWY		HUNTERSVILLE	NC	28078	3/7/2015	150.28	5.17
2014	0001455233-2014-2014-0000-00	00901244	REI		480905 BER SL362 Decision	8/4/2015	GLENS AT STILLWELL VILLAGE LLC THE	15669 BIRKDALE COMMONS PKWY		HUNTERSVILLE	NC	28078	3/7/2015	161.97	5.57
2011	0001460412-2011-2011-0000-00	00927103	REI		466499 BER SL362 Decision	7/20/2015	INLAND AMERICAN ST PORTFOLIO IV	2901 BUTTERFIELD RD		OAK BROOK	IL	60523	1/6/2012	121.76	23.47
2011	0001470392-2011-2011-0000-00	01501117	REI		466199 BER SL362 Decision	7/20/2015	AMERICAN TOWERS INC	PO BOX 723597		ATLANTA	GA	31139	1/6/2012	6,054.54	1,166.95
2012	0001470392-2012-2012-0000-00	01501117	REI		466202 BER SL362 Decision	7/20/2015	AMERICAN TOWERS INC	PO BOX 723597		ATLANTA	GA	31139	1/8/2013	6,054.54	861.74
2011	0001479116-2011-2011-0000-00	01533233	REI		462728 BER SL362 Decision	7/22/2015	MERCEREAU, WALLACE D	9117 STRATTONVILLE CT		HUNTERSVILLE	NC	28078	1/6/2012	39.27	7.57
2012	0001479116-2012-2012-0000-00	01533233	REI		462730 BER SL362 Decision	7/22/2015	MERCEREAU, WALLACE D	9117 STRATTONVILLE CT		HUNTERSVILLE	NC	28078	1/8/2013	39.27	5.59
2013	0001479116-2013-2013-0000-00	01533233	REI		462731 BER SL362 Decision	7/22/2015	MERCEREAU, WALLACE D	9117 STRATTONVILLE CT		HUNTERSVILLE	NC	28078	1/7/2014	39.27	3.63
2014	0001479116-2014-2014-0000-00	01533233	REI		462732 BER SL362 Decision	7/22/2015	MERCEREAU, WALLACE D	9117 STRATTONVILLE CT		HUNTERSVILLE	NC	28078	1/6/2015	42.40	1.81
2011	0001482577-2011-2011-0000-00	01715213	REI		461148 BER SL362 Decision	7/20/2015	KB HUNTERSVILLE LLC	4010 TRIANGLE DR		CHARLOTTE	NC	28208	1/6/2012	1,298.37	250.25
2012	0001482577-2012-2012-0000-00	01715213	REI		461149 BER SL362 Decision	7/20/2015	KB HUNTERSVILLE LLC	4010 TRIANGLE DR		CHARLOTTE	NC	28208	1/8/2013	1,298.37	184.80
2013	0001482577-2013-2013-0000-00	01715213	REI		461150 BER SL362 Decision	7/20/2015	KB HUNTERSVILLE LLC	4010 TRIANGLE DR		CHARLOTTE	NC	28208	1/7/2014	1,298.37	120.05
2014	0001482577-2014-2014-0000-00	01715213	REI		461152 BER SL362 Decision	7/20/2015	KB HUNTERSVILLE LLC	4010 TRIANGLE DR		CHARLOTTE	NC	28208	1/6/2015	1,401.78	59.72
2011	0001482696-2011-2011-0000-00	01715310	REI		461156 BER SL362 Decision	7/20/2015	KB HUNTERSVILLE LLC	4010 TRIANGLE DR		CHARLOTTE	NC	28208	1/6/2012	114.98	22.16
2012	0001482696-2012-2012-0000-00	01715310	REI		461157 BER SL362 Decision	7/20/2015	KB HUNTERSVILLE LLC	4010 TRIANGLE DR		CHARLOTTE	NC	28208	1/8/2013	114.98	16.36
2013	0001482696-2013-2013-0000-00	01715310	REI		461159 BER SL362 Decision	7/20/2015	KB HUNTERSVILLE LLC	4010 TRIANGLE DR		CHARLOTTE	NC	28208	1/7/2014	114.98	10.63
2014	0001482696-2014-2014-0000-00	01715310	REI		461160 BER SL362 Decision	7/20/2015	KB HUNTERSVILLE LLC	4010 TRIANGLE DR		CHARLOTTE	NC	28208	1/6/2015	124.14	5.29
2011	0002616919-2011-2011-0000-00	01715905	REI		462496 BER SL362 Decision	7/17/2015	LEEBCOR PROPERTIES LLC	430 MCLAWS CIRCLE	SUITE 201	WILLIAMSBURG	VA	23185	1/6/2012	0.28	0.05
2012	0002616919-2012-2012-0000-00	01715905	REI		462492 BER SL362 Decision	7/17/2015	LEEBCOR PROPERTIES LLC	430 MCLAWS CIRCLE	SUITE 201	WILLIAMSBURG	VA	23185	1/8/2013	0.28	0.04
2013	0002616919-2013-2013-0000-00	01715905	REI		462490 BER SL362 Decision	7/17/2015	LEEBCOR PROPERTIES LLC	430 MCLAWS CIRCLE	SUITE 201	WILLIAMSBURG	VA	23185	1/7/2014	0.28	0.03
2014	0002616919-2014-2014-0000-00	01715905	REI		462489 BER SL362 Decision	7/17/2015	ATKINS, CHARLES C	10224 HICKORYWOOD HILL SUITE		HUNTERSVILLE	NC	28078	1/6/2015	0.31	0.01
2011	0001483324-2011-2011-0000-00	01718503	REI		461514 BER SL362 Decision	7/22/2015	POLY-TECH HOLDINGS LLC	11330 VANSTORY DR		HUNTERSVILLE	NC	28078	1/6/2012	140.96	27.17
2012	0001483324-2012-2012-0000-00	01718503	REI		461510 BER SL362 Decision	7/22/2015	POLY-TECH HOLDINGS LLC	11330 VANSTORY DR		HUNTERSVILLE	NC	28078	1/8/2013	140.96	20.06
2013	0001483324-2013-2013-0000-00	01718503	REI		461526 BER SL362 Decision	7/22/2015	POLY-TECH HOLDINGS LLC	11330 VANSTORY DR		HUNTERSVILLE	NC	28078	1/7/2014	140.96	13.03
2014	0001483324-2014-2014-0000-00	01718503	REI		461528 BER SL362 Decision	7/22/2015	POLY-TECH HOLDINGS LLC	11330 VANSTORY DR		HUNTERSVILLE	NC	28078	1/6/2015	152.20	6.48
2012	0001485497-2012-2012-0000-00	01733124	REI		461810 BER SL362 Decision	7/22/2015	WALSH, MAUREEN M	250 LIVINGSTON ST		NEW HAVEN	CT	06511	5/13/2013	109.45	13.70
2013	0001485497-2013-2013-0000-00	01733124	REI		461812 BER SL362 Decision	7/22/2015	WALSH, MAUREEN M	250 LIVINGSTON ST		NEW HAVEN	CT	06511	1/7/2014	104.24	9.64
2014	0001485497-2014-2014-0000-00	01733124	REI		461813 BER SL362 Decision	7/22/2015	WALSH, MAUREEN M	250 LIVINGSTON ST		NEW HAVEN	CT	06511	3/26/2015	116.49	3.70
2011	0001485501-2011-2011-0000-00	01733125	REI		461814 BER SL362 Decision	7/22/2015	WALSH, MAUREEN M	250 LIVINGSTON ST		NEW HAVEN	CT	06511	2/23/2012	122.48	22.80
2012	0001485501-2012-2012-0000-00	01733125	REI		461816 BER SL362 Decision	7/22/2015	WALSH, MAUREEN M	250 LIVINGSTON ST		NEW HAVEN	CT	06511	1/8/2013	119.21	16.97
2013	0001485501-2013-2013-0000-00	01733125	REI		461819 BER SL362 Decision	7/22/2015	WALSH, MAUREEN M	250 LIVINGSTON ST		NEW HAVEN	CT	06511	1/7/2014	119.21	11.02
2014	0001485501-2014-2014-0000-00	01733125	REI		461822 BER SL362 Decision	7/22/2015	WALSH, MAUREEN M	250 LIVINGSTON ST		NEW HAVEN	CT	06511	3/26/2015	133.22	4.23
														46,695.39	6,013.38

Town of Huntersville
REQUEST FOR BOARD ACTION
11/16/2015

REVIEWED:

To: The Honorable Mayor and Board of Commissioners
From: Janet Stoner/Greg Ferguson
Subject: SL362 Property Tax Refunds

Attached is Report 47 from Mecklenburg County of SL362 refunds. The Report contains 61 refunds. To date the Town of Huntersville has processed 9,422 refunds for a total of \$373,738.02 (\$337,065.81 without interest).

ACTION RECOMMENDED:

Approve SL362 property tax refund report.

FINANCIAL IMPLICATIONS:

Decrease in revenue.

ATTACHMENTS:

Description	Type
☐ Tax Refund Report	Backup Material

Tax Year	Bill Number	Parcel #	Source Type	Adjustment #	Adjustment Reason	Date of Adjustment	Refund Recipient Name	Address Line 1	Address Line 2	City	State	Zip Code	Payment Date for Interest Calculation	Total Refund (\$)	Total Interest to Pay if mailed on or before 12/2/2015 (\$)
2011	0001436355-2011-2011-0000-00	00505205	REI		487941	BER SL362 Decision	8/27/2015	COLE CK PORTFOLIO IV LLC	PO BOX 52085	PHOENIX	AZ	85072	1/6/2012	466.97	91.22
2012	0001436355-2012-2012-0000-00	00505205	REI		487942	BER SL362 Decision	8/27/2015	COLE CK PORTFOLIO IV LLC	PO BOX 52085	PHOENIX	AZ	85072	1/8/2013	466.97	67.68
2013	0001436355-2013-2013-0000-00	00505205	REI		487944	BER SL362 Decision	8/27/2015	COLE CK PORTFOLIO IV LLC	PO BOX 52085	PHOENIX	AZ	85072	1/7/2014	466.97	44.39
2014	0001436355-2014-2014-0000-00	00505205	REI		487947	BER SL362 Decision	8/27/2015	COLE CK PORTFOLIO IV LLC	PO BOX 52085	PHOENIX	AZ	85072	1/6/2015	504.17	22.79
2011	0001436403-2011-2011-0000-00	00506131	REI		487486	BER SL362 Decision	8/28/2015	LBP KENTON LLC %	6225 SMITH AV #B100	BALTIMORE	MD	21209-3623	1/6/2012	5,012.68	979.19
2012	0001436403-2012-2012-0000-00	00506131	REI		487488	BER SL362 Decision	8/28/2015	LBP KENTON LLC %	6225 SMITH AV #B100	BALTIMORE	MD	21209-3623	1/8/2013	5,012.68	726.50
2013	0001436403-2013-2013-0000-00	00506131	REI		487484	BER SL362 Decision	8/28/2015	LBP KENTON LLC %	6225 SMITH AV #B100	BALTIMORE	MD	21209-3623	1/7/2014	5,012.68	476.55
2014	0001436403-2014-2014-0000-00	00506131	REI		487493	BER SL362 Decision	8/28/2015	WL-CK KENTON OWNER LLC	301 S COLLEGE ST STE 2800	CHARLOTTE	NC	28202	1/6/2015	5,411.92	244.65
2011	0001444001-2011-2011-0000-00	00536104	REI		490433	BER SL362 Decision	8/31/2015	BEF REIT INC	3776 S HIGH ST	COLUMBUS	OH	43207-4012	1/6/2012	1,344.13	262.57
2012	0001444001-2012-2012-0000-00	00536104	REI		490434	BER SL362 Decision	8/31/2015	BEF REIT INC	3776 S HIGH ST	COLUMBUS	OH	43207-4012	1/8/2013	1,344.13	194.81
2013	0001444001-2013-2013-0000-00	00536104	REI		490435	BER SL362 Decision	8/31/2015	BEF REIT INC	3776 S HIGH ST	COLUMBUS	OH	43207-4012	1/7/2014	1,344.13	127.78
2011	0001456853-2011-2011-0000-00	00911109	REI		483187	BER SL362 Decision	8/21/2015	HUNTERSVILLE CROSSING REAL ESTATE	PO BOX 3756	MOORESVILLE	NC	28117	1/6/2012	1,529.46	298.77
2012	0001456853-2012-2012-0000-00	00911109	REI		483188	BER SL362 Decision	8/21/2015	HUNTERSVILLE CROSSING REAL ESTATE	PO BOX 3756	MOORESVILLE	NC	28117	1/8/2013	1,529.46	221.67
2011	0001456855-2011-2011-0000-00	00911110	REI		483181	BER SL362 Decision	8/21/2015	HUNTERSVILLE CROSSING REAL ESTATE	PO BOX 3756	MOORESVILLE	NC	28117	1/6/2012	1,330.01	259.81
2012	0001456855-2012-2012-0000-00	00911110	REI		483179	BER SL362 Decision	8/21/2015	HUNTERSVILLE CROSSING REAL ESTATE	PO BOX 3756	MOORESVILLE	NC	28117	1/8/2013	1,295.83	187.81
2011	0001456857-2011-2011-0000-00	00911111	REI		483184	BER SL362 Decision	8/21/2015	HUNTERSVILLE CROSSING REAL ESTATE	PO BOX 3756	MOORESVILLE	NC	28117	1/6/2012	407.64	79.63
2012	0001456857-2012-2012-0000-00	00911111	REI		483189	BER SL362 Decision	8/21/2015	HUNTERSVILLE CROSSING REAL ESTATE	PO BOX 3756	MOORESVILLE	NC	28117	1/8/2013	407.64	59.08
2011	0001456870-2011-2011-0000-00	00911122	REI		483185	BER SL362 Decision	8/21/2015	HUNTERSVILLE CROSSING REAL ESTATE	PO BOX 3756	MOORESVILLE	NC	28117	1/6/2012	256.23	50.05
2012	0001456870-2012-2012-0000-00	00911122	REI		483186	BER SL362 Decision	8/21/2015	HUNTERSVILLE CROSSING REAL ESTATE	PO BOX 3756	MOORESVILLE	NC	28117	1/8/2013	256.23	37.14
2011	0001456890-2011-2011-0000-00	00911134	REI		483190	BER SL362 Decision	8/21/2015	HUNTERSVILLE CROSSING REAL ESTATE	PO BOX 3756	MOORESVILLE	NC	28117	1/6/2012	300.29	58.66
2012	0001456890-2012-2012-0000-00	00911134	REI		483191	BER SL362 Decision	8/21/2015	HUNTERSVILLE CROSSING REAL ESTATE	PO BOX 3756	MOORESVILLE	NC	28117	1/8/2013	300.29	43.52
2011	0001458189-2011-2011-0000-00	00916190	REI		487446	BER SL362 Decision	8/28/2015	BANCO REALTY LLC	PO BOX 52427	ATLANTA	GA	30355	1/6/2012	73.73	14.40
2012	0001458189-2012-2012-0000-00	00916190	REI		487447	BER SL362 Decision	8/28/2015	BANCO REALTY LLC	PO BOX 52427	ATLANTA	GA	30355	1/8/2013	73.73	10.69
2013	0001458189-2013-2013-0000-00	00916190	REI		487448	BER SL362 Decision	8/28/2015	BANCO REALTY LLC	PO BOX 52427	ATLANTA	GA	30355	1/7/2014	73.73	7.01
2014	0001458189-2014-2014-0000-00	00916190	REI		487449	BER SL362 Decision	8/28/2015	BANCO REALTY LLC	PO BOX 52427	ATLANTA	GA	30355	1/6/2015	79.61	3.60
2011	0001460541-2011-2011-0000-00	00927416	REI		487498	BER SL362 Decision	8/28/2015	THREEDUES INC	118 YALE LOOP	MOORESVILLE	NC	28117	1/25/2012	2,368.59	456.52
2012	0001460541-2012-2012-0000-00	00927416	REI		487518	BER SL362 Decision	8/28/2015	THREEDUES INC	118 YALE LOOP	MOORESVILLE	NC	28117	1/8/2013	980.00	142.03
2011	0001462165-2011-2011-0000-00	00933117	REI		487512	BER SL362 Decision	8/28/2015	STEGALL PROPERTIES OF CHARLOTTE	PO BOX 98	MATTHEWS	NC	28106	1/6/2012	251.71	49.17
2012	0001462165-2012-2012-0000-00	00933117	REI		487514	BER SL362 Decision	8/28/2015	STEGALL PROPERTIES OF CHARLOTTE	PO BOX 98	MATTHEWS	NC	28106	1/8/2013	251.71	36.48
2013	0001462165-2013-2013-0000-00	00933117	REI		487515	BER SL362 Decision	8/28/2015	STEGALL PROPERTIES OF CHARLOTTE	PO BOX 98	MATTHEWS	NC	28106	1/7/2014	251.71	23.93
2014	0001462165-2014-2014-0000-00	00933117	REI		487517	BER SL362 Decision	8/28/2015	STEGALL PROPERTIES OF CHARLOTTE	PO BOX 98	MATTHEWS	NC	28106	1/6/2015	271.76	12.29
2011	0001472555-2011-2011-0000-00	01508103	REI		490868	BER SL362 Decision	9/3/2015	GRIER, KATIE CATHERINE (HEIRS)	213 MAGRUDER PL SE	LEESBURG	VA	20175	1/6/2012	1,262.03	246.53
2012	0001472555-2012-2012-0000-00	01508103	REI		490867	BER SL362 Decision	9/3/2015	GRIER, KATIE CATHERINE (HEIRS)	213 MAGRUCKER PL SE	LEESBURG	VA	20175	1/8/2013	1,282.35	185.85
2013	0001472555-2013-2013-0000-00	01508103	REI		490865	BER SL362 Decision	9/3/2015	GRIER, KATIE CATHERINE (HEIRS)	213 MAGRUDER PL SE	LEESBURG	VA	20175	1/7/2014	1,266.22	120.38
2014	0001472555-2014-2014-0000-00	01508103	REI		490864	BER SL362 Decision	9/3/2015	GRIER, KATIE CATHERINE (HEIRS)	213 MAGRUDER PL SE	LEESBURG	VA	20175	1/6/2015	1,366.69	61.78
2011	0001477569-2011-2011-0000-00	01518301	REI		490875	BER SL362 Decision	9/3/2015	PITTMAN, SAMMIE L	7325 CAPRI DR	HUNTERSVILLE	NC	28078	12/18/2014	25.35	1.21
2012	0001477569-2012-2012-0000-00	01518301	REI		490878	BER SL362 Decision	9/3/2015	PITTMAN, SAMMIE L	7325 CAPRI DR	HUNTERSVILLE	NC	28078	7/9/2013	23.74	2.85
2013	0001477569-2013-2013-0000-00	01518301	REI		490877	BER SL362 Decision	9/3/2015	PITTMAN, SAMMIE L	7325 CAPRI DR	HUNTERSVILLE	NC	28078	12/18/2014	21.80	1.04
2011	0001477570-2011-2011-0000-00	01518302	REI		490991	BER SL362 Decision	9/3/2015	PITTMAN, SAMMIE L	7325 CAPRI DR	HUNTERSVILLE	NC	28078	12/18/2014	38.40	1.84
2012	0001477570-2012-2012-0000-00	01518302	REI		490882	BER SL362 Decision	9/3/2015	PITTMAN, SAMMIE L	7325 CAPRI DR	HUNTERSVILLE	NC	28078	12/18/2014	35.70	1.71
2013	0001477570-2013-2013-0000-00	01518302	REI		490881	BER SL362 Decision	9/3/2015	PITTMAN, SAMMIE L	7325 CAPRI DR	HUNTERSVILLE	NC	28078	12/18/2014	33.01	1.58
2014	0001477583-2014-2014-0000-00	01518313	REI		490874	BER SL362 Decision	9/3/2015	PITTMAN, BRYAN C	7325 CAPRI DR	HUNTERSVILLE	NC	28078	3/24/2015	86.18	2.99
2011	0001477591-2011-2011-0000-00	01518319	REI		490929	BER SL362 Decision	9/3/2015	PITTMAN, SAMMIE L	7325 CAPRI DR	HUNTERSVILLE	NC	28078	12/18/2014	38.40	1.84
2012	0001477591-2012-2012-0000-00	01518319	REI		490989	BER SL362 Decision	9/3/2015	PITTMAN, SAMMIE L	7325 CAPRI DR	HUNTERSVILLE	NC	28078	7/9/2013	35.96	4.32
2013	0001477591-2013-2013-0000-00	01518319	REI		490986	BER SL362 Decision	9/3/2015	PITTMAN, SAMMIE L	7325 CAPRI DR	HUNTERSVILLE	NC	28078	12/18/2014	33.01	1.58
2011	0001488203-2011-2011-0000-00	01904204	REI		488031	BER SL362 Decision	8/27/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	1/6/2012	45.48	8.88
2012	0001488203-2012-2012-0000-00	01904204	REI		488032	BER SL362 Decision	8/27/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	1/8/2013	45.48	6.59
2013	0001488203-2013-2013-0000-00	01904204	REI		488033	BER SL362 Decision	8/27/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	1/7/2014	45.48	4.32
2014	0001488203-2014-2014-0000-00	01904204	REI		488035	BER SL362 Decision	8/27/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	1/6/2015	49.11	2.22
2011	0001488217-2011-2011-0000-00	01904216	REI		487563	BER SL362 Decision	8/28/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	1/6/2012	62.43	12.20
2012	0001488217-2012-2012-0000-00	01904216	REI		487564	BER SL362 Decision	8/28/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	1/8/2013	62.43	9.05
2013	0001488217-2013-2013-0000-00	01904216	REI		487565	BER SL362 Decision	8/28/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	1/7/2014	62.43	5.94
2014	0001488217-2014-2014-0000-00	01904216	REI		487566	BER SL362 Decision	8/28/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	1/6/2015	67.40	3.05
2011	0001488219-2011-2011-0000-00	01904218	REI		487608	BER SL362 Decision	8/28/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	1/6/2012	99.16	19.37
2012	0001488219-2012-2012-0000-00	01904218	REI		487609	BER SL362 Decision	8/28/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	3/7/2013	101.17	13.86
2013	0001488219-2013-2013-0000-00	01904218	REI		487610	BER SL362 Decision	8/28/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	1/7/2014	97.75	9.29
2014	0001488219-2014-2014-0000-00	01904218	REI		487612	BER SL362 Decision	8/28/2015	GUIGNARD, CHARLES S	PO BOX 1766	HUNTERSVILLE	NC	28078	1/6/2015	105.53	4.77
2011	0001490236-2011-2011-0000-00	01928102	REI		487614	BER SL362 Decision	8/28/2015	HUBBARD, THOMAS S	11904 RAMAH CHURCH RD	HUNTERSVILLE	NC	28078	1/6/2012	128.53	25.11
2012	0001490236-2012-2012-0000-00	01928102	REI		487617	BER SL362 Decision	8/28/2015	HUBBARD, THOMAS S	11904 RAMAH CHURCH RD	HUNTERSVILLE	NC	28078	1/8/2013	128.53	18.63
2013	0001490236-2013-2013-0000-00	01928102	REI		487618	BER SL362 Decision	8/28/2015	HUBBARD, THOMAS S	11904 RAMAH CHURCH RD	HUNTERSVILLE	NC	28078	1/7/2014	128.53	12.22
2014	0001490236-2014-2014-0000-00	01928102	REI		487619	BER SL362 Decision	8/28/2015	HUBBARD, THOMAS S	11904 RAMAH CHURCH RD	HUNTERSVILLE	NC	28078	1/6/2015	138.78	6.27
														45,593.85	6,087.61

Town of Huntersville
REQUEST FOR BOARD ACTION
11/16/2015

REVIEWED:

To: The Honorable Mayor and Board of Commissioners
From: Max Buchanan
Subject: NC 73 at Terry Lane Agreement

Construction Agreement between Epcon Huntersville, LLC and Town of Huntersville for installation of an eastbound left-turn lane on NC 73 at Terry Lane.

ACTION RECOMMENDED:

Approval

FINANCIAL IMPLICATIONS:

Transportation Reserve Fund

ATTACHMENTS:

Description	Type
□ Construction Agreement	Exhibit

**CONSTRUCTION AGREEMENT
BETWEEN
EPCON HUNTERSVILLE, LLC
AND
THE TOWN OF HUNTERSVILLE, NORTH CAROLINA**

This Agreement ("Agreement") is made and entered into as of the date of the final party to sign below ("Effective Date") by and among Epcon Huntersville, LLC ("Epcon") and the Town of Huntersville, North Carolina ("Town").

W I T N E S S E T H:

WHEREAS, Epcon intends to construct roadway improvements to access Epcon's residential condominium community the Courtyards of Huntersville Condominium ("Community") in accordance with the Community's approved plans;

WHEREAS, Town has requested, and Epcon has agreed, that Epcon shall facilitate at Town's expense the construction of additional roadway improvements beyond those roadway improvements required to be constructed by Epcon;

NOW THEREFORE, for and in consideration of the foregoing and the mutual covenants set forth below, the parties agree as follows:

1. Epcon has agreed to complete roadway improvements on Highway 73 southwest of the intersection of Highway 73 and Terry Lane to incorporate a left turn lane onto Terry Lane ("Roadway Improvements"). The Roadway Improvements are depicted in the drawing attached to this Agreement identified as *Exhibit A*.
2. The Roadway Improvements require a temporary construction easement ("Temporary Construction Easement") and the acquisition of right-of-way ("Right-Of-Way") from Mecklenburg County, North Carolina Parcel ID Number 00102363 currently owned by Henry Lee Pender and Dorothy Pender ("Property Owners"). Epcon will use its best efforts to negotiate and reach an understanding with Property Owner for the dedication of the requisite Right-Of-Way to allow for the Roadway Improvements. Town shall be responsible for all costs associated with the Temporary Construction Easement and acquisition of the Right-Of-Way, including any requisite conveyance fee, title search expenses, and any other closing costs, if any.
3. Town shall be responsible for reimbursing Epcon for all costs associated with the Roadway Improvements. An estimate of said costs is hereby attached as *Exhibit B* ("Estimate"). In the event the actual costs shall differ from the Estimate, Epcon shall provide notice to Town in writing of the increase or decrease in cost. Town shall provide Epcon its consent or notify Epcon it disagrees with said change in cost within five (5) business days of receipt of written notice from Epcon. Town's failure to properly and timely respond shall be treated as Town's consent to said change in cost. Epcon shall obtain consent from Town, which shall not be unreasonably withheld, prior to utilizing any portion of the 15% contingency funds identified on *Exhibit B*.

4. Epcon will enter into an agreement with a contractor who shall perform all Roadway Improvements in reasonably close conformity with the lines, grades, cross-sections, dimensions, and material requirements shown on the approved plans in accordance with all applicable North Carolina Department of Transportation (“NCDOT”) standards and specifications.
5. Epcon agrees that all materials and each part or detail of the Roadway Improvements shall be subject to inspection by NCDOT, Mecklenburg County, and the Town of Huntersville to assure the work is in full compliance with all applicable standards of construction. Upon reasonable notice, Epcon shall use its best efforts to allow reasonable access to all parts of the Roadway Improvements and to furnish such information as is reasonably necessary to inspect the Roadway Improvements.
6. Part of the Roadway Improvements may require removal and disposal of topsoil. Town will assist, if necessary, in the removal and disposal of said topsoil to the extent it can be done with Town’s facilities and crews.
7. Epcon shall submit written invoices documenting costs incurred resulting from the Temporary Construction Easement, Roadway Improvements, and acquisition of the Right-Of-Way. Town shall fully reimburse Epcon for said costs within fourteen (14) calendar days of receipt of each invoice.
8. Any notice or other communication required or permitted to be given to a party under this Agreement shall be in writing and shall be given by certified United States (U.S.) mail, ordinary U.S. mail, delivered in person or by courier, fax, email, or any other means for transmitting a written communication. Any such notice shall be deemed to have been given as follows: (i) when sent by certified US mail, as of the date of delivery shown on the receipt, or if not determinable, as of the second Business Day after it was mailed and (ii) when sent or delivered by any other means, upon receipt. The address of each party for notice initially is as follows:

Epcon:

Mike Davis
Development & Engineering
Coordinator – Carolinas
8600 Sam Furr Road, Suite 180
Huntersville, NC 28078
mdavis@epconcommunities.com

Town:

MAX BUCHANAN
DIRECTOR OF ENGINEERING & PW
PO Box 664
HUNTERSVILLE, NC 28070
mbuchanan@huntersville.org

and

Christopher A. Buerkle
Legal Counsel
500 Stonehenge Parkway
Dublin, Ohio 43017

cbuerkle@epconcommunities.com

9. This Agreement shall constitute the entire agreement between Epcon and Town. This Option may not be modified except in a writing signed by both parties.
10. This Agreement may be executed in counterparts and all such counterparts shall constitute one agreement binding on all the parties, notwithstanding that all the parties are not signatories to the same counterpart.
11. This Agreement shall be interpreted according to the laws of the State of North Carolina and the venue for the resolution of any dispute hereunder shall be a State or Federal court sitting in Mecklenburg County, North Carolina.

In Witness Whereof, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

Epcon Huntersville, LLC

By: [Signature]

Name: RICH HEARETH

Title: VP OPERATIONS

Date: 10/15/2015

Town of Huntersville, North Carolina

By: _____
Town Manager

Attest:

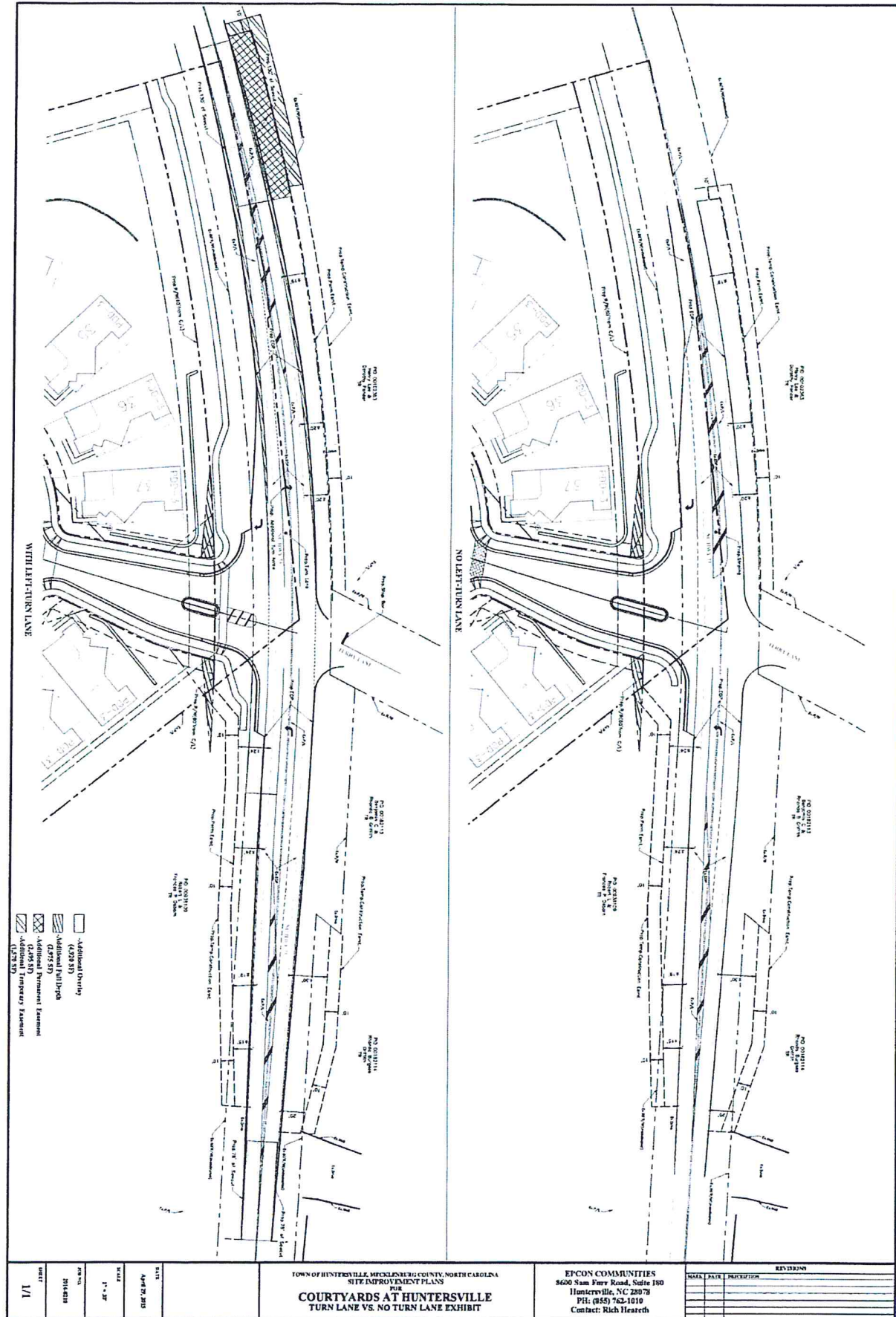
Town Clerk

(Corporate Seal)

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act

Finance Officer

Date: _____



TOWN OF HUNTERVILLE, WICKLENBURG COUNTY, NORTH CAROLINA
 SITE LAYOUT PLANS
COURTYARDS AT HUNTERVILLE
 TURN LANE VS. NO TURN LANE EXHIBIT

EPCON COMMUNITIES
 8600 San Ferry Road, Suite 100
 Huntersville, NC 28078
 PH: (855) 762-1010
 Contact: Rich Heareth

REVISIONS		
NO.	DATE	DESCRIPTION

DATE	4/28/2015
SCALE	1" = 20'
PROJECT	2014-010
USER	1/1

EXHIBIT B



Evans, Mechwart, Hambleton & Tilton, Inc.
Engineers, Surveyors, Planners, Scientists

**PROBABLE OPINION OF CONSTRUCTION BOND COST ESTIMATE
COURTYARDS AT HUNTERSVILLE, HIGHWAY 73 WIDENING
WITH LEFT TURN LANE ONTO TERRY LANE VS. WITHOUT LEFT TURN LANE
6/24/2015**

Page 1 of 1

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE		TOTAL
PAVEMENT						
1	Full Depth Sawcut	260	LF	\$3.00	=	\$780.00
2	1 1/2" S9.5B Overlay	345	SY	\$8.80	=	\$3,036.00
3	Full Depth Widening	172	TON	\$110.00	=	\$18,920.00
4	Pavement Markings	1	LS	\$1,100.00	=	\$1,100.00
	Pavement Subtotal				=	\$23,836.00
MISCELLANEOUS						
1	Permanent Easement	2,495	SF	\$0.93	=	\$2,320.35
2	Temporary Easement	1,570	SF	\$0.93	=	\$1,460.10
3	Excavation Including Embankment	1	LS	\$10,000.00	=	\$10,000.00
4	Engineering Services	1	LS	\$15,000.00	=	\$15,000.00
	Miscellaneous Subtotal				=	\$28,780.45
				SUBTOTAL	=	\$52,616.45
				CONTINGENCY (15%)	=	\$7,892.47
				TOTAL COST DIFFERENCE	=	\$60,508.92

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Town of Huntersville
REQUEST FOR BOARD ACTION
11/16/2015

REVIEWED:

To: The Honorable Mayor and Board of Commissioners
From: Janet Stoner/Michael Jaycocks
Subject: Revised Capital Project Ordinance-Veterans Park

Approve revised Capital Project Ordinance for Veterans Park. Additional funding from Storm Water Fund Balance, 2016 GO Bonds, and 2004 GO Bond Interest have been included.

ACTION RECOMMENDED:

Approve Revised Capital Project Ordinance.

FINANCIAL IMPLICATIONS:

See Attached Revised Capital Project Ordinance

ATTACHMENTS:

Description	Type
▢ Revised Capital Project Ordinance	Backup Material

**TOWN OF HUNTERSVILLE
CONSTRUCTION OF VETERANS PARK
REVISED CAPITAL PROJECT ORDINANCE**

BE IT ORDAINED by the Board of Commissioners of the Town of Huntersville, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

SECTION 1. The project authorizes the construction of a multifunctional building which will include restroom facilities. The project will also include improvements to streetscape, park amenities, paving of parking lot and purchase of land.

SECTION 2. The officers of the unit are hereby directed to proceed with the capital project within the terms of the budget contained herein.

SECTION 3. The following amounts are appropriated for the project:

Construction, design, streetscape, park amenities, purchase of land, etc.	\$2,256,051.95
------------------------------------------------------------------------------	----------------

TOTAL PROJECT COSTS	<u>\$2,256,051.95</u>
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SECTION 4. The following revenues are anticipated to be available to complete this project:

2016 Authorized GO Bonds	\$ 400,000.00
2012 Authorized GO Bonds	400,000.00
2012 Premium on GO Bonds	44,595.35
2004 GO Bonds Interest	315,999.60
Capital Reserve Fund-Parks	405,187.00
Storm Water Fund Balance	300,000.00
2008 GO Bonds Interest	34,770.00
General Fund Balance	<u>355,500.00</u>

TOTAL PROJECT REVENUE	<u>\$2,256,051.95</u>
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SECTION 5. The Finance Director is authorized from time to time to transfer as a loan from the General Fund or unspent bond proceeds in the Capital Projects Funds, cash in an amount necessary to meet obligations until such time as financing is arranged, at which time repayment will be made and the Finance Director is authorized to sign the Declaration of Official Intent to Reimburse Expenditures as required by Internal Revenue Service regulations.

Town of Huntersville
REQUEST FOR BOARD ACTION
11/16/2015

REVIEWED:

To: The Honorable Mayor and Board of Commissioners
From: Jack Simoneau
Subject: TA15-06

Call for public hearing on Monday, December 21, 2015 at 6:30 PM, Huntersville Town Hall on Petition TA15-06, a request by the Town of Huntersville to amend Article 3, Article 4 and Article 8 removing residential building design standards to conform to North Carolina Statute Amendment, Senate Bill 25.

ACTION RECOMMENDED:

Call for public hearing on Monday, December 21, 2015.

FINANCIAL IMPLICATIONS:

**Town of Huntersville
REQUEST FOR BOARD ACTION
11/16/2015**

REVIEWED:

To: The Honorable Mayor and Board of Commissioners
From: Greg Ferguson, Town Manager
Subject: One NC Fund Grant - Nutech Inc.

Consider decision on One NC Fund Grant Agreement for Nutech, Inc.

ACTION RECOMMENDED:

Approve Grant Agreement

FINANCIAL IMPLICATIONS:

ATTACHMENTS:

Description	Type
One NC Fund Grant Agreement	Backup Material

Terms of One NC Grant

Local Government: Town of Huntersville

Project Company: Nutec Inc.

Grant Amount: \$100,000

Guarantor	Grupo Nutec, S.A. de C.V.
Project Description	A location of a manufacturing plant (the "Facility") at which the company will manufacture ceramic fiber.
Facility Location	11810 Mt. Holly – Huntersville Road Huntersville, North Carolina Mecklenburg County
Grant Period	July 9, 2015 through July 9, 2018 THREE YEARS
Grant End Date	July 9, 2018
Target New Jobs (goal)	61
Target New Investment (goal)	\$19,212,400
Required New Jobs (required for full grant)	55
Required New Investment (required for full grant)	\$17,000,000
Average weekly wage for all full-time jobs (Wage Standard)	\$796.00
Retained Jobs, if any	NA
Closeout	The earlier of when performance is complete, or the Grant End Date

Other Requirements

- Health insurance for all fulltime jobs
- Use grant proceeds for installation or purchase of equipment; structural repairs, improvements, or renovations to existing buildings to be used for expansion; construction of or improvements to new or existing water, sewer, gas or electric utility distribution lines or equipment for existing buildings, or for new or proposed buildings to be used for manufacturing and industrial operations
- Must provide verification that Project has received all environmental permits

- The grant is subject to the requirement that the Local Government deliver to the Department of Commerce a copy of the agreement with the Company governing the local incentives to be provided for the Project.
- By no later than February 1 following the end of each year during the later of the end of the Grant Performance Period or the date on which the Local Government provides the final funds that would bring the local matching contribution to the level provided by the Grant, the Company will submit a report to the DOC in the form of Exhibit B, documenting the Local Government contribution of eligible matching funds, through the just completed calendar year, and a copy of the Company's fourth calendar quarter performance, ending December 31. In addition, during the Grant Period, the Company shall provide a statement indicating whether the Company expects to have completed Performance Criteria sufficient to request a disbursement during the upcoming state fiscal year (July 1 through June 30).

Disbursement of Grant

4 installments equal to 25% of grant each, on demonstration of creation of:

- 25% of Target New Jobs;
- 50% of Target New Jobs
- 75% of Target New Jobs
- Required New Jobs and Required Investment

and evidence of making Statutorily Qualifying Expenditures, Environmental Permits, and Retained Jobs (if required, as set forth above).

Obligation to Repay Grant

- Failure to provide required health insurance
- Failure to achieve Wage Standard
- Ceasing project operations
- Failure to maintain jobs for the requisite time beyond Closeout (1-2 years depending on Closeout timing)

Adjustments to Grant at Closeout

- If Closeout occurs on the date three years from the date of the Grant award and the Company has failed to:
 - Create and retain Required New Jobs, or
 - Make statutorily qualifying expenses equal to 100% of the grant, or
 - Make the Required Investment

the amount of the Grant will be reduced on a pro rata basis to reflect the percentage by which the Company failed to meet its performance goals.

To the extent the amount of the reduced Grant is *less* than the amount that has been previously disbursed, the Company must reimburse DOC for the difference.

Obligations beyond Closeout

- If Closeout occurs more than one year prior to the Grant End Date, the Company must maintain **at least 90%** of the New Jobs in place at Closeout for **two years** after the date of Closeout.
- If Closeout occurs less than one year prior to the Grant End Date, the Company must maintain **at least 90%** of the New Jobs in place at Closeout until the date that is the one year anniversary of the Grant End Date.
- If the Company fails to maintain **at least 90%** of the number of New Jobs in place at Closeout for **the required time period**, the Company must reimburse DOC the entire amount of the Grant.

Statute and Guidelines Governing Grant

- N.C. Gen. Stat. 143B-437.70 *et seq.*
- Guidelines And Procedures for Commitment of Funds from the One North Carolina Fund.

COMPANY PERFORMANCE AGREEMENT

THE ONE NORTH CAROLINA FUND

STATE OF NORTH CAROLINA

COUNTY OF WAKE

This Company Performance Agreement (the "**CPA**"), effective the 9th day of July, 2015 (the "**Effective Date**"), by, between, and among Nutec Inc., a Delaware corporation authorized to do business in North Carolina (the "**Company**"), Grupo Nutec, S.A. de C.V., a corporation (the "**Guarantor**"), who, together with the Company shall be jointly and severally liable for the obligations under this CPA, and The Town of Huntersville, North Carolina (the "**Local Government**," and together with the Company and Guarantor, the "**Parties**");

WITNESSETH:

WHEREAS, the Local Government has applied for a One North Carolina Fund grant from the North Carolina Department of Commerce (the "**DOC**"); and

WHEREAS, a One North Carolina Fund grant award in the amount of One Hundred Thousand Dollars (\$100,000) (the "**Grant**") has been negotiated and agreed to by DOC and the Parties; and

WHEREAS, the Grant has been approved by DOC for disbursement to the Local Government pursuant to the terms of the One North Carolina Fund Local Government Grant Agreement between the Local Government and DOC (the "**LGGA**"); and

WHEREAS, the Grant is to be used by the Company toward the goal of creating sixty one (61) new jobs (the "**Target New Jobs**") which shall be permanent full-time jobs (each, a "**New Job**") and Nineteen Million Two Hundred Twelve Thousand Four Hundred Dollars (\$19,212,400) (the "**Target Investment**") in new investment in the State of North Carolina; and

WHEREAS, the Company and Guarantor have represented that the Grant is necessary to enable the investment and job creation by the Company to occur and go forward in North Carolina; and

WHEREAS, the Grant will stimulate economic activity and create new jobs for the citizens of this State; and

WHEREAS, the Grant is issued pursuant to and subject to the terms of N.C. Gen. Stat. § 143B-437.70 *et seq.* and the Guidelines and Procedures for Commitment of Funds from the One North Carolina Fund (the "**Program Guidelines**"); and

WHEREAS, the Guarantor has agreed to guarantee the performance and obligations of the Company hereunder, and its guaranty is made for the benefit of the DOC and the Local Government and to induce the

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DOC and the Local Government to enter into this CPA, in consideration of the benefits provided to the Company and to the Guarantor by virtue of its ownership interests;

WHEREAS, pursuant to, inter alia, N.C. Gen. Stat. § 143B-437.07 and G.S. 143B-437.72(b), as these statutes may be amended from time to time, the DOC is required to submit regular reports to the North Carolina General Assembly regarding operation of the One North Carolina Fund and the performance and funding requirements for each One North Carolina Fund grant awarded;

NOW, THEREFORE, in consideration of the representations set forth above and the mutual covenants and promises set forth below, the Company, the Guarantor, and the Local Government hereby agree as follows:

1.0 PERFORMANCE CRITERIA

In order to be eligible for the full amount of the Grant, the Company must fulfill the following requirements:

- 1.1 The Company shall undertake and operate in a timely manner the following project at the following location (the **"Project"**):

A location of a manufacturing plant (the **"Facility"**) at which the company will manufacture ceramic fiber in or around 11810 Mt. Holly-Huntersville Road, Town of Huntersville, Mecklenburg County, North Carolina.

- 1.2 The Company shall maintain its current operations at its facilities in North Carolina.

- 1.3 The Company shall make good faith efforts to create and maintain the Target New Jobs as part of the Project, as described in the Company's application to DOC (the **"Company Application"**). The New Jobs must be filled by employees hired for the Project on or after the Effective Date, who work for at least thirty-five (35) hours per week, and whose wages are subject to withholding under Article 4A of Chapter 105 of the General Statute. Independent contractors, consultants, seasonal and temporary employees are not to be included as New Jobs. In order to be eligible for the full Grant, the Company must create fifty five (55) New Jobs (the **"Required New Jobs"**) 90% of the Target New Jobs), by July 9, 2018 (the **"Grant End Date,"** which shall be three years from the date on which the Grant was formally awarded) (the period between July 29, 2015 and July 29, 2018, the **"Grant Period"**).

The New Jobs will be new jobs and cannot be existing North Carolina positions or employees of the Company or the Guarantor or any of their related members that are transferred or shifted such that a previously existing North Carolina job, or a North Carolina job that was not previously part of the Project, is counted towards performance under this CPA.

- 1.4 The average weekly wage of the group of all permanent full-time jobs at the Facility, including the New Jobs, will equal or exceed Seven Hundred Ninety Six Dollars (\$796.00) per week (the **"Wage Standard"**).

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- 1.5 The Company shall provide health insurance for all permanent full-time employees at the Facility, including the New Jobs, in at least the minimum amount required for eligibility for tax credits under Article 3J in N.C. Gen. Stat. § 105-129.83(d).
- 1.6 The Company shall make good faith efforts to make the Target Investment in the form of privately funded investment in real property and/or machinery and equipment as part of the Project, and must invest at least Seventeen Million Dollars (\$17,000,000) by the Grant End Date (the "**Required Investment**") (90% of the Target Investment).
- 1.7 The proceeds of the Grant may be used only to offset statutorily qualifying expenses as set out in N.C. Gen. Stat. § 143B-437.71(b) ("**Statutorily Qualifying Expenses**"). Those expenses are installation or purchase of equipment; structural repairs, improvements, or renovations to existing buildings to be used for expansion; construction of or improvements to new or existing water, sewer, gas or electric utility distribution lines or equipment for existing buildings, or for new or proposed buildings to be used for manufacturing and industrial operations; or such other expenses as specifically provided for by an act of the General Assembly.
- 1.8 Release of any Grant funds under this CPA is contingent on the Company providing verification that the Project has received all of its required environmental permits.

2.0 DISBURSEMENT OF GRANT

- 2.1 Proceeds of the Grant up to a total amount of One Hundred Thousand Dollars (\$100,000) will be disbursed by DOC to the Local Government in four installments based on creation and maintenance of the New Jobs and satisfaction of other performance criteria set out in Section 1.0 above ("**Performance Criteria**"). The number of New Jobs to be counted shall be determined as provided in Paragraph 6.1 hereof. At the time of any requested disbursement, the Company must certify its performance by submitting a duly executed disbursement request and certification in the form of Exhibit A hereto (the "**Company Disbursement Request**"), and the Local Government must submit a duly executed disbursement request and certification in the form of Exhibit A to the LGGA (the "**Local Government Disbursement Request**"). Disbursement will occur on the following schedule and will be subject to any adjustments required by this CPA:
 - a. The first twenty-five percent (25%) of the Grant will be disbursed to the Local Government upon proof that the Company has (i) created and retained not less than twenty-five percent (25%) of the Target New Jobs (i.e., 15 New Jobs), (ii) satisfied the Wage Standard and health insurance requirements; (iii) invested the amount to be disbursed in Statutorily Qualifying Expenses, and (iv) obtained all required environmental permits.
 - b. The second twenty-five percent (25%) of the Grant will be disbursed to the Local Government upon proof that the Company has (i) created and retained not less than fifty percent (50%) of the Target New Jobs (i.e., 31 New Jobs); (ii) satisfied the Wage Standard and health insurance requirements; and (iii) invested the amount to be disbursed in Statutorily Qualifying Expenses.

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- c. The third twenty-five percent (25%) of the Grant will be disbursed to the Local Government upon proof that the Company has (i) created and retained not less than seventy-five percent (75%) of the Target New Jobs (i.e., 46 New Jobs); (ii) satisfied the Wage Standard and health insurance requirements; and (iii) invested the amount to be disbursed in Statutorily Qualifying Expenses.
- d. The final twenty-five percent (25%) of the Grant will be disbursed to the Local Government upon proof that the Company has (i) created and retained the Required New Jobs; (ii) satisfied the Wage Standard and health insurance requirements; and (iii) made the Required Investment; and (iv) invested the amount to be disbursed in Statutorily Qualifying Expenses.

The Local Government will submit or cause to be submitted to DOC each Company Disbursement Request and Local Government Disbursement Request, upon proof of the creation of the required number of New Jobs and the satisfaction of all other Performance Criteria necessary for disbursement. Following receipt of Grant funds from DOC, the Local Government will disburse funds to the Company.

The Company may qualify for disbursement of multiple installments on a single date.

2.2. DOC will close out the Grant on the first to occur of

- (i) The date as of which DOC shall have received and accepted proof reasonably satisfactory to it that the Project has been completed and the Performance Criteria satisfied.
 - (ii) The Grant End Date.
- ("Closeout").

Following Closeout, to the extent any Grant proceeds may be due and upon submission of a duly completed Company Disbursement Request and Local Government Disbursement Request, a final Grant payment will be disbursed. A request for final payment, if not made previously, must be made to DOC within thirty (30) days following the Grant End Date, provided, however, that if the Company has completed performance and become entitled to a final disbursement of funds under Paragraph 2.1d of this CPA, during any time earlier in the Grant Period, the Company must submit a completed Company Disbursement Request and Local Government Disbursement Request within one year from the date of completed performance (but in no event later than thirty (30) days following the Grant End Date) or forfeit the disbursement.

3.0 **OBLIGATION TO REPAY GRANT**

- 3.1 **Failure to Provide Health Insurance.** If, at any time during the Grant Period or during the period set forth in Section 5.0 hereof, the Company fails to provide health insurance to all permanent full-time employees at the Facility in the amount required for eligibility for tax credits under Article 3J in N.C. Gen. Stat. § 105-129.83(d), the Company will be in default of this CPA

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and the Company and/or Guarantor will reimburse DOC the total amount of the Grant previously disbursed in accordance with this CPA.

- 3.2 **Ceasing Project Operations.** If at any time during the Grant Period, or during the period set forth in Section 5.0 hereof, the Company substantially ceases operations at the Facility, the Company and/or Guarantor shall immediately repay all Grant funds previously disbursed in accordance with this CPA.
- 3.3 **Failure to Achieve Wage Standard.** If at any time during the Grant Period, or during the period set forth in Section 5.0 hereof, the average weekly wage of the group of all permanent full-time jobs at the Facility fails to equal or exceed the Wage Standard, the Company will be in default under this CPA, no further disbursement will be made, and the Company and/or Guarantor will reimburse DOC the total amount of the Grant previously disbursed in accordance with this CPA.
- 3.4 **Reserved.**
- 3.5 **Other Failures to Comply.** The Company may be required to reimburse Grant funds previously disbursed for failure to comply with Paragraphs 6.4 and 6.16 hereof, or as provided in Paragraphs 4.1 and 5.3 hereof.
- 3.6 **Recovery of Costs.** If the Company and/or Guarantor fail to reimburse any amount payable hereunder, on demand, the Local Government and DOC may recover the costs of collection to obtain recovery, from the Company and/or Guarantor, including reasonable attorneys' fees.

4.0 ADJUSTMENTS TO GRANT AT CLOSEOUT

- 4.1 If Closeout occurs on the Grant End Date and the Company has failed to create and retain the Required New Jobs, has failed to make the Required Investment, or has failed to invest an amount equal to 100% of the Grant in Statutorily Qualifying Expenses, the amount of the Grant shall be reduced to the smallest of the following amounts (the "**Adjusted Grant**"):

- a. The amount obtained by multiplying the Grant by a fraction the denominator of which is the Required New Jobs and the numerator of which is the number of New Jobs actually created and retained as of that date, as expressed in the following formula:

$$\text{Adjusted Grant} = \text{Original Grant Amount} \times \frac{\text{New Jobs Actually Created and Retained}}{\text{Required New Jobs}}$$

- b. The amount obtained by multiplying the Grant by a fraction the denominator of which is the Required Investment and the numerator of which is the investment actually made as of that date, as expressed in the following formula:

$$\text{Adjusted Grant} = \text{Original Grant Amount} \times \frac{\text{Investment Actually Made}}{\text{Required Investment}}$$

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c. The amount the Company has spent on Statutorily Qualifying Expenses

- 4.2 To the extent the amount of the Adjusted Grant is less than the amount that has been previously disbursed to the Company, the Company shall reimburse DOC for the difference between the Adjusted Grant and the amount previously disbursed.

5.0 OBLIGATIONS BEYOND CLOSEOUT

- 5.1 If Closeout occurs on or before the date that is exactly one year prior to the Grant End Date, the Company will maintain at least ninety percent (90%) of the number of New Jobs in place at Closeout for two (2) years after the date of Closeout.
- 5.2 If Closeout occurs after the date that is exactly one year prior to the Grant End Date, the Company will maintain at least ninety percent (90%) of the number of New Jobs in place at Closeout until the date that is the one year anniversary following the Grant End Date.
- 5.3 If the Company fails to maintain at least ninety percent (90%) of the number of New Jobs in place at Closeout for the required time period following Closeout, as specified in Paragraphs 5.1 and 5.2 hereof, the Company will be in default of this CPA and shall reimburse to DOC the total amount of the Grant funds previously disbursed in accordance with this CPA.

6.0 ADDITIONAL PROVISIONS

- 6.1 The Company and Guarantor shall provide to DOC and the Local Government all documentation deemed necessary by DOC or the Local Government to verify creation and retention of New Jobs, salary levels, health insurance, investments, Statutorily Qualifying Expenses, environmental permits and other Performance Criteria specified in this CPA, including copies of the N.C. Department of Commerce Division of Employment Security Employer's Quarterly Tax and Wage Report ("NCUI 101"), a list of all positions used in accounting for the Grant and the names of the individuals filling those positions. The threshold numbers of New Jobs created for the Company to be eligible for disbursements under Paragraph 2.1 hereof, shall be measured by adding the three figures that represent the average number of New Jobs (calculated after deducting any positions that do not qualify as New Jobs) that have been created during the Grant Period and have been retained during each of the three months of the quarter reported in the Company's NCUI 101, and dividing that sum by three, or in such other manner determined by the DOC to reasonably reflect New Job creation. **The Company shall not include in such count, any temporary, seasonal, contract, or part-time employees, employees that were hired prior to the Effective Date, or employees that were hired from affiliates of the Company or Guarantor in North Carolina, even if those employees are included in the NCUI 101s. The Company and Guarantor will certify how many of the employees listed on the NCUI 101s in each month qualify under the definition of New Jobs. For verification of Required Investment, the Company shall provide a fixed asset report and any other documentation requested by DOC. The Company's compliance with the job creation and/or retention, investment, Statutorily Qualifying Expense, environmental permit and other Performance Criteria set out in this CPA shall be attested to under oath by an officer of each of the Company and the Guarantor.**

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- 6.2 By not later than February 1 of each year during the Grant Period (and with respect to Paragraph 6.2A, through the later of February 1 following the date established pursuant to Paragraph 5 hereof or the date on which the Local Government provides the final funds that would bring the local matching contribution to the level provided by the Grant), the Company must submit the following to the DOC, in the form of Exhibit B hereto:
- A. a copy of the Company's fourth calendar quarter performance (ending December 31) NCUI 101 for the previous calendar year, containing all information required by Exhibit B (N.C. Gen.Stat. §143B-437.07).
 - B. a statement indicating whether the Company expects to have completed Performance Criteria sufficient to request a disbursement during the upcoming state fiscal year (July 1 through June 30). Failure to identify the expected performance over the coming fiscal year may result in ineligibility for a disbursement during that period, or may limit the amount of disbursement available to the Company during the upcoming fiscal year. (N.C. Gen. Stat. §143B-437.72(b)(6b)).
- 6.3 If unforeseen calamity, an Act of God, or financial disaster is the cause of the Company's failure to satisfy or perform its obligations under this CPA, the Company and the Local Government may request an extraordinary modification of this CPA from the Secretary of DOC (the "Secretary"). The Parties agree that any decision to allow such modification shall be at the sole discretion of the Secretary, that such modifications are rarely, if ever, granted, and that the Secretary's decision regarding any extraordinary modification shall be final and not subject to review or appeal.
- 6.4 The Company and Guarantor shall keep and maintain books, records, and other documents relating to the receipt and disbursement of the Grant and fulfillment of this CPA, including, but not limited to, records to verify employment, salaries, health insurance, investment amounts, Statutorily Qualifying Expenses and environmental permits.

Subject to any applicable federal or North Carolina laws or regulations respecting employee privacy, the Company and Guarantor each agree that any duly authorized representative of the Local Government or the State of North Carolina, including the DOC, the Office of the North Carolina State Auditor, and the Office of State Budget and Management, shall, at all reasonable times and on reasonable notice, have access to and the right to inspect, copy, audit, and examine all of the relevant books, records, and other documents relating to the Grant and the fulfillment of this CPA throughout the Grant Performance Period and for a period of six years thereafter.

If the Company or Guarantor fail to keep and maintain books and records necessary for verifying fulfillment of this CPA, including, but not limited to, adequate records for the verification of employment, salaries, investment amounts, Statutorily Qualifying Expenses and environmental permits, or if the Company or Guarantor fail to provide access and right of inspection sufficient to verify compliance with this CPA, the Local Government or the Secretary, as applicable, may in its or his discretion declare this CPA to be in default, withhold payments for or under this CPA or the LGGA, and/or require reimbursement of all or any portion of the Grant previously paid.

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The Company and/or Guarantor shall provide any information DOC requests in order to produce reports or compile data required by the General Assembly.

- 6.5 To the extent any information or documents gathered by or provided to the Local Government or the DOC would be regarded as confidential or not subject to disclosure under federal law or the North Carolina General Statutes (including, without limitation, N.C. Gen. Stat. §§ 132-1 *et seq.*, commonly referred to as the "**Public Records Act**"), the Company or Guarantor, as applicable, shall clearly identify and mark them as such and that information will, to the extent allowed by law, be treated as confidential and not subject to disclosure by the Local Government and DOC and their authorized representatives.

The Company and Guarantor have read and understand North Carolina's laws regarding the treatment of public records and confidential information, including without limitation, those provisions set forth in Exhibit C.

The Company and Guarantor shall be responsible for any and all costs, expenses, fees, or losses that they or the Local Government or DOC or any other State entity may incur as a result of responding to or resisting any request, subpoena, legal complaint, court order, or other demand seeking to compel such party to release or disclose records, documents, or information pertaining to the Company or Guarantor, to the extent that the Company or Guarantor notified the State entity that it objects to such disclosure or release and the State defends against such release; and the Company and Guarantor shall indemnify the Local Government, DOC, and State entities and their authorized representatives for all costs associated therewith, provided that, no such indemnified party shall be obligated to take any such action.

- 6.6 Notwithstanding anything herein to the contrary, the Parties acknowledge the due execution of the LGGA and agree that any conflict between the provisions, requirements, duties, or obligations of this CPA and the LGGA shall be resolved in favor of the LGGA. The Parties further agree that any conflict between the provisions, requirements, duties, or obligations of this CPA and any program documentation for this Grant other than the LGGA shall be resolved in favor of this CPA.
- 6.7 The Company and Guarantor acknowledge that none of the North Carolina operations owned by the Company or Guarantor or any related entity or affiliate shall be curtailed as a result of the Project.
- 6.8 The Company and Guarantor shall perform and abide by all commitments they made in the Company Application, except as otherwise expressly stated herein. The Company and Guarantor affirm their commitments made in the Company Application, and the commitments contained therein are incorporated herein by reference, as if set out in full. The Parties agree that any conflict between the provisions of this CPA and any commitments made in the Company Application to DOC shall be resolved in favor of this CPA.
- 6.9 The Company and Guarantor indemnify and hold harmless the Local Government, DOC, and State entities, and their respective members, officers, directors, employees, agents and attorneys (hereinafter collectively referred to as "Indemnified Parties"), from any claims of third parties arising out of or any act or omission of the Company and/or Guarantor in connection with the

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performance of this CPA, and for all losses arising from implementation of this CPA. Without limiting the generality of the foregoing, the Company and Guarantor release the Indemnified Parties from, and agree that such Indemnified Parties are not liable for, and agree to indemnify and hold harmless the Indemnified Parties against, any and all liability or loss, cost or expense, including, without limitation, reasonable attorneys' fees, fines, penalties, and civil judgments, resulting from or arising out of or in connection with or pertaining to, any loss or damage to property or any injury to or death of any person occurring in connection with or on or about the Facility, or resulting from any defect in the fixtures, machinery, equipment, or other property used in connection with the Project or arising out of, pertaining to, or having any connection with, the Project or the financing thereof (whether or not arising out of acts, omissions, or negligence of the Company or Guarantor or any of their agents, contractors, servants, employees, licensees, lessees, or assignees). Each Indemnified Party is an express, third party beneficiary of the Company's and Guarantor's obligations under this Paragraph.

- 6.10 The representations made by the Company and Guarantor in the Company Application to DOC or as part of the application process are incorporated herein by reference and deemed by the Parties to be material to this CPA. The Company and Guarantor affirm these representations. The Parties agree that any conflict between any representations contained in this CPA and those representations contained in the Company Application to DOC or made as part of the One North Carolina Fund application process shall be resolved in favor of this CPA.
- 6.11 The recitals are an integral part of this CPA.
- 6.12 If the Company or Guarantor has an overdue tax debt owing to the State of North Carolina, as defined in N.C. Gen. Stat. § 105-243.1, no payments will be made under this CPA or the LGGA until that tax debt has been satisfied. If an overdue tax debt goes unsatisfied by the Company or Guarantor for more than one year, this CPA may be declared in default and terminated at the direction of DOC.
- 6.13 The Local Government's obligation to make disbursements to the Company under this CPA is contingent upon the Local Government's receipt under the LGGA of the necessary disbursements from DOC, which are, in turn, contingent on appropriation, allocation and availability of funds for the Grant to DOC.
- 6.14 This CPA constitutes a legally enforceable contract and shall be governed and construed in accordance with the laws of the State of North Carolina. The Parties agree and submit, solely for matters concerning this CPA, to the exclusive jurisdiction of the courts of North Carolina and agree, solely for such purpose, that the only venue for any legal proceedings shall be Wake County, North Carolina. The place of this CPA, and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to its validity, construction, interpretation, and enforcement, shall be determined.
- 6.15 The Parties agree that the State of North Carolina Department of Commerce is a third party beneficiary of this CPA and may, at its option, enforce the terms of this CPA or appear as a party in any litigation concerning it or the Grant.

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- 6.16 The Company and Guarantor shall comply with all applicable federal, state, and local laws and regulations. If the Company or Guarantor fail to comply with any law or regulation applicable to them, the Secretary may, in his sole discretion, terminate the Grant and declare that no future Grant disbursement shall be due and payable and/or require the Company and/or Guarantor to reimburse DOC all or part of any Grant funds previously disbursed following the date of any such violation. The Secretary may determine, in his sole discretion, that where the Company or Guarantor is under investigation for an act involving violation of federal, state, local law or regulation, including an unresolved environmental violation, Grant funds be withheld until such time as a determination of culpability or liability is made, and, if the Company or Guarantor is determined to be in violation, the Grant may be terminated and the Company and/or Guarantor may be required to reimburse the DOC for all or part of any Grant funds previously disbursed. If such investigation is not concluded within two (2) years of the Grant End Date, the DOC may terminate the Grant.
- 6.17 Failure of the Local Government or DOC at any time to require performance of any term or provision of this CPA shall in no manner affect the rights of the Local Government or DOC at a later date to enforce the same or to enforce any future compliance with or performance of any of the terms or provisions hereof. No waiver of the Local Government or DOC of any condition or the breach of any term, provision or representation contained in this CPA, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of that or any other term, provision or representation.
- 6.18 The Company is encouraged to utilize the services of North Carolina small businesses and minority, female, and disabled contractors, to offer positions in connection with the Project to North Carolina residents, and to use the North Carolina state ports when reasonable and commercially practicable.
- 6.19 In addition to any rights and remedies provided to the Local Government and DOC by law, DOC has the right, without prior notice to Company or Guarantor, any such notice being expressly waived by Company and Guarantor to the extent permitted by applicable law, upon the occurrence of any event herein which would result in the Company's obligation to repay some or all of Grant monies disbursed hereunder (including without limitation Section 3, 4 and 5 hereof), to set-off and apply against any amounts due hereunder, any amount owing from DOC or the State to the Company or Guarantor.
- 6.20 **This Grant award shall terminate and be null and void on September 15, 2015 if by that date the Company has not delivered back to the DOC, two originals of this CPA, duly executed by authorized officer of each of the Company and of the Guarantor, and attested in the manner provided below. This Grant is also subject to the requirement that the Local Government deliver to the DOC, one original each of the LGGA and this CPA, duly executed by an authorized official of the Local Government, within sixty (60) calendar days following the date on which the DOC sends the LGGA and CPA to the Local Government, together with a copy of the agreement with the Company governing the local incentives to be provided for the Project.**

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7.0 GUARANTY

- 7.1 The Guarantor represents and warrants, as of the date hereof, and as of the date of any disbursement of Grant funds, that (a) both the Company and Guarantor are duly organized, validly existing and in good standing under the laws of the state of their registration, with power adequate for the carrying out their businesses; (b) the execution, delivery, and performance of this CPA are within the Company's and the Guarantor's power and authority and the Company and Guarantor have duly authorized, executed and delivered this CPA; (c) this CPA is signed by an authorized representative of each of the Company and the Guarantor, and is a legally valid and binding obligation of the Company and the Guarantor, enforceable against them in accordance with its terms, except as may be limited by bankruptcy, insolvency, or similar laws affecting creditors' rights; (d) it has taken or will take all actions reasonably necessary to carry out and give effect to the transactions contemplated by this CPA; (e) all written statements, representations, and warranties made by or on behalf of the Company and the Guarantor to the DOC, the State, and the Local Government in connection with the Grant are true, accurate and complete in all material respects, to its best knowledge and belief, and the Company is eligible for this Grant; (f) the Company and the Guarantor are financially solvent and not subject of any bankruptcy proceedings; and have no interest, and shall not acquire any interest, direct or indirect, which would conflict with the performance of their obligations under this CPA; (g) the Guarantor owns 100% of the membership interests/shares of the Company and will derive substantial benefit from the transactions contemplated by the CPA; and (h) the making and performance of this Guaranty will not violate any provision of or result in the acceleration of any obligation under any instrument or agreement, order, judgment or decree to which the Guarantor is a party or by which it or any of its property is bound. There are no conditions precedent to the effectiveness of this Guaranty that have not been satisfied or waived.
- 7.2 In order to induce the Local Government to enter this CPA, and the Local Government and DOC to enter the LGGA, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Guarantor unconditionally and irrevocably guarantees, as primary obligor and not as surety, the full, prompt, and punctual performance by the Company of all of the Company's obligations, agreements and covenants under and with respect to this CPA. The Guarantor unconditionally guarantees, the prompt payment (and not merely the collection) of all amounts that may now or in the future be owing to the DOC or the State, or the Local Government under this CPA and the LGGA, or any extension or renewal thereof however and whenever made, and shall be liable for any remedies or recoveries (including the cost of attorney fees incurred in enforcing this CPA and the LGGA) available to the DOC or the State, or the Local Government under or with respect to this CPA. The liability of the Guarantor shall be primary, joint and several.
- 7.3 This Guaranty shall operate as a continuing and absolute guaranty and shall remain in full force and effect without regard to, and shall not be affected or impaired by, any amendment of the CPA, any sale or transfer of all or any part of the Guarantor's ownership interest in the Company, any voluntary or involuntary liquidation, dissolution, merger, sale of assets, insolvency, reorganization, bankruptcy or filing for bankruptcy of the Company or the Guarantor or any subsidiary, any rescission of a payment made hereunder, or any extension of time or other

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forbearance, compromise, adjustment, modification or indulgence granted to the Company by the DOC, the State, or the Local Government. The Guaranty shall remain in full force and effect until termination of the CPA; provided, however, that the Guarantor shall not be released from its obligation hereunder so long as there is any claim of DOC or the Local Government against the Company, which claim arises out of, or related to, directly, or indirectly, this CPA, that is not settled or discharged in full.

- 7.4 The DOC and the Local Government may exercise their rights against the Guarantor without first having to take action or exhaust remedies against the Company. The Guarantor expressly waives notice of non-performance, in any respect, by Company of any of its duties and obligations. The Guarantor unconditionally waives any defense available to it, including all suretyship defenses or defenses in the nature thereof; all requirements of notice, demand, presentment or protest in case of any default by the Company, as well as rights of set-off, redemption, and counterclaim which may be alleged to exist in favor of the Company.
- 7.5 This Guaranty shall inure to the benefit of the DOC and the Local Government and their respective successor and assigns, and shall be binding on the Guarantor, and its successors and assigns, and shall not be discharged or affected by the death of any party.

IN WITNESS WHEREOF, the Company, the Guarantor, and the Local Government have executed this Company Performance Agreement effective as of the day and year first written above. This CPA is intended to be under seal for purposes of any statute of limitations.

Approved and Accepted:

(Official Seal)

ATTEST:

_____, Clerk

**Town of Huntersville
(Local Government)**

By: _____

Name: _____

Title: _____

Authorized Official

Date: _____

Signature Pages Follow

*One NC Company Performance Agreement
Nutec Inc. / Town of Huntersville
New Jobs Only; Company+Guarantor
Form 9-1-12*

(Corporate Seal)

Nutec Inc.
(Company)

By: [Signature]
Name: GERARDO MURILLO
Title: CEO
Authorized Corporate Officer

ATTEST:

_____, Secretary

Date: 09/29/15

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

I, Savannah M. Fung, a Notary Public of said State and County, do hereby certify that Gerardo Murillo (the "principal") personally appeared before me this day, and/or (i) I have personal knowledge of the identity of the principal, and/or (ii) I have seen satisfactory evidence of the principal's identity, by current State or Federal identification with the principal's photograph, and such principal acknowledged to me that he or she voluntarily signed the foregoing document for the purpose therein and in the capacity indicated.

[Signature]
Notary Public Signature
Savannah M. Fung
Notary Printed or Typed Name

Witness my hand and official seal or stamp, this 29 day of October, 2015

(Official Seal or Stamp)

My Commission expires on 1/23, 2020

SAVANNAH M. FUNG
NOTARY PUBLIC
MECKLENBURG COUNTY
NORTH CAROLINA
MY COMMISSION EXPIRES 7/23/2020

Signature Page Follows

One NC Company Performance Agreement
Nutec Inc. / Town of Huntersville
New Jobs Only; Company+Guarantor
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Grupo Nutec, S.A. de C.V.
(Guarantor)

(Corporate Seal)

By: [Signature]
Name: Genaro F. Cueva D.
Title: PRESIDENT
Authorized Corporate Officer
Date: 29/SEP/2015

ATTEST:

_____, Secretary

STATE OF North Carolina
COUNTY OF Mecklenburg

I, Savannah M. Fung, a Notary Public of said State and County, do hereby certify that Genaro F. Cueva D. (the "principal") personally appeared before me this day, and/or (i) I have personal knowledge of the identity of the principal, and/or (ii) I have seen satisfactory evidence of the principal's identity, by current State or Federal identification with the principal's photograph, and such principal acknowledged to me that he or she voluntarily signed the foregoing document for the purpose therein and in the capacity indicated.

[Signature]
Notary Public Signature
Savannah M. Fung
Notary Printed or Typed Name

Witness my hand and official seal or stamp, this 29 day of October, 20 15

(Official Seal or Stamp)

My Commission expires on 7/23, 20 20

SAVANNAH M. FUNG
NOTARY PUBLIC
MECKLENBURG COUNTY
NORTH CAROLINA
MY COMMISSION EXPIRES 7/23/2020

One NC Company Performance Agreement
Nutec Inc. / Town of Huntersville
New Jobs Only; Company+Guarantor
Form 9-1-12

EXHIBIT A
TO COMPANY PERFORMANCE AGREEMENT

COMPANY DISBURSEMENT REQUEST AND CERTIFICATION

Project No. 2013-13643

Nutec Inc. (the "**Company**") hereby requests that a disbursement in the amount of _____ [spell out dollar amount]

(\$ _____) be made by the North Carolina Department of Commerce (the "**DOC**") to the Town of Huntersville (the "**Local Government**"), pursuant to that certain Company Performance Agreement between the Company, Grupo Nutec, S.A. de C.V. (the "**Guarantor**"), and the Local Government, dated as of July 9, 2015 (the "**CPA**") and that certain Local Government Grant Agreement between the Local Government and the DOC, dated as of July 9, 2015 (the "**LGGA**," and, together with the CPA, the "**Agreements**"). All capitalized terms not otherwise defined herein have the meaning ascribed to them in the Agreements.

The Company hereby certifies that:

- (i) attached hereto is a true and correct copy of the Company's latest NCUI 101 form (or Multiple Worksite Report Form 3020, if applicable) filed with the State;
- (ii) it has created and retained _____ New Jobs,¹ which are net new positions for the Company's operations in the state, and no New Job (or employee) has been transferred from any existing North Carolina operations of the Company or any of its affiliates;
- (iii) it has obtained all required environmental permits for the Project;
- (iv) it makes available health insurance to all permanent full-time employees at the Facility in the amount required for eligibility for tax credits under the Article 3J (House Bill 2170 § 105-129.83);

¹ This is determined by obtaining the average number of new employees over the quarter reported. The company should add the three figures that represent NEW JOBS ONLY during each of the three months of the quarter reported in the NCUI 101, and divide that number by three. DO NOT INCLUDE PART-TIME, TEMPORARY OR SEASONAL JOBS, OR JOBS THAT EXISTED PRIOR TO THE GRANT AWARD. BE PREPARED TO SUPPORT THIS NUMBER WITH ADDITIONAL DOCUMENTATION, INCLUDING IDENTIFICATION OF INDIVIDUAL FULL-TIME EMPLOYEES AND THEIR WAGES. See Paragraph 6.1 of the CPA for guidance.

- (v) attached hereto is a true and correct copy of the Company's fixed asset report showing a description, acquisition date and cost for each asset acquired, disposed of, or transferred from the date of the Grant;
- (vi) it has made some or all of the Target Investment in the amount of _____;
- (vii) the proceeds of this disbursement shall be used only to offset statutorily qualifying expenses as set out in N.C. Gen. Stat. § 143B-437.71(b) which have already been incurred by the company in the form of _____, and evidence of such expenditures is attached;
- (viii) the average weekly wage of all employees in New Jobs, is \$ _____;²
- (ix) it is in compliance with all of the terms and conditions of the CPA and affirms the representations, warranties and covenants contained therein;
- (x) by not later than February 1 of each year during the Grant Period, and through the February 1 following the date established pursuant to Paragraph 5.0 of the CPA, it shall submit to the DOC an annual report in the form of Exhibit B to the CPA;
- (xi) it understands that if any of the certifications provided herein prove to be false or misleading in any respect, it shall reimburse the DOC in the amount of this disbursement, and the DOC may pursue such other legal action as it deems appropriate;
- (xii) it has received _____ [specify amount] from the Local Government in the form of _____, representing the Local Government's Match required for this disbursement, under the Agreements;
- (xiii) it is not liable for any Overdue Tax Debt, as defined in N.C. Gen. Stat. §105-243.1 (a tax debt that remains unpaid 90 days or more after final assessment notice is sent); and
- (xiv) there is no fact or circumstance or interest about which the Company has knowledge that would conflict in any manner or degree with the performance of its obligations under the CPA.

² This is determined by dividing the gross wages paid during the quarter to employees in New Jobs, by the average number of full-time jobs (see footnote 1) and then converting that number to a per week average, which must equal or exceed the wage standard, if any, set in the CPA.

The Company represents, warrants, and certifies the truth and accuracy of the statements made herein. These certifications shall be deemed to be made a part of the CPA and are incorporated therein, and governed by its terms and conditions.

**Nutec Inc.
(Company)**

By: _____

Print Name: _____

Title: _____

Authorized Corporate Officer

Date: _____

(Corporate Seal)

ATTEST:

_____, Secretary

Signature page follows

Guarantor's Certification

The undersigned Guarantor affirms the Company's representations, warranties, and certifications made in this Company Disbursement Request and Certification. In addition, as to itself, the Guarantor represents, warrants, and certifies that (i) it is in compliance with all of the terms and conditions of the CPA and it affirms the representations, warranties and covenants contained therein, (ii) it is not liable for any Overdue Tax Debt, as defined in N.C. Gen. Stat. §105-243.1 (a tax debt that remains unpaid 90 days or more after final assessment notice is sent); and (iii) there is no fact or circumstance or interest about which the Company has knowledge that would conflict in any manner or degree with the performance of its obligations under the CPA.

Grupo Nutec, S.A. de C.V.
(Guarantor)

By: _____

Print Name: _____

Title: _____

Authorized Corporate Officer

Date: _____

(Corporate Seal)

ATTEST:

_____, Secretary

EXHIBIT B
TO COMPANY PERFORMANCE AGREEMENT

FEBRUARY 1 COMPANY REPORT TO DOC

Project No. 2014-13643

Date of Report: _____

Calendar Year Reported: 20____

Fiscal Year Performance/Disbursement Projection: July 1, 20____ through June 30, 20____ (the
"Upcoming Fiscal Year")

Nutec Inc. (the "Company") hereby submits this report pursuant to that certain Company Performance Agreement between the Company, Grupo Nutec, S.A. de C.V. (the "Guarantor"), and the Local Government dated as of July 9, 2015 (the "CPA") and that certain Local Government Grant Agreement between the Local Government and the DOC, dated as of July 9, 2015 (the "LGGA," and, together with the CPA, the "Agreements"). All capitalized terms not otherwise defined herein have the meaning ascribed to them in the Agreements.

The Company and Guarantor hereby certifies that:

- (i) attached hereto is a true and correct copy of the Company's NCUI 101 for the quarter ending December 31, 20____ [prior year];
- (ii) the Company has created and retained _____ a total of New Jobs,¹ as of December 31, 20____, which are net new positions for the Company's operations in the state, and no New Job (or employee) has been transferred from any existing North Carolina operations of the Company or any of its affiliates;
- (iii) the Company has made some or all of the Target Investment in the amount of _____ Dollars (\$ _____);
- (iv) the average weekly wage of all permanent full-time jobs at the Facility, including the New Jobs, is \$ _____;²

¹ This is determined by obtaining the average number of new employees over the quarter reported. The company should add the three figures that represent NEW JOBS ONLY during each of the three months of the quarter reported in the NCUI 101, and divide that number by three. DO NOT INCLUDE PART-TIME, TEMPORARY OR SEASONAL JOBS, OR JOBS THAT EXISTED PRIOR TO THE GRANT AWARD. BE PREPARED TO SUPPORT THIS NUMBER WITH ADDITIONAL DOCUMENTATION, INCLUDING IDENTIFICATION OF INDIVIDUAL FULL-TIME EMPLOYEES AND THEIR WAGES. Refer to Paragraph 6.1 of the CPA for guidance.

² This is determined by dividing the gross wages paid during the quarter to employees in New Jobs, by the average number of full-time jobs (see footnote 1) and then converting that number to a per week average, which must equal or exceed the wage standard, if any, set in the CPA.

- (v) the Company and Guarantor is in compliance with all of the terms and conditions of the CPA and affirms the representations, warranties and covenants contained therein;
- (vi) as of December 31, ____ it had received _____ Dollars (\$ _____) [*specify amount*] from the Local Government in the form of _____, representing the Local Government's Match, which brings the total Local Government Match the Company has received as of December 31, ____, to _____ Dollars (\$ _____);
- (vii) during the Upcoming Fiscal Year, the Company expects to:
- (a) make some or all of the Target Investment in the amount of _____ Dollars (\$ _____), which, together with prior qualifying Target Investment made, would bring the total Target Investment made to _____ Dollars (\$ _____);
 - (b) create and retain ____ New Jobs (which together with prior New Jobs created, would bring the total New Jobs created and retained, to ____ New Jobs;
 - (c) be in compliance with the CPA;
 - (d) based on the foregoing, be eligible under the CPA, to request a disbursement(s) prior to June 30 of the Upcoming Fiscal Year, in the amount of _____ Dollars (\$ _____).

The Company represents, warrants, and certifies the truth and accuracy of the statements made herein. These certifications shall be deemed to be made a part of the CPA and are incorporated therein, and governed by its terms and conditions.

**Nutec Inc.
(Company)**

By: _____

Print Name: _____

Title: _____

Authorized Corporate Officer

Date: _____

(Corporate Seal)

ATTEST:

_____, Secretary

Signature page follows

Guarantor's Certification

The undersigned Guarantor affirms the Company's representations, warranties, and certifications made in Exhibit B to the Company Performance Agreement, February 1 Report to DOC (the "Report"). In addition, as to itself, the Guarantor represents, warrants, and certifies that (i) it is in compliance with all of the terms and conditions of the CPA and it affirms the representations, warranties and covenants contained therein, (ii) it is not liable for any Overdue Tax Debt, as defined in N.C. Gen. Stat. §105-243.1 (a tax debt that remains unpaid 90 days or more after final assessment notice is sent); and (iii) there is no fact or circumstance or interest about which the Guarantor has knowledge that would conflict in any manner or degree with the performance of the Company's, the Related Member Party's (if applicable), or the Guarantor's obligations under the CPA.

**Grupo Nutec, S.A. de C.V.
(Guarantor)**

By: _____

Print Name: _____

Title: _____

Authorized Corporate Officer

Date: _____

(Corporate Seal)

ATTEST:

_____, Secretary

Exhibit C
Provisions of North Carolina General Statutes Addressing Public Records,
Confidential Information, and Economic Development Projects

§ 132-1. "Public records" defined

(a) "Public record" or "public records" shall mean all documents, papers, letters, maps, books, photographs, films, sound recordings, magnetic or other tapes, electronic data-processing records, artifacts, or other documentary material, regardless of physical form or characteristics, made or received pursuant to law or ordinance in connection with the transaction of public business by any agency of North Carolina government or its subdivisions. Agency of North Carolina government or its subdivisions shall mean and include every public office, public officer or official (State or local, elected or appointed), institution, board, commission, bureau, council, department, authority or other unit of government of the State or of any county, unit, special district or other political subdivision of government.

(b) The public records and public information compiled by the agencies of North Carolina government or its subdivisions are the property of the people. . .

§ 132-1.1. State tax information

(b) **State and Local Tax Information.** – Tax information may not be disclosed except as provided in G.S. 105-259. As used in this subsection, "tax information" has the same meaning as in G.S. 105-259. Local tax records that contain information about a taxpayer's income or receipts may not be disclosed except as provided in G.S. 153A-148.1 and G.S. 160A-208.1.

§ 132-1.2. Confidential information.

Nothing in this Chapter shall be construed to require or authorize a public agency or its subdivision to disclose any information that:

- (1) Meets all of the following conditions:
 - a. Constitutes a "trade secret" as defined in G.S. 66-152(3).
 - b. Is the property of a private "person" as defined in G.S. 66-152(2).
 - c. Is disclosed or furnished to the public agency in connection with the owner's performance of a public contract or in connection with a bid, application, proposal, industrial development project, or in compliance with laws, regulations, rules, or ordinances of the United States, the State, or political subdivisions of the State.
 - d. Is designated or indicated as "confidential" or as a "trade secret" at the time of its initial disclosure to the public agency.

§ 66-152. Definitions (Trade Secrets Protection Act)

As used in this Article, unless the context requires otherwise:

- ...
- (2) "Person" means an individual, corporation, government, governmental subdivision or agency, business trust, estate, trust, partnership, association, joint venture, or any other legal or commercial entity.
 - (3) "Trade secret" means business or technical information, including but not limited to a formula, pattern, program, device, compilation of information, method, technique, or process that:
 - a. Derives independent actual or potential commercial value from not being generally known or readily ascertainable through independent development or reverse engineering by persons who can obtain economic value from its disclosure or use; and
 - b. Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The existence of a trade secret shall not be negated merely because the information comprising the trade secret has also been developed, used, or owned independently by more than one person, or licensed to other persons.

§ 132-1.8. Economic development incentives

(a) **Assumptions and Methodologies.** – Subject to the provisions of this Chapter regarding confidential information and the withholding of public records relating to the proposed expansion or location of specific business or industrial projects when the release of those records would frustrate the purpose for which they were created, whenever a public agency or its subdivision performs a cost-benefit analysis or similar assessment with respect to economic development incentives offered to a specific business or industrial project, the agency or its subdivision must describe in detail the assumptions and methodologies used in completing the analysis or assessment. This description is a public record and is subject to all provisions of this Chapter and other law regarding public records.

(b) **Disclosure of Public Records Requirements.** – Whenever an agency or its subdivision first proposes, negotiates, or accepts an application for economic development incentives with respect to a specific industrial or business project, the agency must disclose

**Provisions of North Carolina General Statutes Addressing Public Records,
Confidential Information, and Economic Development Projects**

that any information obtained by the agency or subdivision is subject to laws regarding disclosure of public records. In addition, the agency or subdivision must fully and accurately describe the instances in which confidential information may be withheld from disclosure, the types of information that qualify as confidential information, and the methods for ensuring that confidential information is not disclosed."

§ 132-6. Inspection and examination of records

(a) Every custodian of public records shall permit any record in the custodian's custody to be inspected and examined at reasonable times and under reasonable supervision by any person, and shall, as promptly as possible, furnish copies thereof upon payment of any fees as may be prescribed by law. . .

(c) No request to inspect, examine, or obtain copies of public records shall be denied on the grounds that confidential information is commingled with the requested nonconfidential information. If it is necessary to separate confidential from nonconfidential information in order to permit the inspection, examination, or copying of the public records, the public agency shall bear the cost of such separation. . .

(d) Notwithstanding the provisions of subsections (a) and (b) of this section, public records relating to the proposed expansion or location of specific business or industrial projects may be withheld so long as their inspection, examination or copying would frustrate the purpose for which such public records were created; provided, however, that nothing herein shall be construed to permit the withholding of public records relating to general economic development policies or activities. Once the State, a local government, or the specific business has announced a commitment by the business to expand or locate a specific project in this State or the business has made a final decision not to do so, of which the State or local government agency involved with the project knows or should know, the provisions of this subsection allowing public records to be withheld by the agency no longer apply. Once the provisions of this subsection no longer apply, the agency shall disclose as soon as practicable, and within 25 business days, public records requested for the announced project that are not otherwise made confidential by law. An announcement that a business or industrial project has committed to expand or locate in the State shall not require disclosure of local government records relating to the project if the business has not selected a specific location within the State for the project.

Once a specific location for the project has been determined, local government records must be disclosed, upon request, in accordance with the provisions of this section. For purposes of this section, "local government records" include records maintained by the State that relate to a local government's efforts to attract the project.

Records relating to the proposed expansion or location of specific business or industrial projects that are in the custody of the Department of Commerce or an entity with which the Department contracts pursuant to G.S. 143B-431A shall be treated as follows:

(1) Unless controlled by another subdivision of this subsection, the records may be withheld if their inspection, examination, or copying would frustrate the purpose for which the records were created.

(2) If no discretionary incentives pursuant to Chapter 143B of the General Statutes are requested for a project and if the specific business decides to expand or locate the project in the State, then the records relating to the project shall not be disclosed.

(3) If the specific business has requested discretionary incentives for a project pursuant to Chapter 143B of the General Statutes and if either the business decides not to expand or locate the project in the State or the project does not receive the discretionary incentives, then the only records relating to the project that may be disclosed are the requests for discretionary incentives pursuant to Chapter 143B of the General Statutes and any information submitted to the Department by the contracted entity.

(4) If the specific business receives a discretionary incentive for a project pursuant to Chapter 143B of the General Statutes and the State or the specific business announces a commitment to expand or locate the project in this State, all records requested for the announced project, not otherwise made confidential by law, shall be disclosed as soon as practicable and within 25 days from the date of announcement."

§ 132-9. Access to records

(b) In an action to compel disclosure of public records which have been withheld pursuant to the provisions of G.S. 132-6 concerning public records relating to the proposed expansion or location of particular businesses and industrial projects, the burden shall be on the custodian withholding the records to show that disclosure would frustrate the purpose of attracting that particular business or industrial project.

§ 143B-43. Department of Commerce – functions

(f) Financial statements submitted to the Department by a private company or an individual seeking assistance from the Department are not public records as defined in G.S. 132-1.

LOCAL GOVERNMENT GRANT AGREEMENT

THE ONE NORTH CAROLINA FUND

Local Government Name: **Town of Huntersville** Grant No. **2014-13643**

Project Name: **Nutec Inc. (with Grupo Nutec, S.A. de C.V. as Guarantor)**

STATE OF NORTH CAROLINA

GRANT AGREEMENT

COUNTY OF WAKE

This Local Government Grant Agreement (the "LGGA") is effective the 29th day of July, 2015 (the "Effective Date") by and between the **Town of Huntersville, North Carolina** (hereinafter referred to as the "Local Government"), and the **North Carolina Department of Commerce** (hereinafter referred to as "DOC");

WITNESSETH:

WHEREAS; the Local Government desires to stimulate and develop the local economy of its region, alleviate the problems of unemployment and underemployment by creating and/or retaining jobs for its citizens, and develop its local tax base; and

WHEREAS; the General Assembly has created the One North Carolina Fund (the "Program") to make funding available within North Carolina "to secure commitments for the recruitment, expansion or retention of new or existing businesses"; and

WHEREAS; the General Assembly has authorized Program funds to be used for installation or purchase of equipment; structural repairs, improvements, or renovations to existing buildings to be used for expansion; construction of or improvements to new or existing water, sewer, gas or electric utility distribution lines or equipment for existing buildings; and construction of or improvements to new or existing water, sewer, gas or electric utility distribution lines or equipment for new or proposed buildings to be used for manufacturing and industrial operations; and

WHEREAS; the Local Government has applied for funds in connection with activity to be undertaken by Nutec Inc. (the "Company"), a business that has competitively chosen to locate or expand operations for the following project (the "Project") in North Carolina:

A location of a manufacturing plant (the "Facility") at which the company will manufacture ceramic fiber in or around 11810 Mt. Holly-Huntersville Road, Town of Huntersville, Mecklenburg County, North Carolina.

WHEREAS; the Local Government has committed to provide matching funds and resources for the Project equal to at least the amount of any funds awarded from the Program (the "**Match**"); and

WHEREAS; the Local Government's application (the "**Local Government Application**") has been approved by DOC for funding, based on the Local Government's commitments, and the commitments made by the Company in its Program application (the "**Company Application**");

WHEREAS, the Company has executed an agreement (the "**Company Performance Agreement**" or "**CPA**") with the Local Government reflecting the Company's commitments to expand, create and/or retain jobs and to take other actions that will support North Carolina's economic development, and the terms on which funds will be made available for such activity from the Program;

NOW THEREFORE, in consideration of the mutual covenants and promises set forth below, the Local Government and DOC hereby agree as follows:

I. DOC COMMITMENTS AND GRANT CONDITIONS

(a) DOC agrees to provide Program fund in the maximum amount of One Hundred Thousand Dollars (\$100,000) for the Project (the "**Grant**"), in accordance with the terms of this LGGA and the CPA.

(b) Grant payments disbursed under this LGGA will be disbursed to the Local Government pursuant to N.C. Gen. Stat. § 143B-437.70 *et seq.*, the terms of the Program Guidelines and Procedures for Commitment of Funds from the One North Carolina Fund, established pursuant to N.C. Gen. Stat. § 143B-437.73 and in effect as of the effective date of this LGGA (the "**Program Guidelines**"), consistent with the terms and schedule established in the CPA.

(c) Grant disbursements are conditioned upon the execution of the CPA between the Local Government and the Company, and any other required parties thereto, in a form acceptable to DOC. In addition to the Company and the Local Government, the following is a required party to the CPA: Grupo Nutec, S.A. de C.V. (the "**Guarantor**").

(d) To receive a Grant disbursement, the Local Government must provide or cause to be provided to DOC a properly executed CPA, proof that the Company has performed its obligations under the CPA, proof that the Local Government has met its obligation to provide the Match, a duly executed completed disbursement request and certification in the form of Exhibit A hereof (the "**Local Government Disbursement Request**"), and a duly executed completed Company's disbursement request and certification in the form of Exhibit A to the CPA (the "**Company Disbursement Request**").

II. LOCAL GOVERNMENT'S COMMITMENTS

(a) The Local Government agrees to perform the Program and to abide by all commitments, terms and representations in the Local Government Application.

(b) The Local Government agrees to provide the Match in a manner consistent with N.C. Gen. Stat. § 143B-437.72(c)(1), the Program Guidelines and Procedures, and the Local Government Application. The Local Government will provide to the DOC a copy of the duly executed agreement between the Local Government (or other local entity) and the Company governing the local incentives that will be provided to the Company for the Project (the "**Local Incentive Agreement**"), at the time the Local Government returns the executed LGGA. The Company will be ineligible for a Grant disbursement until the Local Incentive Agreement is provided to the DOC. The Local Government will report to the DOC the amount of each incentive payment that is provided to the Company under the Local Incentive Agreement, within thirty (30) days of the date on which it is provided, whether or not the CPA remains in effect.

- (c) The Local Government agrees to take all steps reasonably necessary to ensure and to establish to DOC that the required levels of jobs are created and/or retained, the required salary levels are achieved, the required levels of investments are made, statutorily qualifying expenses are incurred, any required environmental permits are obtained, and any other required performance criteria are satisfied, and that no Grant funds are disbursed until the performance criteria in the CPA have been met.
- (d) The Local Government agrees to take whatever steps may be reasonably necessary to ensure and to establish to DOC that Grant funds disbursed by the Local Government are used only for purposes allowed under the statutory authority creating the Program.
- (e) The Local Government agrees to take whatever steps may reasonably be required, after consultation with the Secretary of DOC (the "Secretary") and not inconsistent with the Secretary's authority under the CPA, to recapture all disbursed funds for which the Local Government and DOC have a right to be reimbursed.
- (f) The Local Government acknowledges that DOC has a right to recapture funds under the CPA and that such right does not relieve the Local Government of its own responsibility to recapture funds.
- (g) The Local Government agrees to otherwise reimburse DOC for any funds improperly disbursed, provided, however, that Local Government is under no obligation to reimburse DOC for any improperly disbursed funds that were disbursed with DOC's prior permission.
- (h) The Local Government agrees to keep and maintain books, records, and other documents relating to the receipt and disbursement of the Grant and the fulfillment of this LGGA. The Local Government shall provide any information DOC requests in order to produce reports or compile data required by the General Assembly. If the Local Government fails to keep and maintain books and records necessary for verifying fulfillment of this LGGA, the Secretary may in his discretion declare this LGGA to be in default, withhold payments for or under this LGGA, and/or require reimbursement of all or any portion of Grant funds previously paid. Prior to taking such action, the Secretary will endeavor to communicate with the Local Government and the Company to discuss the circumstances and the actions being contemplated.
- (i) The Local Government agrees to provide any duly authorized representative of DOC or the State of North Carolina at all reasonable times access to and the right to inspect, copy, monitor, and examine all of the books, papers, records, and other documents relating to the Grant for a period of three years following the last payment of Grant funds or for the inspection period specified in the CPA, whichever is longer. To the extent any information or documents gathered pursuant to this section would be regarded as confidential or not subject to disclosure under federal law or the North Carolina General Statutes (to include, without limitation, N.C. Gen. Stat. §§ 132-1 *et seq.*, commonly referred to as the "Public Records Act"), the Local Government shall clearly identify and mark them as such and that information will, to the extent allowed by law, be treated as confidential and not subject to disclosure by DOC and its authorized representatives. If the Local Government fails to provide such access and right of inspection, the Secretary may exercise discretion to declare this LGGA in default, to withhold payments under this LGGA and/or require reimbursement of all or any portion of the Grant paid.
- (j) The Local Government shall comply with all lawful requirements of DOC, all applicable requirements of the General Statutes of the State of North Carolina, and any other applicable laws and/or Executive Orders currently or hereafter in force.
- (k) In the event that the Company or Guarantor fail to fulfill their responsibilities under the Company Application and/or CPA, including their responsibilities to create and/or retain jobs, make investments, and incur statutorily qualifying expenses, the Local Government, after consultation with the Secretary and not inconsistent with the Secretary's authority under the CPA, shall promptly exercise its rights and remedies to require repayment of funds, or to assess such other penalties as may be provided for in the CPA.

(l) In addition, in the event that the Company or Guarantor fail to fulfill their responsibilities under the Company Application and/or CPA, including their responsibilities to create and/or retain jobs, make investments, and incur statutorily qualifying expenses, and the Local Government recaptures funds from the Company or Guarantor, the Local Government shall promptly pay to DOC the Grant amounts which it is able to collect.

(m) By not later than January 31 of each year following a calendar year until the full Match has been disbursed to the Company, the Local Government shall submit to the DOC a report detailing Match payments made during the calendar year just ended, together with a cumulative tally of all Match payments made through the end of that calendar year. In addition, the Local Government shall report all other Local Government financial contributions made for the Project. This is required in order to comply with N.C. Gen. Stat. §143B-437.07. Failure to timely file this report will result in ineligibility for Grant payments.

III. GENERAL PROVISIONS

(a) The parties to this LGGA agree and understand that the payment of all sums specified in this LGGA is dependent and contingent upon and subject to the appropriation, allocation, and availability of funds to DOC for this purpose.

(b) Failure of DOC at any time to require performance of any term or provision of this LGGA shall in no manner affect the rights of DOC at a later date to enforce the same or to enforce any future compliance with or performance of any of the terms or provisions hereof. No waiver of DOC of any condition or the breach of any term, provision or representation contained in this LGGA, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of that or any other term, provision or representation.

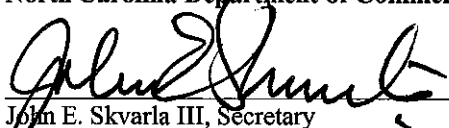
(c) The recitals are an integral part of this LGGA.

(d) This LGGA constitutes a legally enforceable contract and shall be governed and construed in accordance with the laws of the State of North Carolina. The parties agree and submit, solely for matters concerning this LGGA, to the exclusive jurisdiction of the courts of North Carolina and agree, solely for such purpose, that the only venue for any legal proceedings shall be Wake County, North Carolina. The place of this LGGA, and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to its validity, construction, interpretation, and enforcement, shall be determined.

(e) This Grant award shall terminate and be null and void on November 30, 2015 if by that date the Local Government has not delivered back to the DOC, an original of this LGGA and of the CPA, duly executed by an authorized official of the Local Government, and attested in the manner provided below, together with a copy of the Local Incentive Agreement.

Upon execution of this LGGA by DOC and the Local Government in the spaces below, the Local Government hereby accepts the Grant on the terms of this LGGA, effective on the date indicated above, and further certifies that the official signing below has been duly authorized by the Local Government's governing body to execute this LGGA.

Date: 10-1-15

North Carolina Department of Commerce
By: 
John E. Skvarla III, Secretary
North Carolina Department of Commerce

Signature Page Follows

**Town of Huntersville
(Local Government)**

Date: _____

(Official Seal)

By: _____



Name: _____

Title: _____

Authorized Official

Date: _____

ATTEST:

_____, Clerk

**EXHIBIT A
TO LOCAL GOVERNMENT GRANT AGREEMENT**

LOCAL GOVERNMENT DISBURSEMENT REQUEST AND CERTIFICATION

Project No. 2013-13643

Town of Huntersville (the "**Local Government**") hereby requests a disbursement in the amount of _____ [spell out dollar amount] (\$) from the North Carolina Department of Commerce (the "**DOC**"), pursuant to that certain Company Performance Agreement between the Local Government, Nutec Inc. (the "**Company**"), and Grupo Nutec, S.A. de C.V. (the "**Guarantor**"), dated as of July 9, 2015 (the "**CPA**"), and that certain Local Government Grant Agreement between the Local Government and the DOC, dated as of July 9, 2015 (the "**LGGA**," and, together with the CPA, the "**Agreements**"). All capitalized terms not otherwise defined herein have the meaning ascribed to them in the Agreements.

The Local Government hereby certifies to the DOC that it:

- (i) has provided funds and/or resources for the Project pursuant to the Local Government application to the DOC and the terms of the LGGA, in the amount of _____ (\$ _____), an amount that is at least equal to the amount of the disbursements that have been requested under the LGGA;
- (ii) has provided such funds and/or resources in the following form: _____

_____;
- (iii) has attached true and correct copy of documents evidencing its expenditure of the amount specified in (ii) above for the purposes specified above;
- (iv) will submit proof of receipt, deposit, and proper disbursement of the disbursed DOC funds, to the DOC, within thirty (30) days;
- (v) it is in compliance with all of the terms and conditions of the LGGA, and affirms the representations, warranties, and covenants contained therein; and

- (vi) to its best knowledge and belief, the Company's Disbursement Request accompanying this certification is accurate, the Company is eligible to receive funds from the Grant in the amount specified herein, under the terms of the CPA, and the Local Government is not aware of anything that would make the Company ineligible for these funds.

This certification shall be deemed to be made a part of the LGGA and is incorporated therein, and governed by its terms and conditions. Upon execution of this certification, the Local Government accepts its terms, effective on the date indicated above, and further certifies that the official signing below has been duly authorized to execute this certification by the Local Government's governing body, and the agreements and certifications contained herein are legally valid and binding on the Local Government.

**Town of Huntersville
(Local Government)**

Date: _____

By: _____

Name: _____

Title: _____

Authorized Official

(Official Seal)

ATTEST:

_____, Clerk