



Town of Blowing Rock

Board of Commissioners Meeting

Date: Tuesday, September 9, 2025, 6:00 p.m.

Location: 1036 Main Street, Blowing Rock, NC 28605

Agenda

<i>Item</i>	<i>Topic</i>	<i>Presenter and Participants</i>
I.	CALL TO ORDER – ROLL CALL FOR ATTENDANCE	Mayor Charles Sellers
II.	PLEDGE OF ALLEGIANCE	Mayor Charles Sellers
III.	APPROVAL OF MINUTES – By Roll Call 1. August 12, 2025 – Regular Meeting and Closed Session Minutes REGULAR AGENDA ADOPTION	Mayor & Council Town Clerk Hilari Hubner Mayor & Council
IV.	CONSENT AGENDA: 1. Budget Amendment – 2025-17 2. Fireworks Permit – Blowing Rock Country Club 3. Daughters of the American Revolution Proclamation for Constitution Week	Mayor & Council
V.	PUBLIC COMMENTS <i>Comments shall be limited to three (3) minutes</i>	
VI.	SPECIAL PRESENTATION 1. BRAHM – Hurricane Helene	Stephen Dragisic
VII.	PUBLIC HEARING: 1. Debt Approval - \$2.25 Million	Manager Fox
VIII.	REGULAR AGENDA: 1. Art in the Park – Five Year Renewal Request	Parks and Recreation Director Jennifer Brown

IX.	OFFICIALS REPORTS & COMMENTS: 1. Mayor 2. Council Members 3. Town Attorney 4. Town Manager	
X.	CLOSED SESSION – NCGS 143-318.11. (a)(5) Discussion of potential property acquisition	
XI.	ADJOURNMENT/RECESS...Mayor Charles Sellers entertains a motion and second to adjourn or recess the meeting.	

DRAFT
MINUTES
Town of Blowing Rock
Town Council Meeting
August 12, 2025

The Town of Blowing Rock Town Council met for their regular monthly meeting on Tuesday, August 12, 2025, at 6:00 p.m. The meeting took place at Town Hall located at 1036 Main Street, Blowing Rock, NC. Present were Mayor Charlie Sellers, Mayor Pro-Tem Doug Matheson, Council Members Cat Perry, David Harwood, Melissa Pickett and Pete Gherini. Others in attendance were Town Manager Shane Fox, Town Attorney Joey Petrack, Town Engineer Jared Wright, Planning Director Kevin Rothrock, Police Chief Nathan Kirk, IT Director Thomas Steele, Landscape Director Cory Cathcart and Town Clerk Hilari Hubner, who recorded the minutes.

CALL TO ORDER

Mayor Sellers called the meeting to order at 6:00 p.m. and welcomed everyone. Mayor Sellers verified attendance via roll call.

THE PLEDGE OF ALLEGIANCE

MINUTE APPROVAL

Council Member Gherini made the motion to approve the minutes from July 8, 2025, regular session and closed session, seconded by Council Member Harwood.

Council Member Perry stated she had one small change to the minutes and she had already given that change to Town Clerk Hilari Hubner. With that change the minutes were unanimously approved.

REGULAR AGENDA ADOPTION

Mayor Pro-Tem Matheson made a motion to adopt the regular agenda, seconded by Council Member Pickett. Unanimously approved.

CONSENT AGENDA

- 1. Budget Amendment - #2025-16**
- 2. Middle Fork Greenway – Easement**

Council Member Perry made a motion to approve the consent agenda as presented, seconded by Council Member Pickett. Unanimously approved.

Mayor Sellers stated before moving on to speakers from the floor, he wanted the public to know he had done a fair amount of research and with legal advice he explained the process. On February 13, 2025 Shoppes on the Parkway held a neighborhood meeting to go over their plans. February 20, 2025 Planning Board heard the Shoppes on the Parkway proposal. On March 11, 2025 the public hearing was held during the regular

scheduled Council meeting. He further stated Council cannot allow the public to speak during this meeting due to the public hearing previously held and he was told the public hearing cannot be re-opened for that reason. Mayor Sellers noted Shoppes on the Parkway has come back with minor revisions to the plans as requested by some of the public and Town Council requested at the March meeting when the vote was to table the project. He further noted tabling the motion essentially leaves it “out there” and if the applicant so chooses to come back to the table with small revisions they can do so. Mayor Sellers stated Council has options; they can approve, approve with revisions, table again or deny the project completely. He further stated it was very important for everyone to be at the meeting, to hear what actually happens and acknowledged all of Council has received lots of feedback over the last week or so and they all appreciated hearing from the public.

SPEAKERS FROM THE FLOOR

Gigi Poole – 147 Dogwood Lane spoke about the Town of Blowing Rock Academy expressing her concerns the Academy was costing Blowing Rock taxpayers too much money. Ms. Poole feels this is a lack of stewardship to the taxpayers.

Dana Petrie – 261 Shady Lane encouraged the citizens to not feed the deer in Town to help with the over population of deer. She mentioned it's not only harmful to them but also encouraging them to come into town and damage people's property. Ms. Petrie asked Council to consider an ordinance to prohibit feeding deer in the town limits.

Melissa Tausche – 1741 Sunset Drive spoke about development in general, short-term rentals and lack of affordable housing and the Town contemplating subsidized workforce housing in the future. Ms. Tausche encouraged Council to look at what other towns are doing, such as requiring developers to build a certain percentage of affordable housing when building new developments.

Mark Siljander – 140 Snow Shoe Lane stated he's lived here nine (9) years and thinks the Town is doing a great job downtown and it's a beautiful community. He urged Council to keep in mind when making decisions about new developments the town is currently saturated with various short-term rentals and how adding more could have a negative impact on this community.

SPECIAL RECOGNITION

Town Clerk Hilari Hubner administered the oath of office to three (3) newly hired police officers; Mitch Edward Rattler, Micah Douglas Mast and Daniel Cody Autrey.

Mayor Sellers addressed the audience and stated that part of being a business owner is you have to spend money to make money. You have to provide benefits to your employees, and he noted the childcare which has been brought up a few times has enabled the Town to be fully staffed. He further noted we are the only community in the High Country fully staffed. Five (5) of the police officers have children at the childcare facility and without that facility they would be in Hickory, Lenoir, Boone etc. He asked everyone to keep in mind, especially those who have run businesses, you have to spend money to make money and

Council must look after our citizens because “you are our customers” and the way we do that is with good personnel and the town has the top personnel.

REGULAR AGENDA

1. Shoppes on the Parkway

Planning Director Kevin Rothrock stated Shoppes on the Parkway, LLC is requesting a conditional rezoning of the Shoppes on the Parkway property at 278 Shoppes on the Parkway Road from GB, General Business to Conditional Zoning – General Business (CZ-GB). The Applicant is requesting to redevelop the property from a single-level retail center to a mixed-use development with retail, restaurants, and residential units. In March 2025 the Applicant submitted plans seeking approval of Phase One (1) consisting of an additional thirty-four (34) dwelling units in a three (3) to four (4) story building on the south end of the property along the Middle Fork New River. The Applicant also shared the Master Plan for future long-term expectations but anything beyond Phase One (1) would require additional approval.

The public hearing was held at the March 11, 2025 Town Council meeting. After reviewing the conditional zoning application and project plans, hearing from the applicant, and taking public comment, Council closed the public hearing and tabled the decision requesting more information and some modifications to the Phase One (1) condominium building.

In response to requests by Town Council, the Applicant divided the condominium building into three (3) buildings, reduced the number of units from thirty-four (34) to twenty-seven (27), and modified the architectural elevations and building materials.

The Applicant also has provided a revised Master Plan with more details on the future phases of the project including renderings showing the mixed unit buildings in single-story, 2-story, and 3-story structures.

Additionally, the Applicant has provided a response to information requested by Council after the public hearing.

The highest point of the roof on the buildings has been reduced from fifty-three (53) feet to 51’7” on building number two (2) and from fifty-three (53) feet to 47’1” on buildings one (1) and three (3).

The current parking lot will be adjusted to accommodate the proposed residential buildings once the end of the retail building is removed. Parking for the residential buildings will be separated from the rest of the retail center with buffering.

As a requested condition of approval, the Applicant proposes one (1) parking space for every one (1) bedroom unit, and two (2) parking spaces for every two (2) or three (3) plus bedroom units plus one (1) space for every four (4) units in the residential building.

There are twenty-seven (27) units in the proposed condo buildings requiring sixty-one (61)

spaces as proposed by the Applicant. The site plan indicates sixty-one (61) spaces including three (3) that are ADA-accessible.

The proposed impervious areas are being reduced with Phase One (1) and the overall build out of the project. The Applicant is proposing rain gardens and bio swales to treat storm water and provide water quality benefits.

Public water and sewer currently serves the property but the Applicant will need to relocate some of the lines and related right-of-way to accommodate the proposed building location.

All electrical services will be provided underground.

A new dumpster area will be provided and screened in the redesigned parking lot between the proposed residential building and the retail building. All other dumpsters on the property currently without screening with the required to add screening that meets the Land Use Code requirements.

With the removal of the south end units of the current retail building, the parking lot in front of the proposed residential building will be reorganized. There are additional parking lot shade trees and a line of buffer to separate the residential building from the retail building.

There is a gap on the southern edge of the property adjacent to the Chetola maintenance area where a buffer screening needs to be added. This buffer will be required on the final plan review.

The stream side of the buildings has an existing vegetated stream buffer that will remain and help to screen the proposed building from Hwy 321.

With approval of the project, staff has included a section in the rezoning ordinance that addresses the correction of any site deficiencies. These may include lack of dumpster screening, inadequate or excessive site lighting, signage violations, fire access, and/or ADA parking or access issues. Any site deficiencies shall be itemized by the Town prior to issuance of any zoning or building permit, and correction is required before issuance of a Certificate of Occupancy for Phase One (1).

Applicant's proposed conditions:

1. Parking: One (1) space for one (1) bedroom units, two (2) spaces for each unit with two (2) more bedrooms, and visitor spaces to remain at one (1) space per four (4) dwelling units.
2. That the maximum building height of any condo buildings in Phase One (1) be no more than fifty-two (52) feet measured from the finished grade at the primary entrance.

Staff's proposed conditions:

1. If within two (2) years after the issuance of the final Certificate of Occupancy for the Phase One (1) condominium building the Applicant decides not to proceed with future phases of the development, then exterior modifications shall be completed on the remaining shopping center buildings. The modifications shall include painting, roofing, bark and wood siding treatments, rock treatments, timber beams and similar finishes that cause the shopping center buildings to blend and/or match the materials in the Phase One (1) condominium. If the modification work is required for failure to move forward with future phases, the work shall be completed within thirty-six (36) months of the final C.O. issuance for the Phase One (1) condominium.
2. A sidewalk shall be constructed along the access road to connect the proposed Phase One (1) condominiums to the intersection of HWY 321 (Valley Blvd) and the future Middle Fork Greenway trail head area.

Any future phases will need to address the parking demand of the entire built-out development, including Phase One (1).

A neighborhood meeting was held at Town Hall on February 13, 2025 where the Applicant shared their immediate and future phased plans for the property.

At their meeting on February 20, 2025, the Planning Board made a recommendation to approve the conditional rezoning request for Shoppes on the Parkway with the applicant-proposed conditions, additional staff conditions, and one (1) Planning Board condition.

Council Member Gherini stated he had received a lot of questions wanting to know what the “big picture” looks like. He acknowledged some things can’t be talked about, but wanted to know if some thought could be given to make local residents comfortable with what the entire project looks like.

Ms. Chelsea Garrett, Attorney for the applicant, asked if that question could be addressed once Council questions regarding re-design have been answered. She explained the purpose of this meeting is for Council to approve the concept of phase one (1) only and nothing else will be built until after it comes before Council again for approval. She further explained the only thing being asked for is taking the commercial shopping center and turning it into a mixed use development and that is the conditional rezoning being requested. Ms. Garrett noted the applicant did want people to be comfortable with the project and a huge amount of effort has been put into the project trying to make people comfortable with it. She noted the applicant is not in a position to nor are they willing to hear comments about every material used as that is not the public’s role. That is the Planning Department’s role.

Mayor Sellers stated his question from the March meeting was why this group didn’t come to Council with a Master Plan.

Council Member Harwood asked Ms. Garrett if they had a presentation and if so he felt it would be a better order to have them give their presentation and then Council could ask questions after as he felt that would be a better order.

Ms. Garrett stated they did and that is what she was trying to suggest, as what Mr. Rothrock gave was just a summary of the project and not a presentation. She felt once the presentation is given it may answer a lot of the questions.

Ms. Garrett introduced the team; applicants Jay Harrell and Chris Barefoot with Oak Hill Management, Mike Trew with Municipal Engineering, Bill Dixon and Kelly Coffey with Appalachian Architecture.

Mr. Bill Dixon gave a brief overview of the Council requested changes to the design. Three (3) main changes were made; one (1) large four hundred (400) foot building to three (3) buildings not to exceed ninety-six (96) feet in length, eliminated the exterior hallways to make the buildings look less like a hotel, and reduced the density and eliminated stucco.

Ms. Garrett explained the concept of the developers is to create a village with shops, restaurants, green space to enjoy with opportunities for music, special events, etc. to be enjoyed by locals and visitors and with options for people to live or rent. She asked what the issue was with not showing the entire plan and reminded Council that if phase one (1) were to be approved, nothing additional could be built without Council review and approval.

Mayor Sellers wanted to ask a question with regards to the project.

Council Member Harwood reminded him the point of order is the presiding officer cannot participate in debate and if he wanted to participate in debate he would need to relinquish the chair role.

Mayor Sellers responded he could ask questions.

Council Member Harwood reiterated Mayor Sellers could not participate in debate.

Mayor Sellers deferred to the Town Attorney Joey Petrack.

Mr. Petrack concurred with Council Member Harwood's point and reviewed the Town Code Section 2-8 (C).

Ms. Garrett noted if Mayor Sellers would like, he could text or email his questions to someone who could ask them for him.

Council Member Gherini mentioned this is an election year and with three (3) Council Members up for re-election he felt it was really going to "ramp up" with the public wanting to know exactly what is going on.

Ms. Garrett reiterated she felt there was a fundamental mistake of what is in front of Council and what can actually be done with this project. She explained again the only current request is putting three (3) residential units where the former Polo Outlet was and if the developer wants to do anything more down the road they have to come back before Planning Board and then Council for approval.

Ms. Garrett noted if anyone votes for a Council Member up for re-election based on not knowing what is going to happen with Shoppes on the Parkway then it's a grave misunderstanding of reality. She further noted if people want to know what happens in the future with Shoppes on the Parkway, regardless of who is on Council, the developer will come back with a proposal for the remainder of the project at that time.

Ms. Garrett asked if anyone who has authority over what the Town Ordinance says would like to disagree with her statement about what is or isn't allowed to be approved tonight would speak to that.

Council Member Harwood asked if there was more to the presentation.

Ms. Garrett advised there was not more, but anything else Council would like to ask to please do so and the team would address those questions.

Mayor Pro-Tem Matheson asked if there was a plan for a connector road behind Shoppes connecting to Chetola.

Ms. Garrett stated the developer has no plan for that at this time.

Council Member Harwood stated he too had received a lot of questions for future plans and appreciated Ms. Garrett making that distinction about what Council is looking at tonight and what may or may not come before the Council at a future meeting. He concurred Ms. Garrett was correct in stating that anything future for consideration would have full authority to be regulated by Council. He asked Mr. Rothrock to elaborate on the difference between a Conditional Rezoning vs a Special Use Permit and the rights a applicant has under a Special Use Permit vs a Conditional Rezoning.

Mr. Rothrock explained currently the property is governed by a Special Use Permit approved back in the late 80's, and the Shoppes were constructed and completed during that time. In the late 90's the front parcel was changed to amend that Special Use Permit and the former Liz Claborn (now Doc's Rocks) and Dollar Mart (now Speedway gas station) were added. He further explained to do this project, they could amend the Special Use Permit and if they meet the standards, present that to Planning Board and Council, the process would be sworn testimony, no ex-parte communication and a very restrictive process for Council, Planning Board and the public. He stated the only ones allowed to speak in a situation like that are the ones who have standing. He explained this process is more open to the public, it's legislative as a conditional rezoning request and the whole property is being considered. The applicant is asking to re-zone the whole seventeen (17) acres with its own zoning district, with its own special conditions and only doing phase one

(1) at this time, the three (3) residential buildings.

Mr. Rothrock further explained to give an idea of their future master plan ideas, the developer submitted to Council a copy of those plans at the March meeting and have responded back with more detail on how those future plans may play out. He stated that is for informational purposes only and not a part of what is being voted on during this meeting, only the three (3) residential buildings are up for vote. He further stated if the developer builds the three (3) and feels it is successful and want to come back before Council, it would have to go to Planning Board for recommendation and then onto Council with plans for approval of the entire next phase of the project.

Council Member Harwood asked if the size of phase one (1) was still the same size as the previous proposal presented at the March meeting.

Mr. Mike Trew stated it was the same size as before and what they had done since the buildings are smaller was to create more green space.

Council Member Harwood further asked about the variance height request of two (2) feet and if that was for all three (3) buildings.

Ms. Garrett explained it's only the middle building and it's due to the roof line to make it look better.

Mayor Pro-Tem Matheson asked if the applicant would be willing to go back to the sixty-four (64) required parking spaces.

Ms. Garrett stated the applicant felt fairly confident they could meet the requirements with the sixty-one (61) spaces, but if they could find the room to add the extra three (3) spaces to make it sixty-four (64) the applicant would be willing to do so.

Council Member Gherini asked if the applicant had done revenue projections and what the Town could expect in the first phase and then if the project were to move on to another phase.

The applicants advised that is something they can work on.

Council Member Perry asked what the thought was behind wanting to do condos instead of resurfacing what is already there.

Ms. Garrett stated the vision was to have part residential, part mix-use as well as some separate buildings. She further stated the obvious is it is currently an operating shopping center with businesses and restaurants and the developers don't want to shut those down completely to redevelop as that wouldn't be in the best interest for anyone. She noted this shopping center the way it's laid out doesn't allow for building structures above what is currently there, so it will have to be a teardown and rebuild approach to accomplish the plan vs what is there already.

Council Member Harwood asked what the vesting period on phase one (1) would be.

Mr. Rothrock stated automatically it's two (2) years by General Statute, but the applicant can request up to five (5) years with a site-specific plan.

Council Member Harwood asked Mr. Rothrock if he could elaborate on the "sunset date" for phase two (2) and updating on subsequent phases of the center.

Mr. Rothrock noted the condition added by staff; if within two (2) years after the issuance of the final Certificate of Occupancy for the Phase One (1) condominium building the Applicant decides not to proceed with future phases of the development, then exterior modifications shall be completed on the remaining shopping center buildings. The modifications shall include painting, roofing, bark and wood siding treatments, rock treatments, timber beams and similar finishes that cause the shopping center buildings to blend and/or match the materials in the Phase One (1) condominium. If the modification work is required for failure to move forward with future phases, the work shall be completed within thirty-six (36) months of the final C.O. issuance for the Phase One (1) condominium.

Council Member Harwood made a motion to accept the proposal for approval as presented, seconded by Council Member Pickett.

Mayor Pro-Tem Matheson clarified the motion included staff's recommended conditions as well as Planning Boards.

Council Member Harwood stated that was correct.

Council Member Pickett asked about the motion including the three (3) additional parking spaces.

Council Member Harwood amended his motion to include three (3) additional parking spaces to make a total of sixty-four (64) parking spaces.

Council Member Perry stated she was encouraged, when Council tabled the project back in March they gave the developer a very long list of things they would like to see and felt Council was very thoughtful about that list for phase one (1). She acknowledged the applicant met all those things on the list and she has been encouraged by the applicant's willingness to work with Council. She further acknowledged she like many others are concerned with the number of short-term rentals, hotel rooms etc. and she knows these problems are complicated and require a lot of thought. In her opinion Shoppes on the Parkway is changing and not what it once was, so improvement needs to be made as it's a highly visible area as you come into town. She noted previously living in an area that had mixed use she saw it really thrive and was a place for people to enjoy the retail, restaurants and green space. She further noted she was very adamant about more green space and less density and that is what she sees in this proposal. She felt this could perhaps be another focal area and take some of the pressure off the downtown area. She

concluded that change is hard, difficult and sometimes painful, but she has been encouraged by what she has seen be done to meet what Council requested of the applicant.

With no further comments the motion stood with the addition of three (3) additional parking spaces.

Town Attorney Joey Petreck mentioned the board needed to confirm the applicant agreed on that additional condition.

The applicants agreed they were in favor of the addition and would add three (3) parking spaces.

Mayor Pro-Tem Matheson and Council Members, Perry, Harwood and Pickett were in favor of the motion. Council Member Gherini was not in favor of the motion. Motion passed.

2. Food Truck Discussion – Possible Public Hearing Date

Planning Director Kevin Rothrock explained food truck operators are considered itinerant merchants and the Land Use Ordinance and Town Code address them differently.

- The Land Use Code used to allow itinerant merchants for the sale of produce on vacant lots along Valley Blvd, a change was made to the Land Use Code to remove itinerant merchants as a permissible use.
- Chapter 8 of the Town Code does not allow itinerant merchants in Central Business unless part of a charity event (School, Non-profit or Church-related) or a charity organization (Boy Scouts selling hot dogs) at special events (Art in the Park, or Farmers Market).
- If food trucks are going to be permitted perhaps there should be different types of approvals for each situation. For example, if allowed through a public special event such as Art in the Park or Trout Derby, the food trucks would be approved by Council through a special event application. If the event is private such as a wedding or party, then the food truck could be permitted on the private property sponsoring the private event.

Mr. Rothrock stated if Council would like to consider a draft ordinance that would need to be sent to Planning Board for recommendation. He noted Food Trucks are tentatively scheduled for discussion on the August Planning Board agenda.

Mayor Pro-Tem Matheson noted he brought this topic up because he has heard from a lot of people, especially ones with families who have a hard time eating locally due to the long wait times. He would like this to be considered for discussion to allow during peak months and perhaps certain days of the week.

Council Member Gherini agreed with Mayor Pro-Tem Matheson and felt people would feel an hour to two hour wait time is too long and start going to other areas such as Boone, Banner Elk or West Jefferson. He felt Council needed to figure this out while there is a deficit of restaurants here in town.

Council Member Harwood disagreed that there was a deficit of restaurants in town and stated he has seen no proof of that. He further stated he has talked to various restaurants in town the last two (2) weeks and none of them have had a wait time over one (1) hour in years and it's not a lack of restaurants. He further stated if anything it's a lack of servers as they cannot keep tables open because of that, and noted that would then fall into another discussion about workforce housing. His question is what is wrong with the current policy, acknowledging he understands the others opinions, but feels it creates an unfair competition for restaurants and restaurant owners who have invested in the community. He explained the restaurant owners pay taxes and sales tax here in Blowing Rock, where a Food Truck vendor's sales tax goes somewhere else. He didn't think a Food Truck was Blowing Rock's brand nor was it part of the long term vision. He hears from people wanting to keep the town quaint and charming and doesn't think a Food Truck is quaint or charming. He acknowledged he appreciated the comments, but he hasn't seen evidence of a restaurant shortage and noted there are seventeen (17) establishments in the downtown area alone.

Mayor Pro-Tem Matheson personally felt the town was not filling the void for families. He stated he has tried to go out on the weekend before and has been told it will be over an hour wait. He reiterated it was brought to him and he said he would bring it before Council for discussion.

Council Member Perry asked if it were to be sent to Planning Board what could Council expect of them.

Mr. Rothrock explained Planning Board would study it and look at similar towns to see how they address the issue and what might fit here moving forward. He further noted Planning Board may agree with Council Member Harwood and say nothing needs to be changed.

Council Member Perry felt there needs to be some data gathered since some feel there is an issue and some don't see an issue.

Mr. Rothrock stated Planning Board can dig into this a little further and come up with some data to give a better understanding for Council.

Council Member Pickett stated she felt the data needed to be scientific and not public opinion.

Council would like staff to work with the Chamber to collect real data and compare with similar municipalities and once it's been received staff will share with Council.

3. 2025 Equipment Installment Financing Bid

Town Manager Shane Fox reviewed as part of the 2025-2026 approved annual budget, the Town Council approved staff to proceed with soliciting bids for a Capital Loan to purchase vehicles and equipment requested and submitted within the annual budget. Those items for purchase total \$709,000 and included the following:

- Finance Software
- Police Vehicle
- Chipper Truck
- Dump Truck
- Snow Plows (2)
- Gator
- Mini Truck
- Backhoe
- Leak Detection System
- Water Valve

The Town publicly advertised and solicited bids on July 15th with all bids due by August 5th. The Town received a total of seven (7) qualified bids, with a low bid received from First National Bank with terms of four (4) years at 3.45% interest.

Staff's recommendation is Council approval of the low bid received from First National Bank for a term of four (4) years at 3.45%.

Mayor Pro-Tem Matheson made a motion to approve the bid from First National Bank for a 3.45% rate for four (4) years, seconded by Council Member Harwood. Unanimously approved.

OFFICIAL REPORTS & COMMENTS

- Mayor Sellers – Extended his thoughts and prayers to the Jenkins/Rogers family with the recent passing of Kim Rogers.
- Council Member Perry - None
- Council Member Harwood – Extended his condolences to the Jenkins/Rogers family as well.
- Council Member Pickett – None
- Mayor Pro-Tem Matheson – The High Country Council of Government Annual Banquet is October 10th, Congrats to the Police Department for their pinning ceremony tonight – he was glad to see that.
- Council Member Gherini – The Economic Development Committee meeting is on August 21st at 1:00 pm at Appalachian State's Beaver Nursing School – speaker will be the hospital President Nathan Nipper.
- Town Attorney Joey Petrack – None
- Town Manager Shane Fox – Gave an update on Main Street Paving, Maple Street and Green Street, Memorial Park, Valley View Rd from Helene damage and the Town Audit process is underway.

EXECUTIVE SESSION

At 8:05 p.m. Council Member Perry made a motion to go into closed session pursuant to NCGS 143-318.11.(a)(5) – discussion of potential property acquisition, seconded by Council Member Gherini. Unanimously approved.

ADJOURNMENT

At 9:00 p.m. Council returned to open session. With no further action, Council Member Perry made a motion to adjourn, seconded by Council Member Gherini. Unanimously approved.

MAYOR _____
Charlie Sellers, Mayor

ATTEST _____
Hilari Hubner, Town Clerk

Attachments

Budget Amendment #2025-16 – Attachment A

Middle Fork Greenway Easement – Attachment B

Shoppes on the Parkway – Attachment C

2025 Equipment Installment Financing Bid – Attachment D



Town of Blowing Rock

1036 Main Street ★ Post Office Box 47 ★ Blowing Rock, North Carolina 28605

To: Mr. Shane Fox, Mayor Sellers, and Members of Town Council
From: Tasha Brown, Finance Officer
Subject: Budget Amendment Ordinance to Account for Various Items
(Ordinance #2025-17)
Date: September 9, 2025

Enclosed please find a Budget Amendment Ordinance for the fiscal year 2025-2026 for your consideration.

Section 1 (General Fund) allocates funding as follows:

- Allocates fund balance (\$60,000) towards the cost for the first year (\$16,000) of the three-year contract with T2 Systems for parking enforcement software and equipment as well as the cost for (2) part-time parking enforcement positions (\$44,000). This allocation has been directed towards Materials/Supplies – Police, Part-Time Parking Enforcement – Police, and FICA expense - Police.

Please let me know if you need further details on the proposed amendment.

Be it ordained by the Town Council of the Town of Blowing Rock, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2026:

Section 1. To amend the General Fund, the appropriations are to be changed as follows:

<u>Acct. No.</u>		<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-10-4310-033	Materials/Supplies	\$ 36,000	\$ -	\$ 16,000	\$ 52,000
10-10-4310-204	Part-Time Parking Enforcement	\$ -	\$ -	\$ 40,900	\$ 40,900
10-10-4310-005	FICA	\$ 104,786	\$ -	\$ 3,100	\$ 107,886
		\$ -	\$ -	\$ -	\$ -
			<u>\$ -</u>	<u>\$ 60,000</u>	

This will result in a net increase of \$60,000 in the appropriations of the General Fund. As a result, the following revenue will be increased.

<u>Acct. No.</u>		<u>Current Appropriation</u>	<u>Decrease</u>	<u>Increase</u>	<u>Proposed Appropriation</u>
10-00-3400-399	Fund Balance Appropriated	\$ -	\$ -	\$ 60,000	\$ 60,000
			<u>\$ -</u>	<u>\$ 60,000</u>	

Copies of this budget amendment shall be furnished to the Clerk to the Town Council and to the Finance Officer for their implementation.

Adopted this 9th day of September 2025.

Attested by:

Charles Sellers, Mayor

Hilari Hubner, Town Clerk

T2 Systems, Inc. - Confidential Quotation
a Verra Mobility Company
8900 Keystone Xing, Suite 700
Indianapolis, IN 46240-4697



For: Town of Blowing Rock - NC
Quote ID: Q-52008
Date Issued: 5/27/2025
Expires: 8/25/2025

Bill To:
Town of Blowing Rock - NC
Blowing Rock, North Carolina
United States

Prepared By:
Nate Wagner

Prepared For:
Nathan Kirk

Ship To:
Town of Blowing Rock, NC
432 The Rock Road
Blowing Rock, NC 28605
United States

Nathan Kirk
(828) 295-5210
nkirk@townofblowingrocknc.gov
EIN: 000000000

Subscriptions

Product Name	Product Code	Quantity	Sales Price	Total
UPsafety Hardware Care Program		6.00	USD 1,260.00	USD 2,520.00
Year 1	100.5006	2.00	USD 420.00	USD 840.00
Year 2	100.5006	2.00	USD 420.00	USD 840.00
Year 3	100.5006	2.00	USD 420.00	USD 840.00
UPsafety/Flex Verizon LTE Data Plan		6.00	USD 1,260.00	USD 2,520.00
Year 1	100.5003	2.00	USD 420.00	USD 840.00
@ \$35 per handheld per month/\$420 per handheld per year - billed annually				
Year 2	100.5003	2.00	USD 420.00	USD 840.00
Year 3	100.5003	2.00	USD 420.00	USD 840.00
UPsafety Subscription Service - PE Mobile License(s)		6.00	USD 8,079.12	USD 16,158.24
Year 1	100.5000	2.00	USD 2,693.04	USD 5,386.08
\$224.42 per handheld per month/\$2,693.04 per handheld per year - billed annually				
Year 2	100.5000	2.00	USD 2,693.04	USD 5,386.08
Year 3	100.5000	2.00	USD 2,693.04	USD 5,386.08
UPsafety Automated Delinquent Notices – \$1.00 per Automated Notification		0.00	USD 3.00	USD 0.00
Year 1	100.5017	0.00	USD 1.00	USD 0.00
@ \$1 per notification mailed - billed monthly based on actual use				
Year 2	100.5017	0.00	USD 1.00	USD 0.00

Year 3	100.5017	0.00	USD 1.00	USD 0.00
UPsafety Automated Lookups		0.00	USD 7.50	USD 0.00
Year 1	100.5016	0.00	USD 2.50	USD 0.00
Out of State Registered Owner Lookups @ \$2.50 per successful lookup - billed monthly based on actual use				
Year 2	100.5016	0.00	USD 2.50	USD 0.00
Year 3	100.5016	0.00	USD 2.50	USD 0.00
UPsafety Automated Lookups		0.00	USD 3.00	USD 0.00
Year 1	100.5016	0.00	USD 1.00	USD 0.00
In State Registered Owner Lookups @ cost				
Year 2	100.5016	0.00	USD 1.00	USD 0.00
Year 3	100.5016	0.00	USD 1.00	USD 0.00
TOTAL:				USD 21,198.24

Services

Product Code	Product Name	Quantity	Sales Price	Total
100.5014	UPsafety Client Cloud Setup & Customization	1.00	USD 1,875.00	USD 1,875.00
100.5029	UPsafety Personalized Webinar Training	1.00	USD 895.00	USD 895.00
TOTAL:				USD 2,770.00

Hardware

Product Code	Product Name	Quantity	Sales Price	Total
105.0806	XF Print S23 Ultra Enforcement Kit	2.00	USD 2,795.00	USD 5,590.00
663.1000	UPsafety Paper 3in Plain Polyvinyl Thermal, 200 3.2 Appleton, 80mm- Hgp-3 (50 rolls)	1.00	USD 169.00	USD 169.00
TOTAL:				USD 5,759.00

Other

Product Code	Product Name	Quantity	Sales Price	Total
***	Comment	1.00	USD 0.00	USD 0.00
'Shipping and taxes will be calculated and added to invoicing				
This purchase will be made by Sourcewell Account ID#105689 Town of Blowing Rock, NC on the T2 Systems Sourcewell Agreement #080321-TSI.				
TOTAL:				USD 0.00

Year 1 Total: USD 15,595.08
Year 2 Total: USD 7,066.08
Year 3 Total: USD 7,066.08

Net Total: USD 29,727.24

Tax Amount: USD 728.94
Tax Comments: N/A

Total: USD 30,456.18

Additional Information:

Freight Term:

Payment Terms:

IRIS Profile:

End User: Town of Blowing Rock - NC

GP Customer Number:

Billing Terms

Additional fees for variable cost services utilized.

Hardware, including subcontractor hardware, and shipping invoiced per Agreement.

Subscriptions are invoiced upon receiving access to licensed product.

Professional Services invoiced on Project Go-Live.

Travel invoiced as incurred.

Tax rate, if applicable, will be finalized for calculation at time of invoicing.

Invoices paid via credit card will incur a 2.5% convenience fee.

Purchase orders can be forwarded to purchaseorders@t2systems.com

Quote is developed in conjunction with Statement of Work, if applicable. If any billing term language conflicts occur, Standard Billing Terms section of Statement of Work document takes precedence.

Quoted pricing is based on current applicable tariffs, import/export duties, surcharges, taxes or similar fees ("Tariffs"). In the event any governmental authority enacts or imposes new or additional Tariffs that increases the cost of goods, materials, and/or services provided for under this Quote, T2 reserves the right to adjust the pricing on this Quote to reflect increased costs.

Quote Number: Q-52008

Customer

Signature

Print Name

Title

Date

PO #

Consent Agenda - Staff Report

To: Mayor Charlie Sellers and the Blowing Rock Town Council

From: Shane Fox, Town Manager

Subject: Blowing Rock Country Club Wedding Fireworks

Date: September 9, 2025

Information:

Please find enclosed the application and required documents for the Blowing Rock Country Club to host fireworks for a wedding to be held on Saturday October 4, 2025, no later than **9:30**. The Town Council has been given the authority to approve the time and location of the fireworks by the Watauga County and Caldwell County Board of Commissioners within the Town Limits of Blowing Rock.

Fireworks Display applications and inspections must adhere to the 2018 NC Fire Prevention Code Chapter 56, Section 5608, National Fire Protection Association NFPA 1123, NFPA 1124, N.C.G.S 14-410, N.C.G.S. 58 Article 82A and 11 NCAC 05D for approval.

Steps for Firework Approval and Process for Permitting/Inspection:

1. REQUIRED DOCUMENTS FOR PERMIT APPLICATION SUBMITTED TO FIRE MARSHALL:

- Date/Time of Fireworks Display
- Sponsor & Location
- Lead Operator
- Copy of Operators License Issued by NC OSFM
- Copy of ATF License

- Certificate of Insurance
- Shot List/Size of Product
- Mapped Site Display
- Contingency Plan and
Emergency
Contact Numbers
- Ignition System

2. **Permit Application reviewed by Fire Marshall and submitted to Town Council**
 - a. placed on agenda for Town Council approval for location and time -
- Fire Marshall approves all other inspections

FIRE MARSHALL:

3. FIREWORKS DELIVERY TO DISPLAY SITE:

- a. Lead Operator required to notify Fire Marshal upon arrival to display site

4. FIREWORKS DISPLAY SITE STORAGE INSPECTION:

- Verify fireworks are not left unattended once on-site
- Verify fireworks remain protected from the weather and kept dry
- Shell inspection - damaged, leaking, wet or torn shells shall not be used
- Verify shells are separated according to size and their designation
- Verify ready boxes used for storage of fireworks to be located 25' from mortars
- Smoking and open flames are prohibited within 50' where fireworks or pyrotechnic materials are present -Verify "NO SMOKING OR NO FLAME" signs are conspicuously posted around the shooting and storage site

5. FIREWORKS DISPLAY SITE INSPECTION:

- Verify minimum required radius of display site shall be 70' per inch of internal mortar diameter of the largest aerial shell to be fired (3" shell X 70' = 210' radius)
- Verify discharge site arranged so that the trajectory of aerial shells shall not be within 25' of overhead objects or obstructions
- Mortars to be installed and positioned so that shells are propelled away from spectators and over the fallout area
- Verify mortars and racks are constructed of approved materials, of sufficient strength and durable enough to allow shells to be propelled to safe deflagration heights.
- Verify shells are the correct size and properly fit in mortars and all large shells are pre-loaded
- Verify all mortars, mortar racks, preloaded box items, cakes and ground displays
- are secure and stable
- Verify fire extinguishers and water cans have been maintained and properly charged

6. FIREWORKS DISPLAY SITE PERSONNEL INSPECTION:

- Verify Operators license issued by NCOSFM is valid and not expired
- Verify only authorized personnel are allowed at the shooting site
- Verify operators and assistants are wearing proper PPE
- Verify operators and assistants are not under the influence of drugs or alcohol

7. POST DISPLAY SITE INSPECTION:

- Verify ignition sources (fusees or torches) are extinguished
- If electrical firing panels are utilized verify firing panels are disconnected
- After 15 minutes a search of the display site and fallout area should be conducted for unexploded shells
- Verify unexploded shells are handled and properly secured
- Verify a second search for unexploded shells was conducted at first light
- Lead Operator required to submit a report of unexploded shells found/not found during the search of the display site and fallout area



SKYWORKS PYRO

Skyworks Pyro
195 Rodgers Ridge Rd
Newland, NC 28657
Ph. 828-260-2619
events@skyworkspyro.com

Today's Date: 8/25/2025

Attention: Matt McGuire

Re: application for fireworks permit

Please find the attached documents listed below in support of our request for a permit for an outdoor fireworks display.

- Shot list
- Certificate of insurance
- Mapped Site display
- Copy of operator license
- Contingency plan
- Copy of ATF license
- Emergency contact numbers

Date/time of show: Saturday, 10/4/2025, time TBD

Lead Operator: Tim Howell, ph. 828-964-1792

Sponsor & location: Wedding @ Blowing Rock Country Club, 200 Country Club Dr, Blowing Rock, NC

Ignition system: hand-fired

Size of product: 1.3g

Please let me know if further information is needed.

Thank you,

Eric Wright

Eric Wright, President
Skyworks Pyro



SKYWORKS PYRO

Skyworks Pyro
195 Rodgers Ridge Rd
Newland, NC 28657
Ph. 828-260-2619
events@skyworkspyro.com

Shot List

Location:

Blowing Rock Country Club
200 Country Club Dr.
Blowing Rock, NC 28605

Date: ~~10/11/2025~~ 10-4-25

Shots to be fired:

<u>Number of shots</u>	<u>description of shot</u>
168	2.5" inch shells
144	3" inch shells
1	1000 gram cakes



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/30/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Ryder Rosacker McCue & Huston (MGD by Hull & Company)
509 W Koenig St
Grand Island NE 68801

CONTACT NAME: Kristy Wolfe**PHONE**
(A/C, No, Ext): 308-382-2330**FAX**
(A/C, No): 308-382-7109**E-MAIL ADDRESS:** kwolfe@ryderinsurance.com**INSURER(S) AFFORDING COVERAGE****NAIC #****INSURER A:** SCOTTSDALE INS CO

41297

INSURER B:**INSURER C:****INSURER D:****INSURER E:****INSURER F:**

INSURED
JECO Pyrotechnics Inc
195 Rogers Ridge Rd
Newland NC 28657

COVERAGES**CERTIFICATE NUMBER:** 1347396618**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR YVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			CPS4078576	10/25/2024	10/25/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Regarding the General Liability coverage, Waiver of Subrogation applies to the entities listed below per attached form CG 24 04 when required by written agreement.

Regarding the General Liability coverage, Blanket Additional Insured applies to the entities listed below per attached form GLS-150s when required by written agreement.

Regarding the General Liability coverage, Primary and Non-Contributory coverage applies to the entities listed below per attached form CG 20 01 when required by written agreement.

Additional Insured: Blowing Rock Country Club; Town of Blowing Rock; Caldwell County, NC

Dates of displays: 7/5/2025 & 10/4/2025

Location: 200 Country Club Dr. Blowing Rock, NC

CERTIFICATE HOLDER**CANCELLATION**

Blowing Rock Country Club
200 Country Club Dr.
Blowing Rock NC 28605

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



NC Pyrotechnic Safety

Welcome to your Home Page - Timothy Scott Howell

call # 828 964 1792

- Home
- Profile
- Applications
- Uploaded Files

Current Licenses for Timothy Scott Howell

Here are your current active licenses.

A 'Click to Renew' link is visible during renewal period. Follow the link to renew each license.

Lic. No.	Lic. Type	Lic. Level	Lic. Status	Issued	Renewed	Expiration
3581	1.4G Pyrotechnic	Assistant	Not Renewed	02/15/2018	-	02/28/2021
4264	1.3G Pyrotechnic	Operator	Valid	04/11/2025	-	04/30/2028

New Application

App. Type/Level

▼ Go

Actions

View CE Transcript Go





SKYWORKS PYRO

CONTINGENCY PLAN

1.3g & 1.4g Outdoor Pyrotechnic Display

In the instance of a catastrophe or malfunction during the firing of an outdoor fireworks display.

- 1) Immediately cease firing of all fireworks.
- 2) Ensure all pyrotechnic materials which have been ignited are doused with water and extinguished.
- 3) Assemble the full pyrotechnic crew in the previously designated area, and ensure the safety of all pyrotechnicians on site.
- 4) Ensure the safety of all spectators viewing the show.
- 5) Immediately contact and remain in continuous contact with the fire department and emergency management on site.
- 6) Contact the show sponsor to discuss the situation and verify the safety of all involved.
- 7) Once all of the above issues have been addressed, if safe to do so, continue discharge of the show.
- 8) If unsafe to continue, remove all live materials from the site and attend to immediate concerns.

Updated 01/04/2024

Federal Explosives License/Permit
(18 U.S.C. Chapter 40)

U.S. GOVERNMENT PRINTING OFFICE: 2011-10-15

In accordance with the provisions of Title XI, Organized Crime Control Act of 1970, and the regulations issued thereunder (27 CFR Part 555), you may engage in the activity specified in this license or permit within the limitations of Chapter 40, Title 18, United States Code and the regulations issued thereunder, until the expiration date shown. **THIS LICENSE IS NOT TRANSFERABLE UNDER 27 CFR 555.53.** See "WARNINGS" and "NOTICES" on reverse.

Direct ATF Correspondence To	ATF - Chief, FELC 244 Needy Road Martinsburg, WV 25405-9431	License/Permit Number	1-NC-011-54-6B-01040
Chief, Federal Explosives Licensing Center (FELC)	<i>Mama Howard</i>	Expiration Date	February 1, 2026
Name DBA: SKYWORKS PYRO			

Premises Address (Changes? Notify the FELC at least 10 days before the move.)

**195 RODGERS RIDGE RD
NEWLAND, NC 28657-**

Type of License or Permit

54-USER OF EXPLOSIVES

Purchasing Certification Statement

The licensee or permittee named above shall use a copy of this license or permit to assist a transferor of explosives to verify the identity and the licensed status of the licensee or permittee as provided by 27 CFR Part 555. The signature on each copy must be an original signature. A faxed, scanned or e-mailed copy of the license or permit with a signature intended to be an original signature is acceptable. The signature must be that of the Federal Explosives Licensee (FEL) or a responsible person of the FEL. I certify that this is a true copy of a license or permit issued to the licensee or permittee named above to engage in the business or operations specified above under "Type of License or Permit."

Mailing Address (Changes? Notify the FELC of any changes.)

**JECO PYROTECHNICS LLC
DBA: SKYWORKS PYRO
195 RODGERS RIDGE RD
NEWLAND, NC 28657-**

<i>Eric Wright</i>	<i>President</i>
Licensee/Permittee Responsible Person Signature	Position/Title
<i>Eric Wright</i>	<i>1-13-24</i>
Printed Name	Date

Previous Edition is Obsolete

JECO PYROTECHNICS LLC 195 RODGERS RIDGE RD 28657-1 NC 011-54-6B-011040/rev 1, 2015-54-USER OF EXPLOSIVES

ATF Form 5400 14/5400 15 Part I
Revised September 2011

Federal Explosives License (FEL) Customer Service Information

Federal Explosives Licensing Center (FELC)
244 Needy Road
Martinsburg, WV 25405-9431

Toll-free Telephone Number: (877) 283-3352
Fax Number: (304) 616-4401
E-mail: FELC@atf.gov

ATF Homepage: www.atf.gov

Change of Address (27 CFR 555.54(a)(1)). Licensees or permittees may during the term of their current license or permit remove their business or operations to a new location at which they intend regularly to carry on such business or operations. The licensee or permittee is required to give notification of the new location of the business or operations not less than 10 days prior to such removal with the Chief, Federal Explosives Licensing Center. The license or permit will be valid for the remainder of the term of the original license or permit. (The Chief, FELC, shall, if the licensee or permittee is not qualified, refer the request for amended license or permit to the Director of Industry Operations for denial in accordance with § 555.54.)

Right of Succession (27 CFR 555.59). (a) Certain persons other than the licensee or permittee may secure the right to carry on the same explosive materials business or operations at the same address shown on, and for the remainder of the term of, a current license or permit. Such persons are: (1) The surviving spouse or child, or executor, administrator, or other legal representative of a deceased licensee or permittee; and (2) A receiver or trustee in bankruptcy, or an assignee for benefit of creditors. (b) In order to secure the right provided by this section, the person or persons continuing the business or operations shall furnish the license or permit for that business or operations for endorsement of such succession to the Chief, FELC, within 30 days from the date on which the successor begins to carry on the business or operations.

(Continued on reverse side)

Cut Here ✂

Federal Explosives License/Permit (FEL) Information Card	
License/Permit Name: JECO PYROTECHNICS LLC	
Business Name:	DBA: SKYWORKS PYRO
License/Permit Number:	1-NC-011-54-6B-01040
License/Permit Type:	54-USER OF EXPLOSIVES
Expiration:	February 1, 2026
Please Note: Not Valid for the Sale or Other Disposition of Explosives.	

WARNINGS

1. As provided in Title XI of the Organized Crime Control Act of 1970 (U.S.C. § 842(i)), it is unlawful for any person who (1) is under indictment for, or has been convicted in any court of, a crime punishable by imprisonment for a term exceeding 1 year, (2) is a fugitive from justice, (3) is an unlawful user of, or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)), (4) has been adjudicated as a mental defective or has been committed to a mental institution, to ship, transport, or receive any explosive materials in interstate or foreign commerce, (5) is an alien, other than an alien who is lawfully admitted for permanent residence (as that term is defined in section 101(a)(20) of the Immigration and Naturalization Act), or meets any other exception under section 842(i)(5), (6) has been discharged from the armed forces under dishonorable conditions, or (7) having been a citizen of the United States, has renounced the citizenship of that person.
2. Federal Regulation 27 CFR 555.53 - Licensees and permits issued under this part are not transferable to another person. In the event of the lease, sale, or other transfer of the business or operations covered by the license or permit, the successor must obtain the license or permit required by this part before commencing business or operations.
3. Alteration or Changes to the License or Permit. Alterations or changes in the original license or permit or in duplications thereof violates 18 U.S.C. 1001, an offense punishable by imprisonment for not more than 5 years and/or a fine of not more than \$250,000.

NOTICES

1. Any change in trade name or control of this business or operations MUST be reported within 30 days of the change to the Chief, Federal Explosives Licensing Center (FELC), 244 Needy Road, Martinsburg, WV 25405-9431. (27 CFR 555.56-555.57). A licensee or permittee who reports a Change of Control must, upon expiration of the license or permit, file an ATF Form 5400.13/5400.16.
2. Under § 555.46, Renewal of License/Permit, if a licensee or permittee intends to continue the business or operations described on a license or permit issued under this part during any portion of the ensuing year, the licensee or permittee shall, unless otherwise notified in writing by the Chief, FELC, execute and file with ATF prior to the expiration of the license or permit an application for a license or permit renewal, ATF Form 5400.14/5400.15 Part III, in accordance with the instructions on the form, and the required fee. In the event the licensee or permittee does not timely file an ATF Form 5400.14/5400.15 Part III, the licensee or permittee must file an ATF Form 5400.13/5400.16 as required by § 555.45, and obtain the required license or permit before continuing business or operations. A renewal application will automatically be mailed by ATF to the "mailing address" on the license or permit approximately 60 days prior to the expiration date of the license or permit. If the application is not received 30 days prior to the expiration date, the licensee or permittee should contact the FELC.
Note: The user-limited permits are not renewable.

3. This license or permit is conditional upon compliance by you with the Clean Water Act (33 U.S.C. § 1341(a)).
4. THIS LICENSE OR PERMIT MUST BE POSTED AND KEPT AVAILABLE FOR INSPECTION (27 CFR 555.101).

ATF Form 5400.14/5400.15 Part I
Revised October 2011

Federal Explosives License (FEL) Customer Service Information (Continued from front)

Discontinuance of Business (27 CFR 555.61)(27 CFR 555.128). Where an explosives materials business or operations is succeeded by a new licensee or permittee, the records prescribed by this subpart shall appropriately reflect such facts and shall be delivered to the successor, or may be, within 30 days following business discontinuance, delivered to the ATF Out-of-Business Records Center, 244 Needy Road, Martinsburg, WV 25405, or to any ATF office in the division in which the business was located. Where discontinuance of the business is absolute, the records shall be delivered within 30 days following the business discontinuance to the ATF Out-of-Business Records Center, 244 Needy Road, Martinsburg, WV 25405, or to any ATF office in the division in which the business was located.

Explosive materials must be stored in conformance with requirements set forth in 27 CFR, Part 55. It is unlawful for any person to store any explosive materials in a manner not in conformity with these regulations.

**TO REPORT LOST OR STOLEN EXPLOSIVES, YOU MUST IMMEDIATELY NOTIFY ATF:
CALL TOLL FREE - (888) ATF-BOMB**

> Cut Here

Federal Explosives Licensing Center (FELC) Toll-free number: (877) 283-3352
244 Needy Road Fax number: (304) 616-4401
Martinsburg, WV 25405-9431 E-mail: FELC@atf.gov

ATF Hotline Numbers

Arson Hotline: 1-888-ATF-FIRE (1-888-283-3473)
Bomb Hotline: 1-888-ATF-BOMB (1-888-283-2662)
Report Illegal Firearms Activity: 1-800-ATF-GUNS (1-800-283-4867)
Firearms Theft Hotline: 1-888-930-9275
Report Stolen, Hijacked or Seized Cigarettes: 1-800-659-6242
Other Criminal Activity: 1-888-ATF-TIPS (1-888-283-8477)



SKYWORKS
PYRO

Emergency Contact and Response Form
1.3g & 1.4g fireworks

JECO Pyrotechnics LLC, DBA Skyworks Pyro
195 Rodgers Ridge Rd
Newland, NC 28657
Ph. 828-260-2619

Infotrac: 1-800-535-5053
Emergency response
(contract # 113891)

1st point of contact: Eric Wright, president/operator; Cell # 828-260-2619

2nd point of contact: Cody Greene, vice president/operator; Cell # 828-387-1473

3rd point of contact: Beth Wright, secretary/operator, cell # 828-260-4929

4th point of contact: Shane Cantrell, lead operator, cell # 828-467-9024

Last updated 1/01/2024

PROCLAMATION FOR CONSTITUTION WEEK

WHEREAS: The Constitution of the United States of America, the guardian of our liberties, embodies the principles of limited government in a Republic dedicated to rule by the law; and

WHEREAS: September 17, 2025 marks the two hundred and thirty-eighth anniversary of the framing of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS: It is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary, and to the patriotic celebrations which will commemorate it; and

WHEREAS: Public Law 915 guarantees the issuing of the proclamation each by the President of the United States of America designating September 17 through 23 as Constitution Week,

NOW, THEREFORE I, _____ by virtue of the authority vested in me as Mayor of the town of Blowing Rock, North Carolina do hereby proclaim the week of September 17th-23rd as **CONSTITUTION WEEK**, and ask our citizens to reaffirm the idea the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through the guardian of our liberties

IN WITNESS WHEREOF, I hereunto set my hand and caused the Seal of the Town of Blowing Rock to be affixed this _____ day of _____ of the year of our Lord two thousand

MAYOR

SEAL attest _____

Regular Agenda - Staff Report

To: Mayor Charlie Sellers and the Blowing Rock Town Council

From: Shane Fox, Town Manager

Subject: \$2.25 Installment Loan

Date: September 9, 2025

Information:

At the July 8, 2025 Town Council meeting the Town Council voted unanimously to move forward with the solicitation of bids for an installment loan for \$2.25M. The installment loan proceeds are to be used to reimburse the Town for the purchase of two parcels of land for future public safety and infrastructure needs, along with the third and final phase of the Memorial Park projects, and lastly to replace the roof of Fire Station #1. Collateral for the \$2.25 million loan will be the recently debt-free Fire Station #1.

The Town publicly advertised and solicited bids on July 15th with all bids due by August 5th. We received a total of 6 qualified bids, with a low bid received from JP Morgan Chase with terms of 10 years at 3.55% interest.

Recommendation:

Staff recommend the Town Council approves the low bid received from JP Morgan Chase for a term of 10 years at 3.55% interest.

Attachments:

1. Resolution Approving Financing – Action Item
2. Installment Financing Agreement
3. Financing Calendar
4. LGC Application
5. Bank RFP
6. Bid Tabulation

TOWN COUNCIL OF TOWN OF BLOWING ROCK, NORTH CAROLINA

Excerpt of Minutes of Meeting of
September 9, 2025

A regular meeting of the Town Council of the Town of Blowing Rock, North Carolina, was held in Town Hall, 1036 Main Street, Blowing Rock, North Carolina, on September 9, 2025.

Present: _____

Absent: _____

* * * * *

* * * * *

Town Manager Shane Fox introduced the following resolution, a copy of which had been provided to each Councilmember and which was read by its title:

**RESOLUTION APPROVING INSTALLMENT FINANCING
AGREEMENT TO FINANCE COSTS OF IMPROVEMENTS TO TOWN
WATER, PARK AND EMERGENCY SERVICES FACILITIES,
APPROVING CERTAIN OTHER DOCUMENTS AND ACTIONS
RELATING THERETO AND AUTHORIZING CERTAIN ACTIONS IN
CONNECTION THEREWITH.**

WHEREAS, the Town Council (**the “Town Council”**) of the Town of Blowing Rock, North Carolina (**the “Town”**) has determined to finance capital costs of a project described as the design, acquisition, renovation, construction, and equipping of (1) land for the Town water system uses, (2) public park facilities, and (3) roof repairs and other improvements to the Town’s fire and rescue services building (**the “Project”**) by entering into the Financing Agreement (as defined below); and

WHEREAS, certain payment obligations of the Town under the Financing Agreement will be secured by the Deed of Trust (as defined below) to encumber the Encumbered Property (as defined below) constituting a portion of the Project; and

WHEREAS, the Town Council has determined that it is in the best interests of the Town to enter into an installment financing agreement under the authority granted to the Town in

Section 160A-20 of the General Statutes of North Carolina to make available to the Town funds with which to finance the costs of capital improvements of the Project and pay for certain costs of delivery of the Financing Agreement (as defined below); and

WHEREAS, there have been presented at this meeting (1) a draft of an Installment Financing Agreement (**the “Financing Agreement”**), between the Town and JPMorgan Chase Bank, N.A. (**the “Lender”**) under which Financing Agreement the Lender will make available to the Town funds with which to finance costs of the Project and (2) a draft of a Deed of Trust (**the “Deed of Trust”** and, together with the Financing Agreement, the **“Documents”**) from the Town to a Deed of Trust trustee for the benefit of the Lender by which the Town would secure its obligations to the Lender.

WHEREAS, only a portion of the Project, specifically the Town’s fire and rescue services building (**the “Encumbered Property”**), will be subject to such Deed of Trust.

NOW, THEREFORE, BE IT RESOLVED by the Town Council as follows:

Section 1. The Town hereby determines to finance the Project through the Lender in accordance with the Lender’s proposal dated August 5, 2025 (**the “Lender Proposal”**). The amount financed shall not exceed \$2,250,000. The annual interest rate (in the absence of late payment, default or change in tax status) shall not exceed 3.55% and the financing term shall not exceed 10 years from closing. The outstanding principal component of the Amount Advanced (as defined in the Financing Agreement) shall not be subject to optional redemption. The Financing Agreement proceeds shall be applied as provided in the Financing Agreement.

Section 2. The forms, terms and provisions of the Documents, consistent with the provisions of this resolution, are hereby approved in all respects. The Mayor, the Town Manager, the Finance Officer of the Town, the Town Clerk and the Town Attorney, and their designees, are hereby authorized and directed to execute, deliver and record, as appropriate, the Documents in substantially the forms presented, together with such additions, changes, modifications and deletions as they may deem necessary or appropriate, and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Town Council of the Town.

Section 3. The Town’s payments of Installment Payments under the Financing Agreement shall be subject to annual appropriation of funds by the Town Council. The Town shall not be obligated to make any payments under the Financing Agreement beyond those for

which funds have been appropriated in the Town Council's sole discretion during the Town's then-current fiscal year. The Financing Agreement shall not constitute a pledge of the Town's full faith and credit. Neither the Town's full faith and credit nor its taxing power is pledged directly, indirectly or contingently to secure any moneys due under the Financing Agreement.

Section 4. The Town Manager and Town Finance Officer are hereby authorized and directed, together or separately, to hold executed copies of the Documents, and any other documents authorized or permitted by this resolution, in escrow on the Town's behalf until the conditions for the delivery of the Documents have been completed to such officer's satisfaction, and thereupon to release the executed copies of such documents for delivery to the appropriate persons or organizations. Without limiting the generality of the foregoing, this authorization and direction is hereby specifically extended to authorize such officers to approve changes to any documents (including the Documents) or closing certifications previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such certificates from the expressed in the forms of such certificates as executed by such officers. Such officer's authorization of the release of any such document for deliver shall constitute conclusive evidence of such officer's approval of any such changes.

Section 5. The Town Council on behalf of the Town designates its obligations to make Installment Payments under the Financing Agreement as "qualified tax-exempt obligations" for the purpose of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (**the "Code"**), in the amount of \$2,250,000. The Town does not reasonably anticipate (nor do any of its subordinate entities reasonably anticipate) issuing more than \$10,000,000 in tax exempt obligations during calendar year 2025 and the Town (and any of its subordinate entities) will not designate more than \$10,000,000 of qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code during such calendar year.

Section 6. The Town's officers and employees, the firm of Eggers, Eggers, Eggers, & Eggers, PLLC (**"Town Attorney"**), Sands Anderson PC as bond counsel to the Town (**"Bond Counsel"**) and First Tryon Advisors as financial advisor to the Town (**"Financial Advisor"**) are hereby authorized and directed to deliver all agreements, certificates, undertakings and instruments and to take all such further action as they may consider necessary or desirable in connection with the execution, delivery and recording, as appropriate, of the Documents and the consummation of the transactions contemplated thereby, including delivering a certificate setting forth the expected use and investments of the proceeds to be derived from the execution and delivery of the Financing Agreement and to make any elections such officers deem desirable regarding any provision requiring rebate of earnings to the United States, for purposes of complying with the Code. The Town shall not take or omit to take any action the taking or omission of which will cause its obligations to pay Installment Payments (**the "Obligations"**) to be "arbitrage bonds" within the meaning of Code Section 148 or otherwise cause interest components of Installment Payments to be includable in the gross income for Federal income tax purposes of the registered owners of the Obligations.

Section 7. The Town covenants that it will not take or permit, or omit to take or cause to be taken, any action that would adversely affect the exclusion from gross income of the recipient thereof for federal income tax purposes of the interest components of the Installment

Payments. The Town acknowledges that the continued exclusion of the interest components of the Installment Payments from the Lender's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Code and covenants that it will comply with all the requirements of Section 148 of the Code, including the rebate requirements.

Section 8. The Town Council, on behalf of the Town, intends for the Financing Agreement to be treated as complying with the provisions of Section 148(f)(4)(D) of the Code and Section 1.148-8 of the U.S. Treasury Regulations thereunder, which provides an exception from such rebate requirements, since the Financing Agreement (1) is issued by the Town which is a governmental unit with general taxing powers, (2) none of the Obligations under the Financing Agreement is a private activity bond, (3) 95% or more of the net proceeds of the Financing Agreement are to be used for local governmental activities of the Town, and (4) the aggregate face amount of all tax-exempt bonds and obligations (other than private activity bonds) issued by the Town during the calendar year 2025 (and bonds issued by any subordinate entity of the Town) is not reasonably expected to exceed \$5,000,000.

Section 9. The Town Council hereby approves, ratifies and confirms the actions of the Town Manager, the Finance Officer of the Town, the Town Attorney, Bond Counsel, the Financial Advisor, and any other Town officers and representative in furtherance of and consistent with the purpose of this Resolution.

Section 10. The Town Council finds that the Project is essential to the efficient operation of the Town's water system, public parks, and fire and emergency services operations, and the Town Council anticipates that the Project will continue to be essential to these operations during the term of the Financing Agreement.

Section 11. The officers, employees, representatives and agents of the Town are authorized and directed (without limitation except as may be expressly set forth herein) to take such other actions and to execute and deliver any other documents, certificates, undertakings, agreements or the instruments as they may deem necessary or appropriate to effectuate the transactions contemplated by the documents approved hereby, including the appropriate recording of the Deed of Trust.

Section 12. This resolution shall take effect immediately upon its passage.

Upon motion duly made, the foregoing resolution was passed by the following vote:

Ayes: Councilmembers _____

Noes: _____

* * * * *

I, Hilari Hubner, Town Clerk for the Town of Blowing Rock, North Carolina, **DO**
HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of the
governing Town Council of the Town of Blowing Rock at a regular meeting held on September
9, 2025 as relates in anyway to the passage of the resolution described therein and that said
proceedings are recorded in the minutes of said Council. A quorum was present and acting
throughout such meeting.

I further certify that due notice of such meeting was provided as required by North
Carolina General Statutes Section 143-318.12.

WITNESS my signature and the seal of the Town of Blowing Rock, North Carolina, this ____
day of September, 2025.

[SEAL]

Hilari Hubner
Town Clerk
Town of Blowing Rock, North Carolina

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act.

Finance Director
Town of Blowing Rock, North Carolina

INSTALLMENT FINANCING AGREEMENT

THIS INSTALLMENT FINANCING AGREEMENT (this “Agreement”) is dated as of September 1, 2025, by and between the **TOWN OF BLOWING ROCK, NORTH CAROLINA**, a municipal corporation of the State of North Carolina (the “Town”) and **JPMORGAN CHASE BANK, N.A. (together with its successors and assigns, the “Lender”)**.

RECITALS:

The Town has the power, pursuant to Section 160A-20 of the North Carolina General Statutes, to enter into installment contracts to finance the construction of fixtures or improvements on real property by contracts that create in all or some portion of the property upon which the fixtures or improvements are located, or in both, a security interest to secure repayment of the moneys advanced or made available for such construction.

The Town desires to finance capital costs of the design, acquisition, construction, improvement and equipping of the Project (as defined herein) and costs related to the execution and delivery of this Agreement and related financing documents.

The Town holds title to the Site (as defined herein), including the existing Town fire and rescue services building thereon, on which Site a portion of the Project will be developed and improved.

This Agreement provides for the Lender to advance not more than \$2,250,000 to the Town to finance the acquisition and construction of the Project on and for the Site and provides for securing the Town’s obligations under this Agreement by a Deed of Trust creating certain security interests in favor of the Lender.

The obligation of the Town to make Installment Payments (as hereinafter defined) and other payments required under Article III hereof shall constitute a limited obligation payable solely from currently budgeted appropriations of the Town and shall not constitute a pledge of the faith and credit of the Town within the meaning of any constitutional debt limitation or as otherwise prohibited by the North Carolina Constitution.

No deficiency judgment may be rendered against the Town in any action for breach of a contractual obligation under this Agreement, and the taxing power of the Town is not and may not be pledged in any way, directly or indirectly or contingently, to secure any moneys due under this Agreement.

The Lender and the Town have each duly authorized the execution and delivery of this Agreement.

NOW THEREFORE, the parties hereto, in consideration of the foregoing, agree as follows:

ARTICLE I

DEFINITIONS; INTERPRETATION

Unless the context clearly requires otherwise, capitalized terms used in this Agreement and not otherwise defined shall have the following meanings:

“Additional Payments” means any of the Lender’s reasonable and customary fees and expenses related to the transactions contemplated by this Agreement, any of the Lender’s expenses (including reasonable attorneys’ fees) in prosecuting or defending any action or proceeding in connection with this Agreement, any required license or permit fees, state and local sales and use or ownership taxes or property taxes which the Lender is required to pay as a result of this Agreement, inspection and reinspection fees, and any other amounts payable by the Town (or paid by the Lender on the Town’s behalf) as a result of its covenants under this Agreement (together with interest that may accrue on any of the above if the Town shall fail to pay the same, as set forth in this Agreement).

“Amount Advanced” has the meaning assigned in Section 2.02(a).

“Bond Counsel Opinion” means a written opinion (in form and substance acceptable to the Lender) of an attorney or firm of attorneys acceptable to the Lender.

“Budget Officer” means the Town officer from time to time charged with preparing the Town’s draft budget as initially submitted to the Governing Body for its consideration.

“Business Day” means any day on which banks in the State are not by law authorized or required to remain closed.

“Closing Date” means the date on which this Agreement is first executed and delivered by the parties.

“Code” means the Internal Revenue Code of 1986, as amended, including regulations, rulings and revenue procedures promulgated thereunder. Regulations to any specific Code provision shall be deemed to include any successor provisions hereto.

"Construction Agreements" means any contracts with contractors related to the construction of facilities constituting a portion.

"Deed of Trust" means that Deed of Trust dated as of September 1, 2025 executed by the Town to the Deed of Trust Trustee for the benefit of the Lender, as security for the Town's obligations under this Agreement, as such Deed of Trust may be amended from time to time.

"Deed of Trust Trustee" means the person or other entity at the time serving as trustee under the Deed of Trust.

"Default Rate" means the interest rate per annum otherwise applicable to the calculation of the interest component of the Installment Payments, plus three percent (3.00%).

"Equipment" means all personal property acquired by the Town with funds advanced by the Lender pursuant to this Agreement, all personal property obtained in substitution or replacement therefor, and all personal property obtained in substitution or replacement for any portion of the Mortgaged Property, and all proceeds, including insurance proceeds, of the foregoing.

"Event of Default" means one or more events of default as defined in Section 8.01.

"Event of Nonappropriation" means any failure by the Governing Body to include in any budget adopted for the Town, an appropriation for Required Payments as contemplated by Section 3.05 or any amendment to a previously adopted budget that deletes such appropriation.

"Existing Encumbrances" means the encumbrances described in Exhibit C.

"Fiscal Year" means the Town's fiscal year beginning on July 1, or such other fiscal year as the Town may later lawfully establish.

"Governing Body" means the Town Council of the Town as from time to time constituted.

"Installment Payments" means the payments payable by the Town pursuant to Section 3.01.

"LGC" means the North Carolina Local Government Commission or any successor to its functions.

"Mortgaged Property" means the property subject to the lien of the Deed of Trust, consisting of the Site and a portion of the Project, together with the buildings, improvement and fixtures located and to be located thereon, as more fully described on Exhibit A to the Deed of Trust.

“Net Proceeds,” when used with respect to any amounts derived from claims made on account of insurance coverage required under this Agreement, any condemnation award arising out of the condemnation of all or any portion of the Mortgaged Property, payments on any bonds required by Section 5.03, any amounts recovered from any contractor on an action for default or breach, as described in Section 5.03, proceeds of title insurance related to the Mortgaged Property, or any sale of the portion of the Project located on the Mortgaged Property, or any amounts received in lieu or in settlement of any of the foregoing, means the amount remaining after deducting from the gross proceeds, and after reimbursement to the Town or the Lender for amount previously expended to remedy the event giving rise to such payment or proceeds.

“Payment Dates” means the dates indicated in Exhibit D.

“Permitted Encumbrances” means, as of any particular time, (a) the Existing Encumbrances, (b) liens for taxes and assessments not then delinquent, (c) the liens and encumbrances evidenced by this Agreement and the Deed of Trust, and (d) easements, rights-of-way and other such minor defects or restrictions as normally exist with respect to property of the same general character as the Mortgaged Property which will not impair the Town’s intended use of the Mortgaged Property.

"Plans and Specifications" means all plans and specifications for the Project prepared by architects, engineers and other consultants.

“Project” means the property and facilities described in Exhibit B and all other improvements and fixtures now or hereafter attached or appurtenant to or used in or on those facilities or the Site.

"Project Account" has the meaning assigned in Section 2.02(a).

"Project Costs" means all costs of the acquisition, design, planning, constructing, installing and equipping of the Project as determined in accordance with generally accepted accounting principles and that will not adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Installment Payments payable by the Town under this Agreement, including (a) sums required to reimburse the Town or its agents for advances made for any such costs, (b) interest during the construction process and for up to six months thereafter, and (c) all costs related to the financing of the Project through this Agreement and all related transactions.

“Required Payments” means Installment Payments and Additional Payments.

“Section 160A-20” means Section 160A-20 of the North Carolina General Statutes, as amended, or any successor provision of North Carolina law.

“Site” means the real property on which the Town's fire and rescue services building is located, subject to the lien of the Deed of Trust as described in the Deed of Trust and Exhibit A hereto.

“State” means the State of North Carolina.

“Town” means the Town of Blowing Rock, North Carolina.

“Town Representative” means the Town’s Manager or Finance Director or such other person or persons at the time designated, by a written certificate furnished to the Lender and signed on the Town’s behalf by the presiding officer of the Town’s Governing Body, to act on the Town’s behalf for any purpose (or any specified purpose) under this Agreement.

“UCC” means the Uniform Commercial Code or any successor law as in effect from time to time in the State, currently Chapter 25 of the North Carolina General Statutes.

All references in this Agreement to designated “Sections” and other subdivisions are to the designated sections and other subdivisions of this Agreement. The words “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision unless the context indicates otherwise. Words importing the singular number shall include the plural number and vice versa.

ARTICLE II

SECURITY PROVIDED BY THIS AGREEMENT; ADVANCE

2.01. Security for Payment and Performance. This Agreement secures the County's payment, as and when the same shall become due and payable, of all Required Payments and the County's timely compliance with all terms, covenants and conditions of this Agreement.

2.02 Advance. (a) Subject to the condition set forth in Section 2.02(b) hereof, the Lender advances \$2,250,000 (**the “Amount Advanced”**) to the Town on the Closing Date, and the Town hereby accepts the Amount Advanced from the Lender. The Lender is advancing the Amount Advanced by (a) disbursing \$60,700 for payment of costs of delivery of this Agreement as set forth in a closing memorandum provided by the Town’s Financial Advisor and executed by the Town Manager or the Town Finance Director and (b) making a deposit in the amount of \$2,189,300 to the Project Account that is hereby created (**the “Project Account”**), which Project Account shall be a special account at North Carolina Capital Management Trust in the name of the Town, held separate and apart from all other funds of the Town. All amounts on deposit from time to time in the Project Account, including the Amount Advanced and all investment earnings thereon, shall be used only for Project Costs or as otherwise provided in a Bond Counsel Opinion.

(b) The obligation of the Lender to advance the Amount Advanced to the Lender on the Closing Date is subject to the conditions precedent that the Lender shall have received on or prior to the Closing Date, the items listed below in form and substance satisfactory to the Lender:

- (i) a Bond Counsel Opinion, dated as of the Closing Date and addressed to the Lender, substantially to the effect that the interest component of the Installment Payments is not includable in gross income for purposes of federal income taxation and is exempt from State of North Carolina income taxation;
- (ii) an opinion of the Town Attorney in form and substance satisfactory to the Lender;
- (iii) certified copies of the proceedings of the Town Council evidencing the holding of a public hearing with respect to this Agreement after proper notice thereof pursuant to Section 160A-20(g) of the North Carolina General Statutes, and the adoption of a resolution authorizing the execution and delivery of this Agreement and the Deed of Trust;
- (iv) an incumbency and signature certificate of the Town;
- (v) executed copies of a tax certificate of the Town and Internal Revenue Service Form 8038-G;
- (vi) evidence of insurance in form and substance satisfactory to the Lender; and
- (vii) such additional certificates (including appropriate incumbency, signature and no-litigation certificates), instruments, opinions or other documents as the Lender may reasonably request.

2.03. Security Agreement.

(a) This Agreement is intended as and constitutes a security agreement pursuant to North Carolina law with respect to all moneys on deposit from time to time in the Project Account and all property acquired by the Town with funds advanced by the Lender pursuant to this Agreement, all personal property obtained in substitution or replacement therefor and all proceeds of the foregoing, including insurance proceeds (collectively, the "Equipment").

The County hereby grants to the Lender a security interest in the Equipment and in the moneys on deposit from time to time in the Project Account to secure the Required Payments.

(b) The County shall allow the Lender, to execute, deliver and file, or cause to be filed, in such place or places as may be required by law, financing statements (including any continuation statements required by the UCC or requested by the Lender) in such form as the Lender may reasonably require to perfect and continue the security interest in the Equipment and in the moneys on deposit from time to time in the Project Account.

2.04. Town's Limited Obligation. (a) THE PARTIES INTEND THAT THIS TRANSACTION COMPLY WITH SECTION 160A-20. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE TOWN'S FAITH AND CREDIT WITHIN THE MEANING OF ANY

CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS A DELEGATION OF GOVERNMENTAL POWERS OR AS AN IMPROPER DONATION OR A LENDING OF THE TOWN'S CREDIT WITHIN THE MEANING OF THE STATE CONSTITUTION. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE TOWN IN VIOLATION OF SECTION 160A-20. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of the Town's moneys (other than the funds held under this Agreement, if any), nor shall any provision of this Agreement restrict the future issuance of any of the Town's bonds or obligations payable from any class or source of the Town's money (except to the extent this Agreement restricts the incurrence of additional obligations secured by the Mortgaged Property). To the extent of any conflict between this Section and any other provision of this Agreement, this Section shall take priority.

(b) Nothing in this Section is intended to impair or prohibit foreclosure on the Deed of Trust if the Required Payments are not paid when due or otherwise upon the occurrence of an Event of Default under this Agreement or the Deed of Trust, and in any such event the Lender may request the Deed of Trust Trustee to foreclose on the Mortgaged Property as provided in this Agreement and the Deed of Trust.

2.05 Town's Continuing Obligations. The Town shall remain liable for full performance of all its covenants under this Agreement and the Deed of Trust (subject to the limitations described in Section 2.04), including payment of all Required Payments, notwithstanding the occurrence of any event or circumstances whatsoever, including any of the following.

- (a) The Lender's waiver of any right granted or remedy available to it;
- (b) The forbearance or extension of time for payment or performance of any obligation under this Agreement, whether granted to the Town or any other person;
- (c) The release of all or part of the Mortgaged Property from the lien of the Deed of Trust or the release of any party who assumes all or any part of such performance;
- (d) Any act of omission by the Lender (but this section provision does not relieve the Lender of any of its obligations under this Agreement);
- (e) The sale of all or any part of the Mortgaged Property; or
- (f) Another party's assumption of the Town's obligations under this Agreement.

ARTICLE III

TOWN'S PAYMENT OBLIGATION AND RELATED MATTERS

3.01. Installment Payments. The Town shall repay the Amount Advanced by making the Installment Payments to the Lender in lawful money of the United States at the times and in the amounts set forth in Exhibit D, except as otherwise provided in this Agreement. As indicated in Exhibit D, the Installment Payments reflect the repayment of the Amount Advanced and include designated interest components. The Town will make each Installment Payment no more than twenty-nine (29) days prior to the required payment date thereof either by Federal Reserve wire transfer, ACH or other electronic transfer acceptable to the Lender of immediately available United States funds, in any case sent directly to the Lender to any address or bank account in the United States as the Lender may designate from time to time.

3.02. Additional Payments. The Town shall pay all Additional Payments on a timely basis directly to the person or entity to which such Additional Payments are owed in lawful money of the United States.

3.03. Prepayment. The Town may not prepay the outstanding principal component of the Amount Advanced.

3.04. Late Payments. In the event that any Installment Payment is received by the Lender more than ten (10) days following the scheduled payment date, the Town may be charged additional accrued interest for each date such payment is late (at the interest rate set forth in Exhibit D), which payment shall be due upon demand by the Lender or, if billed, within the time for payment specified by the Lender.

3.05 Appropriations.

(a) The Budget Officer shall include in the initial proposal for each of the Town's annual budgets the amount of all Installment Payments and estimated Additional Payments coming due during the Fiscal Year to which such budget applies.

(b) If the amount specified in subsection (a) of this Section is not appropriated by the Governing Body in any Fiscal Year, the Town shall deliver to the Lender within 15 days after the beginning of such Fiscal Year a certificate signed by a Town Representative to the effect that such budget as adopted by the Governing Body does not include funds for the payment of all Installment Payments and estimated Additional Payments required for such Fiscal Year. In addition the Town shall promptly provide to the Lender notice of any amendments to its annual budget affecting appropriations for Installment Payments or Additional Payments. Similarly, if at any time the Town amends the annual budget to reduce the amounts appropriated for Installment Payments below the amounts expected to be required for the remainder of that Fiscal Year, then the Town will send notice of such amendment to the Lender within ten (10) days. The

Town shall within ten (10) days after adoption of such budget provide notice of any such Event of Nonappropriation to the Lender and the LGC.

(c) The actions required of the Town and its officers pursuant to this Section shall be deemed to be and shall be construed to be in fulfillment of ministerial duties, and it shall be the duty of each and every Town official to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the Town to carry out and perform the actions required pursuant to this Section.

(d) The Town reasonably believes that it can obtain funds sufficient to pay all Required Payments when due.

3.06. No Abatement. There shall be no abatement or reduction of the Required Payments for any reason, including, but not limited to, any defense, recoupment, setoff, counterclaim, or any claim (real or imaginary) arising out of or related to the Site or of the Project, except as expressly provided in this Agreement. The Town assumes and shall bear the entire risk of completion, loss and damage to the Project from any cause whatsoever. The Installment Payments shall be made in all events unless the Town's obligation to make Installment Payments is terminated as otherwise provided in this Agreement.

3.07. Interest Rate and Payment Adjustment.

(a) Upon a Determination of Taxability (as defined below), the interest rate on the interest component of Installment Payments shall be automatically adjusted to the Taxable Rate (as defined below) from the Date of Taxability (as defined below).

(b) If at any time there is a Change in Deductibility (hereinafter defined), the interest component of Installment Payments shall automatically increase to the rate which will provide to the Lender the effective yield which it would have received had there not been a Change in Deductibility.

(c) From and after the occurrence, and during the continuance of an Event of Default, the interest rate used to calculate the interest component of Installment Payments shall be automatically adjusted to the Default Rate.

(d) For purposes of this Agreement, the following terms have the following meanings:

“Change in Deductibility” means any determination by the Internal Revenue Service or any court of competent jurisdiction that the obligations of the Town hereunder with respect to the Installment Payments are not “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code as a result or as a consequence of (i) an action, or failure to act, by the Town or (ii) a breach of any representation, warranty or covenant made by the Town to the Lender relating to the status of the Town's obligation with respect to the Installment Payments as qualified tax-exempt obligations (as defined above), including but not limited to the representations and warranties contained in Section 4.18 of this Agreement.

“Date of Taxability” means the earliest date as of which interest on the interest component of Installment Payments shall have been determined to be includable in the gross income of the Lender pursuant to a Determination of Taxability.

“Determination of Taxability” means and shall be deemed to have occurred on the first to occur of the following:

(i) on that date when the Town files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(ii) on the date when the Lender notifies the Town that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that an Event of Taxability (as defined below) has occurred unless, within 180 days after receipt by the Town of such notification from such Lender, the Town shall deliver to the Lender (A) a ruling or determination letter issued to or on behalf of the Town by the Commissioner or any District Director of Internal Revenue (or any other governmental official exercising the same or a substantially similar function from time to time) or (B) a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(iii) on the date when the Town shall be advised in writing by the Commissioner or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings by the Town, or upon any review or audit of the Authority or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) on that date when the Town shall receive notice from the Lender that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Lender the interest component of Installment Payments due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) above unless the Town has been afforded the opportunity, at the sole expense of the Town, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; provided further, however, that upon demand from the Lender, the Town shall immediately reimburse such Lender for any payments such Lender shall be obligated to make as a result of the Determination of Taxability during any such contest.

"Event of Taxability" means the taking of any action by the Town, or the failure to take any action by the Town, or the making by the Town of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of this Agreement which has the effect of causing the interest component of Installment Payments paid or payable under this Agreement to become includable, in whole or in part, in the gross income of the Lender for federal income tax purposes.

"Taxable Rate" means the interest rate per annum that shall provide the Lender with the same after tax yield that the Lender would have otherwise received had the Determination of Taxability not occurred, taking into account the increased taxable income of the Lender as a result of such Determination of Taxability. The Lender shall provide the Authority with a written statement explaining the calculation of the Taxable Rate, which statement shall, in the absence of manifest error, be conclusive and binding on the Town.

ARTICLE IV

TOWN'S COVENANTS, REPRESENTATIONS AND WARRANTIES

4.01. Warranties of Title. The Town has covenanted in the Deed of Trust that the Town is seized of and has the right to convey the Mortgaged Property in fee simple, that the Mortgaged Property is free and clear of all liens and encumbrances other than the Existing Encumbrances, that title to the Mortgaged Property is marketable, and that the Town will forever warrant and defend title to the Mortgaged Property against the claims of all persons.

4.02. Indemnification. To the extent permitted by law, the Town shall indemnify, protect and save the Deed of Trust Trustee, the Lender and its officers, directors, agents and employees, and the LGC's members and employees, harmless from all liability, obligations, losses, claims, damages, actions, suits, proceedings, costs and expenses, including attorneys' fees, arising out of, connected with, or resulting directly or indirectly from the Mortgaged Property or the transactions contemplated by this Agreement, including without limitation the possession, condition, construction or use of the Project or the Equipment. The indemnification arising under this Section shall survive the Agreement's termination.

4.03. Covenant as to Tax Exemption. (a) The Town shall not take or permit, or omit to take or cause to be taken, any action that would cause its obligations under this Agreement to be "arbitrage bonds" or "private activity bonds" within the meaning of the Code, or otherwise adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Installment Payments to which such components would otherwise be entitled and, if it should take or permit, or omit to take or cause to be taken, any such action, the Town shall take or cause to be taken all lawful actions within its power necessary to rescind or correct such actions or omissions promptly upon having knowledge thereof.

(b) In particular, the Town covenants that it shall not permit the Amount Advanced, plus the investment earnings thereon (the "Proceeds"), to be used in any manner that would result in 5% or more of the Installment Payments being directly or indirectly secured by an

interest in property, or derived from payments in respect of property or borrowed money, being in either case used in a trade or business carried on by any person other than a governmental unit, as provided in Code Section 141(b), or result in 5% or more of the Proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Code Section 141(c); provided however, that if the Town receives a Bond Counsel Opinion that compliance with any such covenant is not required to prevent the interest components of Installment Payments from being includable in the beneficiary's gross income for federal income tax purposes under existing law, the Town need not comply with such covenant.

(c) Unless the Town qualifies for one or more exceptions to the arbitrage rebate requirement with respect to this financing, the Town shall provide for the rebate to the United States of (i) at least 90% of the required rebate amount (A) on or before 60 days after the date that is five years from the Closing Date, and (B) at least once during each five years thereafter while the Installment Payments remain outstanding, and (ii) the entire required rebate amount on or before 60 days after the date of final payment of the Installment Payments. Payments shall be made in the manner prescribed by the Internal Revenue Service. The Town shall cause the required rebate amount to be recomputed as of each fifth anniversary of the Closing Date, and again as of the date of final payment of the Installment Payments. The Town shall provide the Lender with a copy of the results of such computation within 20 days after the end of each computation period or final payment of the Installment Payments. Each computation shall be prepared or approved, at the Town's expense, by a person with experience in matters of accounting for federal income tax purposes, a bona fide arbitrage rebate calculating and reporting service, or nationally-recognized bond counsel, in any case reasonably acceptable to the Lender. The Town shall engage such rebate consultant to perform the necessary calculations not less than 60 days prior to the date of the required payment.

(d) The Town acknowledges that its personnel must be familiar with the arbitrage rebate rules, because the tax-exempt status of the interest portion of the Installment Payments depends upon continuing compliance with such rules. The Town therefore covenants to take all reasonable action to assure that Town personnel responsible for the investment of and accounting for financing proceeds comply with such rules.

4.04. Validity of Organization and Acts. The Town is validly organized and existing under State law, has full power to enter into this Agreement and the Deed of Trust and has duly authorized and has obtained all required approvals and all other necessary acts required prior to the execution and delivery of this Agreement and the Deed of Trust. This Agreement is a valid, legal and binding obligation of the Town.

4.05. Maintenance of Existence. The Town shall maintain its existence, shall continue to be a local governmental unit of the State, validly organized and existing under State law, and shall not consolidate with or merge into another local governmental unit of the State, or permit one or more other local governmental units of the State to consolidate with or merge into it, unless the local governmental unit thereby resulting assumes the Town's obligations under this Agreement.

4.06. Acquisition of Permits and Approvals. All permits, approvals, franchises, privileges and legal clearances under federal, state or local law in connection with the Project that are presently obtainable or that are necessary as of the date hereof have been obtained. The Town has no reason to believe that any such permits, approvals, franchises, privileges or legal clearances that are not presently obtainable will not be obtained when required.

4.07. No Breach of Law or Contract. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, (a) to the best of the Town's knowledge, constitutes a violation of any provision of law governing the Town or (b) results in a breach of the terms, conditions or provisions of any contract, agreement or instrument or order, rule or regulation to which the Town is a party or by which the Town is bound.

4.08. No Litigation. There is no litigation or any governmental administrative proceeding to which the Town (or any official thereof in an official capacity) is a party that is pending or, to the best of the Town's knowledge after reasonable investigation, threatened with respect to (a) the Town's organization or existence, (b) its authority to execute and deliver this Agreement or to comply with the terms of this Agreement, (c) the validity or enforceability of this Agreement or the transactions contemplated hereby, (d) the title to office of any Governing Body member or any other Town officer, (e) any authority or proceedings relating to the Town's execution or delivery of this Agreement, or (f) the undertaking of the transactions contemplated by this Agreement.

4.09. No Current Default or Violation. (a) The Town is not in violation of any existing law, rule or regulation applicable to it, (b) the Town is not in default under any contract, other agreement, order, judgment, decree or other instrument or restriction of any kind to which the Town is a party or by which any of its assets are subject, including this Agreement, and (c) no event or condition has happened or existed, or is happening or existing, under the provisions of any such instrument, including this Agreement, which constitutes or which, with notice or lapse of time, or both, would constitute an event or default hereunder or thereunder.

4.10. No Misrepresentation. No representation, covenant or warranty by the Town in this Agreement is false or misleading in any material respect.

4.11. Environmental Warranties and Indemnification. (a) The Town warrants and represents to the Lender as follows:

(i) Neither the Town nor any other person has improperly used or installed any Hazardous Material (as hereinafter defined) on the Mortgaged Property or received any notice from any governmental agency, entity or other person with regard to Hazardous Materials on, from or affecting the Mortgaged Property; neither the Town nor any other person has violated any applicable Environmental Laws (as hereinafter defined) relating to or affecting the Mortgaged Property; and the Mortgaged Property is presently in compliance with all Environmental Laws and there are no circumstances presently existing upon or under the Mortgaged Property, or relating to the Mortgaged Property

which may violate any applicable Environmental Laws, and there is not now pending, or threatened, any action, suit, investigation or proceeding against the Town relating to the Mortgaged Property (or against any other party relating to the Mortgaged Property) seeking to enforce any right or remedy under any of the Environmental Laws.

(ii) The Town for itself, its successors and assigns, hereby agrees that (a) the Mortgaged Property shall be used to generate, manufacture, refine, transport, treat, store, handle, dispose, produce or process Hazardous Materials only in accordance with all applicable Environmental Laws; (b) the Town shall not cause nor permit the improper installation of Hazardous Materials in the Mortgaged Property nor a release of Hazardous Materials on the Mortgaged Property; (c) the Town shall at all times comply with and ensure compliance by all other parties with all applicable Environmental Laws relating to or affecting the Mortgaged Property and shall keep the Mortgaged Property free and clear of any liens imposed pursuant to any applicable Environmental Laws; (d) the Town has obtained and will at all times continue to obtain and/or maintain all licenses, permits, and/or other governmental or regulatory actions necessary to comply with Environmental Laws with respect to the Mortgaged Property (the "Permits"), and the Town is in full compliance with the terms and provisions of the Permits and will continue to comply with the terms and provisions of the Permits; and (e) the Town shall immediately give the Lender oral and written notice in the event that the Town receives any notice from any governmental agency, entity, or any other party with regard to Hazardous Materials on, from or affecting the Mortgaged Property and shall conduct and complete all investigations, sampling, and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Materials on, from or affecting the Mortgaged Property in accordance with all applicable Environmental Laws.

(iii) To the extent permitted by law, the Town hereby agrees to defend and indemnify the Deed of Trust Trustee and the Lender and hold them harmless from and against any and all losses, liabilities, damages, injuries (including, without limitation, attorneys' fees) and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against the Deed of Trust Trustee or the Lender for, with respect to, or as a direct or indirect result of (a) the presence on, or under, or the escape, spillage, emission or release from the Mortgaged Property of any Hazardous Material regardless of whether or not caused by or within the control of the Town, (b) the violation of any Environmental Laws relating to or affecting the Mortgaged Property, whether or not caused by or within the control of the Town, (c) the failure by the Town to comply fully with the terms and provisions of this paragraph, or (d) any warranty or representation made by the Town in this paragraph being false or untrue in any material respect.

(iv) In the event that the Lender elects to control, operate, sell or otherwise claim property rights in the Mortgaged Property, the Town shall deliver the Mortgaged Property free of any and all Hazardous Materials so that the conditions of the Mortgaged Property shall conform with all applicable Environmental Laws. Prior to any such delivery of the Mortgaged Property, the Town shall pay to the Deed of Trust

Trustee from its own funds any amounts required to be paid under the indemnification provisions set forth above.

(v) For purposes of this Agreement, “Hazardous Material” means and includes petroleum products, any flammable explosives, radioactive materials, hazardous materials, asbestos or any material containing asbestos, and/or any hazardous, toxic or dangerous waste, substance or material defined as such in (or for the purpose of) the Environmental Laws. For the purposes of this Agreement, “Environmental Laws” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, the Oil Pollution Act of 1990, the Emergency Planning and Right-to-Know Act, the Clean Water Act, the Clean Air Act, the Toxic Substance Control Act, the Resource Conservation and Recovery Act, any “Super Fund” or “Super Lien” law (including in all cases any regulations promulgated thereunder), or any other federal, state, or local law, regulation or decree regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Materials, as may now or at any time hereafter be in effect.

(vi) The obligations and liabilities of the Town under this paragraph shall survive the repayment of the Agreement or foreclosure of the Deed of Trust, the delivery of a deed in lieu of foreclosure, and the cancellation of the Deed of Trust; or if otherwise expressly permitted in writing by the Lender, the sale or alienation of any part of the Mortgaged Property.

(vii) The Town will promptly notify the Lender of any change in the nature or extent of any hazardous materials, substances or wastes maintained on, in or under the Mortgaged Property or used in connection therewith, and will promptly sent to the Lender copies of any citations, orders, notices or other material governmental or other communication received with respect to any other hazardous materials, substances, wastes or other environmentally regulated substances affecting the Mortgaged Property.

4.12. Further Instruments. Upon the Lender’s request, the Town shall execute, acknowledge and deliver such further instruments reasonably necessary or desired by the Lender to carry out more effectively the purposes of this Agreement or any other document related to the transactions contemplated hereby.

4.13. The Lender’s Advances for Performance of Town’s Obligations. If the Town fails to perform any of its obligations under this Agreement, the Lender is hereby authorized, but not obligated, to perform such obligation or cause it to be performed. All expenditures incurred by the Lender (including any advancement of funds for payment of taxes, insurance premiums or other costs of maintaining the Mortgaged Property, and any associated legal or other expenses), shall be secured as Additional Payments under this Agreement. The Town promises to pay all such amounts to the Lender immediately upon demand.

4.14. Project Will Be Used and Useful. The Project is necessary and expedient for the Town, and perform essential functions of the Town appropriate for units of local

government. The Town has an immediate need for all of the Project, and does not expect such need or use to diminish in any material respect during the term of the Agreement.

4.15. Financial Information. (a) The Town will furnish to the Lender current audited financial statements in reasonable detail, with supporting schedules (the “Audit”) as soon as practicable after the Town’s acceptance thereof and in any case within 270days after the end of each Fiscal Year, which may be in electronic .PDF format. To satisfy this requirement, the Town may email to the Lender a link to the posted Audit as it appears on the MSRB’s “EMMA” website. If the Audit is not available within 270days of Fiscal Year end, the Town will furnish unaudited financial statements to the Lender in the manner described in this paragraph within such period and will then supply the Audit immediately upon its availability. The Town represents and warrants to and covenants with the Lender that, to the best of its knowledge, all financial statements which have been or may be delivered to the Lender fairly and accurately reflect the Town’s financial condition and there has been and will be no material adverse change in the Town’s financial condition as reflected in the financial statements since the date of the most recent information supplied.

(b) The Town shall furnish the Lender, at such reasonable times as the Lender shall request, all other financial information (including, without limitation, the Town’s annual budget as submitted or approved) as the Lender may reasonably request. The Town shall permit the Lender or its agents and representatives to inspect the Town’s books and records and make extracts therefrom.

(c) The Town hereby agrees that the Lender may provide any information or knowledge that the Lender may have about the Town or about any matter relating to this Agreement, the Project or the Mortgaged Property to any of its subsidiaries or affiliates or their successors, or to any one or more participants or assignees of this Agreement.

4.16. Taxes and Other Governmental Charges. The Town shall pay, as Additional Payments, the full amount of all taxes, assessments and other governmental charges lawfully made by any governmental body during the term of this Agreement. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the Town shall be obligated to provide for Additional Payments only for such installments as are required to be paid during the Agreement Term. The Town shall not allow any liens for taxes, assessments or governmental charges with respect to the Mortgaged Property or any portion thereof to become delinquent (including, without limitation, any taxes levied upon the Mortgaged Property or any portion thereof which, if not paid, will become a charge on any interest in the Mortgaged Property, including the Lender’s interest, or the rentals and revenues derived therefrom or hereunder).

4.17. Town’s Insurance. (a) The Town shall, at its own expense, acquire, carry and maintain broad-form extended coverage property damage insurance with respect to all Project facilities and improvements comprising the Mortgaged Property in an amount equal to the estimated replacement cost thereof. Such property damage insurance shall include the Lender promptly upon such substantial completion. Any Net Proceeds of the insurance required by this subsection (a) shall be payable as provided in Section 6.10.

(b) The Town shall, at its own expense, acquire, carry and maintain comprehensive general liability insurance in an amount not less than \$1,000,000 for personal injury or death and \$1,000,000 for property damage. The liability and casualty policies shall have deductible clauses not exceeding \$200,000, and shall name the Lender and its successors and assigns as an additional insured or loss payee as their interests may appear. Except as provided in Section 6.10(b), the Town shall pay over to the Lender (and hereby irrevocably assigns, transfers and sets over to the Lender) all right, title and interest of the Town in and to any Net Proceeds payable as to any damage or destruction to the Mortgaged Property during the Term to be held until applied in accordance with Section 6.10(c).

(c) The Town shall, also maintain workers' compensation insurance issued by a responsible carrier authorized under State law to insure the Town against liability for compensation under applicable State law as in effect from time to time.

(d) All insurance shall be maintained with generally recognized responsible insurers and may carry reasonable deductible or risk-retention amounts. All such policies shall be deposited with the Lender, provided that in lieu of such policies there may be deposited with the Lender a certificate or certificates of the respective insurers attesting the fact that the insurance required by this Section is in full effect. Prior to the expiration of any such policy, the Town shall furnish the Lender evidence satisfactory to the Lender that the policy has been renewed or replaced or is no longer required by this Agreement.

(e) No Town agent or employee shall have the power to adjust or settle any property damage loss greater than \$50,000 with respect to the Mortgaged Property, whether or not covered by insurance, without the Lender's prior written consent.

(f) The Lender shall not be responsible for the sufficiency or adequacy of any required insurance and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the Lender.

(g) In lieu of policies of insurance written by commercial insurance companies meeting the requirements of this Section 4.17, the Town may maintain a program of self-insurance or participate in group risk financing programs, risk pools, risk retention groups, purchasing groups and captive insurance companies, and in state or federal insurance programs.

(h) Notwithstanding any other provision of this Agreement, if any buildings, fixtures or other improvements are located on any portion of the Mortgaged Property that is located in a special flood hazard area according to the Federal Emergency Management Agency ("FEMA"), then the Town must maintain a flood insurance policy on the Mortgaged Property. If at any time during the term of the Agreement, such portion of the Mortgaged Property is classified by FEMA as being located in a special flood hazard area, flood insurance will be mandatory. Should this occur, federal law requires the Lender to notify the Town of the reclassification. If, within forty-five (45) days of receipt of notification from the Lender that any portion of the Mortgaged Property has

been reclassified by the FEMA as being located in a special flood hazard area, the Town has not provided sufficient evidence of flood insurance, the Lender is mandated under federal law to purchase flood insurance on behalf of the Town, and any amounts so expended shall immediately become debts of the Town, shall bear interest at the rate specified in this Agreement, and payment thereof shall be secured by the Deed of Trust.

4.18 Bank Qualified Covenants. The Town hereby covenants that it, all entities issuing obligations on behalf of the Town and all subordinate entities of the Town will not issue in the aggregate more than \$10,000,000 of tax-exempt obligations (not counting private activity bonds except for qualified 501(c)(3) bonds as defined by the Code, and refunding bonds described in Section 265(b)(3)(C)(ii) of the Code) during the calendar year that this Contract is executed and delivered.

4.19. Miscellaneous

- (a) The Lender is entering into this Agreement as evidence of a privately negotiated loan and the Town shall not (i) request the assignment of a rating on this Agreement by any municipal securities rating agency, (ii) register this Agreement with The Depositary Trust Company or any other securities depository, (iii) offer this Agreement pursuant to any type of offering document or official statement or (iv) request the assignment of a CUSIP number by Standard & Poor's CUSIP Service.
- (b) The Town is not in violation of any laws or regulations relating to terrorism or money laundering ("Anti-Terrorism Laws"), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "Executive Order"), and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107 56 (signed into law October 26, 2001) (the "Patriot Act"). Specifically, the Town (i) is not an entity that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order; (ii) is not an entity owned or controlled by, or acting for or on behalf of, any person or entity that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) is not an entity with which the Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; (iv) is not an entity that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order; or (v) is not an entity that is named as a "specially designated national and blocked person" on the most current list published by the Office of Foreign Asset Control ("OFAC") or any list of persons or entities issued by OFAC pursuant to the Executive Order at its official website or any replacement website or other replacement official publication of such list. The Town does not and will not conduct any business or engage in making or receiving any contribution of funds, goods or services to or for the benefit of any blocked or prohibited person or entity described in the preceding sentence or deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or engage in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or

avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law or the Patriot Act.

ARTICLE V

TERMS OF CONSTRUCTION

5.01. Construction; Changes. (a) The Town shall comply with the provisions of Article 8 of Chapter 143 of the North Carolina General Statutes and enter into the Construction Agreements. The Town shall cause the construction to be carried on continuously in accordance with the Plans and Specifications and all applicable State and local laws and regulations. The Town shall cause the public parks facilities and roof repairs and other improvements to the Town's fire and rescue services building to be constructed and shall insure (i) that such portions of the Project do not encroach upon nor overhang any easement or right-of-way and (ii) that such portions of the Project, when erected will be wholly within any applicable building restriction lines, however established, and will not violate applicable use or other restrictions contained in prior conveyances or applicable protective covenants or restrictions. The Town shall cause all utility lines, septic systems and streets serving the Site to be completed in accordance with health department standards and other applicable regulations of any governmental agency having jurisdiction.

(b) The Town may approve changes to the Plans and Specifications and the Construction Agreements in its discretion and in accordance with the requirements of the Construction Agreements except that the Town may not, without the Lender's consent, approve any changes which (i) result in the Project's use for purposes substantially different from those initially proposed or (ii) which increase total estimated Project Costs beyond amounts previously identified and designated for such purpose.

5.02. Construction within Funds Available. The Town represents that, based upon its examination of the Site and of the Plans and Specifications, estimated construction and equipment costs provided by licensed architects and engineers and the Project's anticipated configuration, the Project can be acquired, constructed and equipped for a total price within the total amount of funds to be available therefor in the Project Account, income anticipated to be derived from the investment thereof and other funds previously identified and designated for such purposes. If the total amount available for such purposes in the Project Account shall be insufficient to pay the entire cost of constructing, acquiring and equipping the Project, the Town promises to pay any such excess costs, with no resulting reduction or offset in the amounts otherwise payable by the Town under this Agreement.

5.03. Contractors' Performance and Payment Bonds. The Town shall require each contractor entering into a Construction Agreement to furnish a performance bond and a separate labor and material payment bond as required by Article 3, Chapter 44A of the North Carolina General Statutes. The Town shall provide copies of all such bonds to the Lender promptly upon the Town's receipt of each such bond. Each such bond shall include the Lender as a dual obligee.

Upon any material default by a contractor under any Construction Agreement, or upon any material breach of warranty with respect to any materials, workmanship or performance, the Town shall promptly proceed, either separately or in conjunction with others, to pursue diligently its remedies against such contractor or against the surety of any bond securing the performance of such Construction Agreement.

5.04. Contractors' General Public Liability and Property Damage Insurance. The Town shall require each contractor entering into a Construction Agreement to procure and maintain standard form (a) comprehensive general public liability and property damage insurance, at such contractor's own cost and expense, during the duration of such contractor's construction contract, in the amount of at least \$1,000,000 and (b) comprehensive automobile liability insurance on owned hired and non-owned vehicles for not less than \$1,000,000. Such policies shall include the Lender as an additional named insured or loss payee. The Town shall provide to the Lender a certificate of insurance in a form acceptable to the Lender with respect to each contractor. Such insurance shall provide protection from all claims for bodily injury, including death, property damage and contractual liability, products/completed operations, broad form property damage and XCU (explosive, collapse and underground damage), where applicable.

5.05. Contractors' Builder's Risk Completed Value Insurance. The Town shall require each contractor entering into a Construction Agreement to purchase and maintain property insurance (builder's risk) as applicable upon all construction, acquisition, installation and equipping of the Project (excluding contractor's tools and equipment) at the site thereof at the full insurable value thereof. This insurance shall include the Lender as an additional insured or loss payee, and shall insure against "all risk" subject to standard policy conditions and exclusions. The contractor shall purchase and maintain similar property insurance for portions of the work stored off the Site or in transit when such portions of the work are to be included in an application for payment. The contractor shall be responsible for the payment of any deductible amounts associated with this insurance.

5.06. Contractors' Workers' Compensation Insurance. The Town shall require each contractor entering into a Construction Agreement to procure and maintain workers' compensation insurance during the term of such Construction Agreement, covering his or her employees working thereunder. A certificate of insurance evidencing such coverage, in form acceptable to the Lender shall be provided to the Town with respect to each contractor entering into a Construction Agreement. Each Construction Agreement shall also provide that each subcontractor of any contractor who is a party to such Construction Agreement shall be required to furnish similar workers' compensation insurance.

5.07. Disclaimer of Warranties. The Town agrees that the Lender has not designed the Project, that the Lender has not supplied any plans or specifications with respect thereto and that the Lender (a) is not a manufacturer of, nor a dealer in, any of the component parts of the Project or similar facilities, (b) has not made any recommendation, given any advice nor taken any other action with respect to (i) the choice of any supplier, vendor or designer of, or any other contractor with respect to, the Project or any component part thereof or any property or rights relating thereto, or (ii) any action taken or to be taken with respect to the Project or any component part thereof or any property or rights relating thereto, (c) has not at any time had any physical possession of the Project or any component part thereof or made any inspection thereof or of any property or rights relating thereto, and (d) has not made any warranty or other representation, express or implied, that the Project or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly designed, or will accomplish the results which the Town intends therefor, or (iii) is safe in any manner or respect. THE LENDER MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE MORTGAGED PROPERTY OR THE PROJECT OR ANY COMPONENT PART THEREOF, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE, and further including the design or condition thereof; the safety, quality or capacity thereof; compliance thereof with the requirements of any law, rule, specification or contract pertaining thereto; any latent defect; the Project's ability to perform any function; or any other characteristic of the Project; it being agreed that that the Town is to bear all risks relating to the Project, and the transactions contemplated hereby or by the Deed of Trust, and the Town hereby waives the benefits of any and all implied warranties and representations of the Lender.

The provisions of the section shall survive the Agreement's termination.

5.08. Right of Entry and Inspection. The Lender and its representatives and agents shall have the right to enter upon the Site and inspect the Mortgaged Property from time to time.

No right of inspection or approval granted in this Section shall be deemed to impose upon the Lender any duty or obligation whatsoever to undertake any inspection or to make any approval. No inspection made or approval given by the Lender shall be deemed to impose upon the Lender any duty or obligation whatsoever to identify or correct any defects in the Project or to notify any person with respect thereto, and no liability shall be imposed upon the Lender, and no warranties (either express or implied) are made by the Lender as to the quality or fitness of any improvement, any such inspection and approval being made solely for the Lender's benefit.

ARTICLE VI

CARE AND USE OF MORTGAGED PROPERTY

6.01 Compliance with Requirements. (a) The Town shall cause the Mortgaged Property to be designed and constructed in compliance with all applicable legal requirements, including subdivision, building and zoning regulations. The Town shall not initiate or acquiesce in a change in the Site's zoning to any zoning other than that appropriate for the use of the Mortgaged Property contemplated as of the Closing Date.

(b) The Town shall observe and comply promptly with all current and future requirements relating to the Mortgaged Property's use or condition imposed by (i) any judicial, governmental or regulatory body having jurisdiction over the Mortgaged Property or any portion thereof or (ii) any insurance company writing a policy covering the Mortgaged Property or any portion thereof, whether or not any such requirement shall necessitate structural changes or improvements or interfere with the use or enjoyment of the Mortgaged Property.

(c) The Town shall obtain and maintain in effect all licenses, permits and other approvals of any other governmental entity having jurisdiction over the Town or the Mortgaged Property required for the Mortgaged Property's operation.

(d) The Town shall in no event use the Mortgaged Property or any part thereof, nor allow the same to be used, for any unlawful purpose, or suffer any act to be done or any condition to exist with respect to the Mortgaged Property or any part thereof, nor any article to be brought thereon, which may be dangerous, unless safeguarded as required by law, or which may, in law, constitute a nuisance, public or private, or which may make void or voidable any insurance then in force with respect thereto.

6.02. Use and Operation. The Town shall use and operate the Project and related facilities for water system, public park and fire and rescue purposes, and for no other purpose unless required by law. The Town shall be solely responsible for the Project's operation, and shall not contract with any other person or entity for the Project's operation.

6.03. Maintenance and Repairs; Additions. (a) The Town shall keep the Mortgaged Property in good order and repair (reasonable wear and tear excepted) and in good operating condition, shall not commit or permit any waste or any other thing to occur whereby the value or usefulness of the Mortgaged Property might be impaired, and shall make from time to time all necessary or appropriate repairs, replacements and renewals.

(b) The Town may, also at its own expense, make from time to time any additions, modifications or improvements to the Mortgaged Property that it may deem desirable for its governmental or proprietary purposes and that do not materially impair the effective use, nor materially decrease the value or substantially alter the intended use, of the Mortgaged Property. The Town shall do, or cause to be done, all such things as may be required by law in order fully to protect the security of and all the Lender's rights under this Agreement.

(c) Any and all additions to or replacements of the Mortgaged Property and all parts thereof shall constitute accessions to the Mortgaged Property and shall be subject to all the terms and conditions of this Agreement and included in the "Mortgaged Property" for the purposes of this Agreement.

(d) Notwithstanding the provisions of subsection (c) above, however, the Town may, from time to time in its sole discretion and at its own expense, install machinery, equipment and other tangible property in or on the Mortgaged Property. All such property shall remain the Town's sole property in which the Lender shall have no interest; provided, however, that any such property becomes permanently affixed to the Mortgaged Property shall reasonably determine that the Mortgaged Property would be damaged or impaired by the removal of such machinery, equipment or other tangible property.

6.04. Security. The Town shall take all reasonable steps necessary to safeguard the Equipment against theft. The security afforded the Equipment shall at all times be equal to or better than the security afforded the Town's personal property that is not subject to this Agreement.

6.05. Utilities. The Town shall pay all charges for utility services furnished to or used on or in connection with the Site and the Mortgaged Property.

6.06. Risk of Loss. The Town shall bear all risk of loss to and condemnation of the Site and the Mortgaged Property.

6.07. Condemnation. The Town shall immediately notify the Lender if any governmental authority shall institute, or shall notify the Town of any intent to institute, any action or proceeding for the taking of, or damages to, all or any part of the Mortgaged Property or any interest therein under the power of the eminent domain, or if there shall be any damage to the Mortgaged Property due to governmental action, but not resulting in a taking of any portion of the Mortgaged Property. The Town shall file and prosecute its claims for any such awards or payments in good faith and with due diligence and cause the same to be collected and paid over to the Lender, and to the extent permitted by law hereby irrevocably authorizes and empowers the Lender or the Deed of Trust Trustee, in the Town's name or otherwise, to collect and receipt for any such award or payment and to file and prosecute such claims. If the Town receives any Net Proceeds arising from any such action, the Town shall apply such Net Proceeds as provided in Section 6.10.

6.08. Title. Title to the Mortgaged Property and any and all additions, repairs, replacements or modifications thereto shall at all times be in the Town, subject to the lien of the Deed of Trust and to the Permitted Encumbrances. Upon the Town's payment in full of all Required Payments, the Lender, at the Town's expense and request, shall cancel this Agreement.

6.09. No Encumbrance, Mortgage or Pledge of Site or Mortgaged Property. The Town shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics' and materialmen's liens), charge, encumbrance or other claim in the nature of a lien on or with respect to the Mortgaged Property, except Permitted Encumbrances. The Town shall promptly, at its own expense, take such action as may be duly necessary to

discharge any such mortgage, pledge, lien, charge, encumbrance or claim not excepted above which it shall have created, incurred or suffered to exist.

6.10. Damage and Destruction; Use of Net Proceeds. (a) The Town shall promptly notify the Lender in writing if (i) the Mortgaged Property or any portion thereof is stolen or destroyed or damaged by fire or other casualty, (ii) any governmental authority takes, or notifies the Town of any intent to take, title to, or the temporary or permanent use of the Mortgaged Property (or any portion), or the estate of the Town or the Lender in the Mortgaged Property (or any portion), under the power of eminent domain, (iii) a material defect in the Mortgaged Property shall become apparent, or (iv) title to or the use of all or any portion of the Mortgaged Property shall be lost by reason of a defect in title. Each notice shall describe generally the nature and extent of such damage, destruction or taking. The Town will provide any additional information concerning such matter as the Lender may reasonably request.

(b) If the Net Proceeds arising from any single event, or any single substantially related sequence of events, is not more than \$50,000, the Town shall retain such Net Proceeds and apply the same to the prompt completion, repair or restoration of the Mortgaged Property, and shall promptly thereafter report to the Lender regarding the use of such Net Proceeds.

(c) If the Net Proceeds arising from any single event, or any single substantially related sequence of events, is more than \$50,000, then the Town shall cause such Net Proceeds to be paid to an escrow agent (which shall be a bank, trust company or similar entity exercising fiduciary responsibilities) or deposit in a special escrow fund to be held by such escrow agent. The Town shall thereafter provide for the application of all Net Proceeds to the prompt completion, repair or restoration of the Mortgaged Property, as the case may be. The escrow agent shall disburse Net Proceeds to the Town for the payment of such costs upon receipt of requisitions submitted by the Town identifying such completion, repair and restoration. If the Net Proceeds shall be insufficient to pay in full the cost of completion, repair or restoration, the Town shall either (i) complete the work and pay any cost in excess of the Net Proceeds, or (ii) not carry out such completion, repair or restoration, and instead apply the Net Proceeds, together with other available funds as may be necessary, to the prepayment of all outstanding Required Payments pursuant to Section 3.03.

(d) Any repair, restoration, modification, improvement or replacement paid for in whole or in part of Net Proceeds shall be the Town's property and shall be part of the Mortgaged Property.

ARTICLE VII

[RESERVED]

ARTICLE VIII

DEFAULTS AND REMEDIES; FORECLOSURE

8.01. Events of Default. An "Event of Default" is any of the following.

(a) The Town's failing to make any Installment Payment when due.

(b) The occurrence of an Event of Nonappropriation.

(c) The Town's breaching or failing to perform or observe any term, condition or covenant of this Agreement or the Deed of Trust on its part to be observed or performed, other than as provided in subsections (a) or (b) above, including payment of any Additional Payment, for a period of 15 days after written notice specifying such failure and requesting that it be remedied shall have been given to the Town by the Lender, unless the Lender shall agree in writing to an extension of such time prior to its expiration.

(d) The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law by or against the Town as a debtor, or the appointment of a receiver, custodian or similar officer for the Town or any of its property, and the failure of such proceedings or appointments to be vacated or fully stayed within 30 days after the institution or occurrence thereof.

(e) Any warranty, representation or statement made by the Town in this Agreement is found to be incorrect or misleading in any material respect on the Closing Date (or, if later, on the date made).

(f) Any lien, charge or encumbrance (other than Permitted Encumbrances) prior to or affecting the validity of the Deed of Trust is found to exist, or proceedings are instituted against the Town to enforce any lien, charge or encumbrance against the Mortgaged Property and such lien, charge or encumbrance would be prior to the lien of the Deed of Trust.

8.02. Remedies on Default. Upon the occurrence and during the continuation of any Event of Default, the Lender may, without any further demand or notice, exercise any one or more of the following remedies:

(a) Declare the unpaid principal components of the Installment Payments and the accrued interest thereon immediately due and payable;

(b) Proceed by appropriate court action to enforce the Town's performance of the applicable covenants of this Agreement or the Deed of Trust or to recover for the breach thereof;

(c) Pay over any remaining balance remaining in the Project Account to be applied against outstanding Required Payments in any manner the Lender may reasonably deem appropriate; and

(d) Avail itself of all available remedies under this Agreement and the Deed of Trust.

Notwithstanding any other provision of this Agreement, Town and the Lender intend to comply with Section 160A-20. No deficiency judgment may be entered against the Town in violation of Section 160A-20.

8.03. No Remedy Exclusive; Delay Not Waiver. All remedies under this Agreement are cumulative and may be exercised concurrently or separately. The exercise of any one remedy shall not be deemed an election of such remedy or preclude the exercise of any other remedy. If any Event of Default shall occur and thereafter be waived by the other parties, such waiver shall be limited to the particular breach so waived and shall not be deemed a waiver of any other breach under this Agreement.

8.04. Payment of Costs and Attorney's Fees. If the Lender employs an attorney to assist in the enforcement or collection of Required Payments, or if the Deed of Trust Trustee or the Lender voluntarily or otherwise shall become a party or parties to any suit or legal proceeding (including a proceeding conducted under any state or federal bankruptcy or insolvency statute) to protect the Mortgaged Property, to protect the lien of this Agreement, to enforce collection of the Required Payments or to enforce compliance by the Town with any of the provisions of this Agreement, the Town agrees to pay reasonable attorneys' fees and all of the costs that may reasonably be incurred (whether or not any suit or proceeding is commenced), and such fees and costs shall be secured as Required Payments.

ARTICLE IX

MISCELLANEOUS

9.01. Notices. (a) Any communication required or permitted by this Agreement must be in writing.

(b) Any communication under this Agreement shall be sufficiently given and deemed given when delivered by hand or on the date shown on a certified mail receipt, or a delivery receipt from a national commercial package delivery service, if addressed as follows.

(i) if to the Town, to Shane Fox, Manager, 1036 Main Street, P.O. Box 47, Blowing Rock, NC 28605

(ii) if to the Lender, to JPMorgan Chase Bank, N.A., 111 E. Court Street, Floor 02, Flint, Michigan 48502-1649, Attention: Yvonne Carr, Vice President

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

9.02. No Assignments by Town. The Town shall not sell or assign any interest in this Agreement without the Lender's prior written consent.

9.03. Assignments by the Lender. The Lender may, at any time and from time to time, assign all or any part of its interest in the Mortgaged Property or this Agreement, including, without limitation, the Lender's rights to receive Required Payments. Any

assignment made by the Lender or any subsequent assignee shall not purport to convey any greater interest or rights than those held by the Lender pursuant to this Agreement.

The Lender or its assignees may assign or reassign all or any part of this Agreement, including the assignment or reassignment of any partial interest through the use of certificates evidencing participation interests in this Agreement, or making this Agreement part of a pool of obligations without the consent of the LGC, so long as such assignment or reassignment is to (i) an affiliate, (ii) a bank, insurance company or other institution or their affiliates, (iii) any other entity approved by the LGC, or (iv) a trustee for the purpose of issuing certificates of participation or other forms of certificates evidencing an undivided interest in the Agreement, provided such certificates are sold only to an affiliate, a bank, insurance company or other financial institution or other entity approved by the LGC. Notwithstanding the foregoing, no assignment or reassignment of the Lender's interest in the Mortgaged Property or this Agreement shall be effective unless and until the Town shall receive a duplicate original counterpart of the document by which such assignment or reassignment is made disclosing the name and address of each such assignee.

The Town further agrees that the Lender's interest in this Agreement may be assigned in whole or in part (subject to the limitations in the preceding paragraph) upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for any holders of certificates of participation in this Agreement, provided the Town receives a copy of such agency contract and such collection and paying agent covenants and agrees to maintain for the full remaining term of this Agreement a written record of each assignment and reassignment of such certificates of participation.

The Town agrees to execute any document reasonably required in connection with any assignment. Any assignor must provide notice of any assignment to the Town, and the Town shall keep a complete and accurate record of all assignments as required by the Code. After the giving of any such notice, the Town shall thereafter make all Required Payments in accordance with the notice to the assignee named therein and shall, if so requested, acknowledge such assignment in writing, but such acknowledgment shall in no way be deemed necessary to make the assignment effective.

9.04. Amendments. No term or provision of this Agreement may be amended, modified or waived without the prior written consent of the Town and the Lender.

9.05. No Marshalling. The Town hereby waives any and all rights to require marshalling of assets in connection with the exercise of any remedies provided in this Agreement or as permitted by law.

9.06. Governing Law. The Town, the Lender and the Deed of Trust Trustee intend that State law shall govern this Agreement.

9.07. Liability of Officers, Agents and Employees. No officer, director, agent or employee of the Town or the Lender shall be subject to any personal liability or accountability by reason of the execution of this Agreement or any other documents related to

the transactions contemplated hereby. Such officers, directors, agents or employees shall be deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section shall not relieve an officer, director, agent or employee from the performance of any official duty provided by law.

9.08. Covenants Running with the Land. All covenants contained in this Agreement shall run with the real estate encumbered by the Deed of Trust.

9.09. Severability. If any provision of this Agreement shall be determined to be unenforceable, that shall not affect any other provision of this Agreement.

9.10. Non-Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right shall not be a Business Day, such payment shall be made or act performed or right exercised on or before the next preceding Business Day.

9.11. Entire Agreement; Third Party Beneficiaries. This Agreement and the Deed of Trust constitute the Town's entire agreement with the Lender with respect to the general subject matter covered hereby. The Deed of Trust Trustee and the LGC are the only parties intended as third-party beneficiaries of this Agreement.

9.12. Binding Effect. Subject to the specific provisions of this Agreement, and in particular Section 9.03, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

9.13. Counterparts; Execution in Counterparts. This Agreement may be executed in several counterparts, including separate counterparts. Each will be an original, but all of them together constitute the same instrument. In addition, the parties agree that the transaction de-scribed herein may be conducted and related documents may be received, sent and stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

9.14. Role of Lender. The Town acknowledges and agrees that this transaction is an arm's length commercial transaction between the Town and the Lender and its affiliates, (ii) in connection with such transaction, the Lender and its affiliates are acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent or a fiduciary of the Town, (iii) the Lender and its affiliates are relying on the bank exemption in the Municipal Advisor Rules, (iv) the Lender and its affiliates have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the Town with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not the Lender or any affiliate of the Lender, has provided other services or advised, or is currently providing other services or advising the Town on other matters), (v) the Town and its affiliates have financial

and other interests that differ from those of the County, and (vi) the Town has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate.

9.15. **Waiver of Jury Trial.** The Town and the Lender hereby waive, to the fullest extent permitted by applicable law, any right to have a jury participate in resolving in any dispute in any way related to the transactions contemplated by this Agreement, the Deed of Trust or any other documents related thereto.

9.16. **Continuing Disclosure.** In connection with the Town's compliance with any continuing disclosure undertakings (each, a "Continuing Disclosure Agreement") entered into by the Town pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the Town may be required to file with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its successor ("EMMA"), notice of its incurrence of its obligations under this Agreement and notice of any accommodation, waiver, amendment, modification of terms or other similar events reflecting financial difficulties in connection with this Agreement, in each case including posting a full copy thereof or a description of the material terms hereof (each such posting, an "EMMA Posting"). Except to the extent required by applicable law, including the Rule, the Town shall not file or submit or permit the filing or submission of any EMMA Posting that includes the following unredacted confidential information about the Lender or its affiliates in any portion of such EMMA Posting: address, account information and logos of the Lender or its affiliates; e-mail addresses, telephone numbers, fax numbers, names and signatures of officers, employees and signatories of the Lender or its affiliates.

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

IN WITNESS WHEREOF, the parties have caused this instrument to be executed as of the day and year first above written by duly authorized officers.

(SEAL)

ATTEST:

**TOWN OF BLOWING ROCK,
NORTH CAROLINA**

Printed Name: _____
Title: Town Clerk

Printed Name: _____
Title: Mayor

* * * * *

JPMORGAN CHASE BANK, N.A.

By: _____
Printed Name: _____
Title: _____

* * * * *

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

Secretary, Local Government Commission of North Carolina

[Installment Financing Agreement dated as of September 1, 2025 between the Town of Blowing Rock, North Carolina and JPMorgan Chase Bank, N.A.]

EXHIBIT A – SITE DESCRIPTION

2.366 acres, more or less, as shown on that Recombination Survey dated November 7, 2005, attached hereto and recorded on December 30, 2005 in Plat Book 464, Page 484, consisting of 1.031 acres, more or less, as described in deed recorded on July 7, 1995 at deed book 333, page 892, 1.268 acres, more or less, as described in deed recorded on May 26, 2004 at deed book 968, page 623, each with the Register of Deeds for Watauga County, North Carolina, and “Tract A” consisting of 0.067 acres, more or less, as shown on said Recombination Survey

EXHIBIT B – PROJECT DESCRIPTION


The design, acquisition, renovation, construction, and equipping of (1) land for the Town water system uses, (2) public park facilities, and (3) roof repairs and other improvements to the Town's fire and rescue services building that is located on the Site. 

EXHIBIT C – EXISTING ENCUMBRANCES

All encumbrances of record as of the Closing Date.

EXHIBIT D – PAYMENT SCHEDULE

Schedule of Installment Payments To Installment Financing Agreement dated as of September 1, 2025 (the “Financing Agreement”), between the Town of Blowing Rock, North Carolina and JPMorgan Chase Bank, N.A attached. Interest is calculated based on a 360-day year consisting of twelve 30-day months.

TOWN OF BLOWING ROCK, NORTH CAROLINA

2025 INSTALLMENT FINANCING

FINANCING SCHEDULE

Jun-25							Jul-25							Aug-25							Sep-25						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7			1	2	3	4	5						1	2		1	2	3	4	5	6
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27
29	30						27	28	29	30	31			24/31	25	26	27	28	29	30	28	29	30				

DATE	TASK	RESPONSIBILITY
June 17	Pre-Application Call with LGC (10:00am)	T/LGC/FTA
By June 24	Publish Notice of Public Hearing	T
July 8	Town Council adopts preliminary findings resolution and holds public hearing	T
July 8	Circulate Draft Bank RFP	FTA
July 15	Send Bank RFP to Banks	FTA
August 5	Bank RFP Responses Due – 10:00am	FTA
August 5	Call to Review Bank Bids and Determine Winner	T/FTA
August 5	LGC Application Due	T/FTA
August 28	Distribute draft of closing documents	BC
September 9	LGC Approval	LGC
September 9	Town Council adopts final approving resolution	T
September 16	Closing	Working Group

Town Council typically meets 2nd Tuesday of each month

Responsibility Legend:

Role	Entity	Defined
Issuer	Town of Blowing Rock	"T"
Regulatory Agency	Local Government Commission	"LGC"
Bond Counsel	Sands Anderson PC	"BC"
Financial Advisor	First Tryon Advisors	"FTA"
Bank Lender	JPMorgan Chase	"BL"
Bank Counsel	McGuireWoods LLP	"LC"

**STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER**

**STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION**

Mailing Address: 3200 Atlantic Avenue
Raleigh, North Carolina 27604

Federal Express & Courier: 3200 Atlantic Avenue
Raleigh, North Carolina 27604

Telephone: (919) 814-4300
Fax: (919) 855-5812

**APPLICATION FOR APPROVAL OF
INSTALLMENT PURCHASE OR LEASE CONTRACT**

APPLICATION DUE DATE

The Local Government Commission (the “LGC”) meets the first Tuesday of each month, unless otherwise announced, to conduct its business, including the approval of applications of units of government to incur debt. Generally, to allow adequate review of applications, the staff of the LGC (the “staff”) requires that applications be received no later than twenty-eight days prior to the date of the LGC meeting at which the unit wants its application to be considered. However, in more complex transactions the staff may require earlier submission.

Although this application form is available to interested parties by internet access; the project and the related proposed financing should be discussed with the staff prior to submission of an application. Before the application is accepted for submission to the LGC a preliminary conference may be required (G.S. 159-149).

LEGISLATIVE REPORTING REQUIREMENT

State law G.S. 120 - 157.1 – 157.4 adopted and effective on June 24, 2011 requires that certain capital projects to be financed with debt in an amount exceeding \$1,000,000 be reported to the Joint Legislative Committee on Local Government and to the Fiscal Research Division of the North Carolina General Assembly at least 45 days before the application for debt is to be considered for approval by the Local Government Commission. The law applies to all capital projects to be financed by issuing debt over \$1,000,000 with the exception of schools, jails, courthouses and administrative buildings. Copies of the reporting should also be sent to our office at the time of the filing.

This reporting duty is the responsibility of each local government unit. Each unit should consult its own attorney or the unit’s bond counsel for legal advice on complying with the reporting requirements of this new statute.

**STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER**

*State and Local Government Finance Division
and the Local Government Commission
3200 Atlantic Avenue, Raleigh, North Carolina 27604*

**APPLICATION FOR APPROVAL OF INSTALLMENT PURCHASE
OR LEASE CONTRACTS**

CHECK ONE: ☐ G. S. 160A-19 ☒ G. S. 160A-20
 ☐ G. S. 153A-165

1. Unit: Town of Blowing Rock, North Carolina Population: 1,353 Date: August 5, 2025
2. Project Description: Project includes the design, acquisition, renovation, construction and equipping of (1) land for Town water system uses, (2) public park facilities and (3) roof repairs and other improvements to the Town's fire and rescue services building.
3. Necessity: Projects are essential to the operations of the Town and the benefit of its citizens.
4. Principal Amount to be Financed \$2,250,000
5. Interest to be paid during life of contract \$552,656
6. Amount due throughout life of contract \$2,802,656
(i.e., amount of periodic payment times number of payments. Should also be the total of 4 + 5 above.)
7. Estimated increase in tax rate by reason of proposed financing \$0.00. If other funding sources are anticipated, explain in one of the following forms:
☐ LGC-108C Revenue Projection for Water and Sewer
☐ LGC-108D Revenue Project for Other Enterprises
☒ LGC-108E Repayment Plan for Non-Enterprise Purposes
8. Term of contract including options to renew (if any) 10 Years
9. Basis of design and estimated cost of project (engineer): Bids in hand for Memorial Park. Land has been purchased for property acquisitions. Costs estimated for EMS building roof repairs.
Date construction bids will be opened: Bids opened on January 23, 2025 for Memorial Park.
10. Capital budget based on estimates as of July 2025

<u>Estimated Cost</u>		<u>Funding Sources</u>	
Construction Cost.....	<u>\$2,075,000</u>	Loan	<u>\$2,250,000</u>
Engineer or Arch. Fees	_____	Grants (indicate source)	_____
Land and Rt.-of-way	_____	_____
Special Counsel Fees	<u>24,450</u>	_____
Other Legal/Fiscal Cost	<u>26,000</u>	_____
Administrative Cost.....	<u>1,250</u>	_____
Capitalized Interest	_____	_____
Contingency	<u>123,300</u>	Available Cash	_____
.....	_____	Other	_____
Total	<u>\$2,250,000</u>	Total	<u>\$2,250,000</u>

11. The attached are furnished in support of this application:

- ✓ a. Certified copy of governing body resolution making necessary findings and authorizing the contract.
- ✓ b. Publisher's Affidavit of the Notice of Hearing.
- ✓ c. Certified copy of minutes of hearing. (Draft Copy included – Minutes will be certified at the August 12th Town Council meeting)
- ✓ d. Certified net debt statement.
- ✓ e. Certified fiscal information by finance officer.
- ✓ f. Revenue projections on repayment plan, Form 108C, 108D, or 108E.
- ☐ g. Engineer's or architect's report establishing feasibility, if applicable.
- ☐ h. Proposed financing contract.
- ☐ i. Completed IRS form 8038-G (2 copies) (To be provided at loan closing).
- ✓ j. Unit Attorney's Opinion.
- ✓ k. Fee Arrangement Letters:
 - ✓ Special Counsel
 - ✓ Banker/Underwriter
- ☐ l. Independent appraiser's report if applicable.
- ✓ m. Bid specifications and summary of competitive bids from contractors.
- ✓ n. Bid specifications and summary of competitive bids from banks and other financial institutions. (To be provided once bank bids are received)
- ☐ o. Required licenses and permits.
- ☐ p. Evidence that plans and specs have been approved by appropriate State agencies.
- ☐ q. Other: Specify _____
- ✓ r. Engineer's/Architect's engagement letter (fee arrangement) and a copy of proposed contract
- ✓ s. Application fee for installment/lease purchase agreement contract. Attach check for appropriate amount.
 - ✓ \$1,250 for private placement.
 - ☐ \$12,500 for public offering.

12. Current audited financial statements have been received by Fiscal Management. **Audit Reports are due October 31 each year.** For units with a calendar year or fiscal year not ending on June 30, audited financial statements should be received within four months of year-end. Yes ✓ No ☐

13. Unit's Attorney Joey Petrack Telephone (828) 264-3601 Fax _____
Address 815 West King Street, Boone, North Carolina Zip 28607

14. Financing contract/agreement with _____

Contact Person _____

Telephone _____ Fax _____

15. Consulting Firm McGill Associates, P.A.

(Architect or Engineer)

Contact Person Douglas Chapman

Title Vice President/Office Manager

Telephone (828) 328-2024

Fax _____

16. Unit's Authorized Agent Tasha Brown

Title Finance Officer

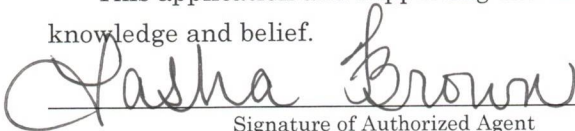
Telephone (828) 295-5200

Fax _____

Address 1036 Main Street, Blowing Rock, NC

Zip 28605

This application and supporting documents are deemed to be true and accurate to the best of my knowledge and belief.


Signature of Authorized Agent

8/04/2025
Date

(As Designated by Board)

**STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER**

*State and Local Government Finance Division
and the Local Government Commission
3200 Atlantic Avenue, Raleigh, North Carolina 27604*

SELECTED FISCAL INFORMATION AS CERTIFIED BY FINANCE OFFICER

Unit Town of Blowing Rock, North Carolina

1. Ad Valorem Tax (current fiscal year):

Appraised Value	<u>\$1,747,009,835</u>	Tax Rate — General Fund	<u>\$0.40</u>
Total Levy	<u>6,935,305</u>	— Other funds	_____
Uncollected at <u>08/01/25</u>	<u>6,935,305</u>	— Total	<u>\$0.40</u>
Percentage Collected	_____ %	*2024 Tax Collection Data Provided Upon Request	

2. For the past 5 fiscal years, has there been a delay in payment or non-payment of matured bonds and coupons when presented to the unit's fiscal agent? No (Yes; No). If yes, explain circumstances on separate statement.

3. Information relating to compliance with Local Government Budget and Fiscal Control Act:
(If answer to any question in this item is No, furnish explanation.)

	<u>Yes</u>	<u>No</u>
A. Purchasing and Contracts		
(1) Are purchase orders issued for all commitments over a minimum amount?	_____ <u>x</u>	_____
(2) Do all purchase orders include a preaudit certificate signed by the finance officer (or properly appointed deputy)?	_____ <u>x</u>	_____
(3) Are all purchase orders posted to appropriate expenditure accounts as encumbrances?	_____ <u>x</u>	_____
B. Other:		
(1) Do checks or drafts on an official depository bear on their face a preaudit certificate, of sufficient unencumbered appropriation signed by the finance officer (or properly appointed deputy)?	_____ <u>x</u>	_____
(2) Are the finance officer, tax collector, and other employees (as required) properly bonded according to G.S. 159-29?	_____ <u>x</u>	_____
(3) Did the budget provide for all deficits, if any, as shown in the audit report for the prior year?	_____ <u>x</u>	_____

C. Please include a description of any material instance of misfeasance or malfeasance (within the last three years) which might affected the credit of the unit. _____

I certify the above is correct to the best of my knowledge

Finance Officer's Signature

Alasha Brown

Date

8/04/2025

PAGE 2

D. Additional Loan and Grant procedures for a Capital Project Ordinances**(1) Loans**

Pursuant to G.S. 159-26(b)(6), a capital project fund is required to account for all debt instrument proceeds used to finance capital projects. To facilitate budgetary and accounting control, it is required that a capital project ordinance, pursuant to G.S. 159-13.2, be adopted by the governing board authorizing all appropriations necessary for the completion of the project. Will the unit prepare and adopt a balanced capital project ordinance covering the life of the project? ☒ YES ☐ NO

(2) Grants

To facilitate budgetary and accounting control, it is required that a grant project ordinance, pursuant to G.S. 159-13.2, with a corresponding capital project fund, be adopted by the governing board authorizing all appropriations necessary for the completion of the project. Will the unit prepare and adopt a balanced capital project ordinance covering the life of the project? ☐ YES ☐ NO

**STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER**

*State and Local Government Finance Division
And the Local Government Commission
3200 Atlantic Avenue, Raleigh, North Carolina 27604*

PROJECTION OF WATER AND SEWER NET REVENUES

Unit _____

Fund _____

Complete only if the proposed financing is for water or sewer facilities. Where separate accounting funds are maintained for each system, one schedule may be completed for proposed water bonds and one for proposed sewer bonds. Water and sewer operations may be consolidated when either water or sewer financing or both are proposed. Use actual amounts on modified accrual basis of accounting (budgetary basis) from latest audit report.

REVENUES		Fiscal Year _____	Fiscal Year _____
		1. Actual Revenue for Last Complete Fiscal Year	Estimated Increase or (Decrease)
		2. Due to Normal Growth and Rate Changes	3. Due to Expanded System
		1 + 2 + 3 Estimated Revenue for Fiscal Year After Completion of Project	
Operating Revenues:			
Customer charges			
Other revenue			

Total			
Non-operating Revenues:			
Interest			
Restricted sales tax			
Other			
Total			
Total Revenues			

EXPENDITURES		Fiscal Year _____	Fiscal Year _____
		1. Actual Expenditure for Last Complete Fiscal Year	Estimated Increase or (Decrease)
		2. Due to Normal Growth and Rate Changes	3. Due to Expanded System
		1 + 2 + 3 Estimated Expenditure for Fiscal Year After Completion of Project	
Operating Expenditures:			
Administration	Salaries		
	Other		
Operations	Salaries		

Total Expenditures			
Excess Revenues over Expenditures			

Projection of water and sewer net revenues (continued)

	Actual Expenditures for Last Complete Fiscal Year	Estimated Expenditures First Fiscal Year After Completion of Project
Other (Do not include depreciation):		
Debt principal		
Interest		
Capital outlay		
Capital reserve		
Transfer to (from) other funds		
Other		

Total other		
Net Income (Loss)		

Does the Unit own and operate a Water System and a Sewer System? Yes ____ No ____ If "No", explain _____

Number of Customers		Current	After Completion of Project
Water	Residential	_____	_____
	Commercial	_____	_____
Sewer	Residential	_____	_____
	Commercial	_____	_____

	Current	After Completion of Project	Percentage of Change
--	---------	--------------------------------	-------------------------

Rate and Fee Structure

Indicate monthly cost for an average residential customer:
Average gallons per month (for residential customer): _____

WATER

Rate (Include minimum cost/thousand gallons, etc.) –
Residential _____

Average monthly bill within city limits _____

Average monthly bill outside city limits _____

SEWER

Rate (Include minimum, etc.) – residential _____

Average monthly bill within city limits _____

Average monthly bill outside city limits _____

TAP FEE POLICY _____

IMPACT FEE POLICY _____

**STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER**

*State and Local Government Finance Division
and the Local Government Commission
3200 Atlantic Avenue, Raleigh, North Carolina 27604*

PROJECTION OF ENTERPRISE NET REVENUES

Unit _____ Date _____

Complete only if proposed financing are for electric, gas, parking, hospital or other enterprise purposes. Use form LGC-108C when financing is proposed for water and sewer purposes. Use actual amounts on modified accrual basis of accounting (budgetary basis) from latest audit report.

REVENUE (Indicate nature)	-1- Actual Revenue for Last Complete Fiscal Year	Estimated Increase or (Decrease)		1 + 2 + 3 Estimated Revenue for First Fiscal Year After Completion of Project
		-2- Due to Normal Growth and Rate Changes	-3- Due to Expanded System	
.....				
.....				
.....				
.....				
.....				
.....				
Total revenues				

EXPENDITURES (Indicate nature)	-1- Actual Revenue for Last Complete Fiscal Year	Estimated Increase or (Decrease)		1 + 2 + 3 Estimated Revenue for First Fiscal Year After Completion of Project
		-2- Due to Normal Growth and Rate Changes	-3- Due to Expanded System	
.....				
.....				
.....				
.....				
.....				
.....				
Total expenditures . . .				

Projection of enterprise net revenues (continued)

	Actual Expenditures for Last Complete Fiscal Year	Estimated Expenditures First Fiscal Year After Completion of Project
Other		
– Debt principal		
– Interest		
– Capital outlay		
– Capital reserve		
– Transfer to (from) other funds		
– Other		
Net Income (Loss)		

Rate Structure

	<u>Current</u>	<u>After Completion of Project</u>	<u>Percentage of Change</u>
Average monthly bill per residential customer:			
Within city limits	_____	_____	_____
Outside city limits	_____	_____	_____

STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

*State and Local Government Finance Division
and the Local Government Commission
3200 Atlantic Avenue, Raleigh, North Carolina 27604*

REPAYMENT PLAN FOR NON-ENTERPRISE PROJECTS

Complete if the proposed financing is for non-enterprise purposes. List below the available sources of repayment and the amounts available to service debt over a three-year period. Explain **in detail** and attach supporting schedules.

AVAILABLE AMOUNT

<u>Available Sources</u>	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
<u>General Fund Revenues</u>	\$ <u>15,615,408</u>	\$ <u>15,616,408</u>	\$ <u>15,616,408</u>
<u>Less: Existing GF Debt</u>	<u>(1,767,881)</u>	<u>(1,175,575)</u>	<u>(971,013)</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Total Amount Available</u>	\$ <u>13,847,527</u>	\$ <u>14,440,833</u>	\$ <u>14,645,395</u>
<u>Debt Service Amount</u>	\$ <u>46,406</u>	\$ <u>321,187</u>	\$ <u>311,062</u>

**STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER**

*State and Local Government Finance Division
and the Local Government Commission
3200 Atlantic Avenue, Raleigh, North Carolina 27604*

STATEMENT OF DEBT

For Town of Blowing Rock, North Carolina (as of June 30, 2025)

To be filed with the application. The debt described below should not include debt incurred or to be incurred in anticipation of the collection of taxes or other revenues or in anticipation of the sale of bonds other than funding or refunding bonds. The debt described below should not include revenue bonds or special obligation bonds.

A. Gross Debt

1. Outstanding debt evidenced by bonds:

<u>Purpose</u>	<u>Amount</u>	
Water	1,407,000	
Sanitary Sewer	631,000	
Electric		
Gas		
Other	6,681,000	<u>\$8,719,000</u>

2. The proposed financing, and bonds authorized by orders introduced but not yet adopted:

<u>Date Introduced</u>	<u>Purpose</u>	<u>Amount</u>
7/8/2025	2025 IFC	\$2,250,000
		<u>\$2,250,000</u>

3. Unissued bonds authorized by adopted orders:

<u>Date Introduced</u>	<u>Purpose</u>	<u>Amount</u>
		\$ _____

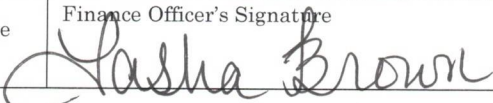
4. Outstanding debt not evidenced by bonds (lease-purchase agreements):

<u>Date Incurred</u>	<u>Purpose</u>	<u>Amount</u>
3/10/2004	2004 IPC (EMS)	\$235,000
8/29/2011	2011 SRF	\$226,944
2/13/2013	2013 Wastewater Note	\$214,478
5/5/2015	2015 IPC (Buildings)	\$566,860
1/1/2021	2021 IPC (Property)	\$270,622
8/1/2021	2021 IPC	\$121,015

12/30/2021	2021 IPC (Property)	\$200,000	
11/2/2022	2022 IPC (Equipment)	\$344,611	
4/19/2023	2023 IFC (AMI Meters)	\$960,000	
8/26/2024	2024 IFC Equipment)	\$588,000	
			<u>\$3,727,530</u>
	Total Gross Debt (Sum of 1, 2, 3 and 4)		<u>\$14,696,530</u>

B. Deductions

- | | |
|---|--------------------|
| 1. Funding and refunding bonds authorized by orders introduced but not yet adopted..... | \$ _____ |
| 2. Funding and refunding bonds authorized but not issued ... | \$ _____ |
| 3. Amount held in sinking funds or otherwise for the payment of gross debt other than debt incurred for water, gas, electric light or power purposes or sanitary sewer purposes (to the extent deductible under Section 159-55[b] of the Local Government Bond Act), or two or more of these purposes. | \$ _____ |
| 4. Bonded debt included in gross debt and incurred or to be incurred for water, gas or electric light or power purposes, or any two or more of these purposes. | <u>\$1,407,000</u> |
| 5. Bonded debt included in gross debt and incurred or to be incurred for sanitary sewer system purposes (to the extent deductible under Section 159-55[b] of The Local Government Bond Act). | <u>\$631,000</u> |
| 6. Uncollected special assessments levied for local improvements for which gross debt (that is not otherwise deducted) was or is to be incurred, to the extent it will be applied, when collected, to the payment of such gross debt..... | \$ _____ |
| 7. Estimate of special assessments to be levied for local improvements for which any part of gross debt (that is not otherwise deducted) was or is to be incurred, to the extent that the special assessments when collected, will be applied to the payment of any part of gross debt..... | \$ _____ |
| Total Deductions (Sum of 1 through 7) | <u>_____</u> |
- C. **Net Debt** being the difference between Total Gross Debt (A) and Total Deductions (B). \$12,658,530
- D. **Assessed Value** of property subject to taxation being the value from which the assessed value was last fixed for taxation as revealed by the County tax records and certified by the County Tax Supervisor. \$1,747,009,835
- E. **Percentage that Net Debt** bears to the assessed value of property subject to taxation (C ÷ D). 0.72%

I certify the above is correct to the best of my knowledge.	Finance Officer's Signature 	Date <u>8/04/2025</u>
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STATE OF NORTH CAROLINA)
COUNTY OF Watauga) ss.:

Tasha Brown, being duly sworn, says that he is
the Finance Officer of the Town of Blowing Rock of Blowing Rock
in the State of North Carolina; and that the foregoing statement is true and was made and
subscribed by him.

Tasha Brown
Finance Officer

Sworn to and subscribed before me on
the day of the date of said statement

Taylor Malm
(Notary Public)



My commission expires the 5th day of March, 2028.

STATE OF NORTH CAROLINA)
COUNTY OF Watauga) ss.:

I, the undersigned Town Clerk of the Town of Blowing Rock
of Blowing Rock in the State of North Carolina, DO HEREBY CERTIFY that the
foregoing statement and accompanying affidavit were filed in my office on the 4th day of
August, 2025.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said County, this
4 day of August 2025.

Philani D. Hester
Clerk

\$2,250,000*
Town of Blowing Rock, North Carolina
2025 Installment Financing Contract

The Town of Blowing Rock, North Carolina (the “Town”), is requesting proposals from financial institutions with respect to an up to \$2,250,000* Installment Financing Contract (the “2025 Contract”), proceeds of which will be used to fund the cost of various Town projects and to pay related financing costs.

Your response to the RFP would be greatly appreciated. The following key assumptions are to be utilized in preparing your proposal:

Issuer: Town of Blowing Rock, North Carolina

Use of Proceeds: The proceeds of the 2025 Contract will be used 1) to pay the costs various Town projects, as detailed below and 2) to pay the costs of issuance.

Item	Amount
Memorial Park	\$ 1,200,000
Property Acquisitions	675,000
EMS Building Roof Repairs	200,000
Issuance Costs / Contingency	175,000
Total	\$ 2,250,000

Tax Treatment: Tax-Exempt

Bank Qualified: Yes

Financial Advisor: First Tryon Advisors

Audit: The Town’s latest audited financial statements are available from the Town’s website using the following link:

[Blowing Rock Audits](#)

Security: As security for its obligations under the 2025 Contract, the Town will execute and deliver a deed of trust granting first lien of record on its EMS Building. The Town’s obligation to pay the debt service under the 2025 Contract will be subject to annual appropriation by the Town Council. The taxing power of the Town will not be pledged to secure repayment.

Authority: The 2025 Contract will be entered into under the authority granted by North Carolina General Statute 160A-20 and pursuant to expected approval by the North Carolina Local Government Commission on September 9, 2025 and a resolution approved by Town Council on September 9, 2025.

Rating: No rating is expected to be obtained for the 2025 Contract. The Town currently maintains a General Obligation credit rating of AA+ from S&P Global.

Issue Size: Estimated to be \$2,250,000*

Interest Rate: The interest rate shall be fixed for the entire term and will not be subject to adjustment due to changes in the tax code or bank capital requirements.

First Tryon Advisors

*Preliminary; Subject to Change

Interest Payments: Semi-annual interest payments on March 1 and September 1 commencing March 1, 2026, calculated on a 30/360 basis.

Principal Amortization: The following amortization schedule has been provided below and should be used in preparation of your bid. Please provide a fixed interest rate. Please note that this schedule is preliminary and subject to change.

Maturity Date	Principal
9/1/2026	225,000
9/1/2027	225,000
9/1/2028	225,000
9/1/2029	225,000
9/1/2030	225,000
9/1/2031	225,000
9/1/2032	225,000
9/1/2033	225,000
9/1/2034	225,000
9/1/2035	225,000
Total	2,250,000

Note: Preliminary, subject to change

Optional Redemption: The Town is seeking flexibility with respect to redemption provisions. Please specify the redemption structure(s) that would provide the Town with flexibility at the lowest cost of funds. Proposals with multiple redemption options are permitted.

Closing: Closing is anticipated to take place on September 16, 2025. The Town requests bidders to hold their bid for a minimum of 45 days.

Ongoing Disclosure: The Town will provide its audit to the purchaser of the 2025 Contract annually within 210 days of the end of the fiscal year.

Closing Costs: Disclose any additional costs or fees, including origination fees or counsel fees. The Town may not consider any fees not disclosed within your proposal.

Annual/Ongoing Costs: None expected to be paid to or on behalf of the bank. Please specify any exceptions.

Increased Cost: The Town will not consider any proposals that include future interest rate adjustments relating to the bank's increased costs, changes in tax rate, capital adequacy, capital requirements, etc.

Documentation: Bond Counsel to the Town, Sands Anderson PC, will draft the financing documents. By submitting a proposal, the financial institution shall waive any conflict of interest with respect to Sands Anderson PC serving as Bond Counsel to the Town.

Loan Treatment: By submitting a bid in response to this RFP, each bidder acknowledges and represents to the Town and its Financial Advisor that (1) no official statement or other offering material will be furnished other than this RFP; (2) the bidder has knowledge and experience in financial and business matters and that it is capable of evaluating the merits and risks of making the commercial loan to be evidenced by the 2025 Contract and is financially able to bear the economic risk of holding the 2025 Contract; (3) no CUSIP number will be obtained for the 2025 Contract; and (4) the

bidder intends to acquire the 2025 Contract solely for its own account as a vehicle for making a commercial loan and with no present intention to distribute or resale the 2025 Contract or any portion thereof.

Award:

The Town reserves the right to request additional information from the bidders and to waive any irregularity or informality and to negotiate provisions and covenants directly with any bidder. The Town also reserves the right to reject all proposals for any reason. Although the selection will be based substantially on lowest total financing cost (including both interest cost and upfront fees and expenses), the Town reserves the right to select the bidder that best meets the needs of the Town.

To be considered, a proposal must be received by **10:00am on Tuesday, August 5, 2025**. Please email your proposal to the following individuals.

Shane Fox:	sfox@townofblowingrocknc.gov
Tasha Brown:	tbrown@tobr.us
Paul C. Jacobson:	pjacobson@sandsanderson.com
Ashley L. Anderson:	aanderson@sandsanderson.com
Amy Vitner:	avitner@firsttryon.com
Brandon DeCoste:	bdecoste@firsttryon.com

DATE	TASK
July 15	Distribute bank RFP to potential lenders
August 5	Bank Bids Due
September 9	Approval of the Local Government Commission
September 9	Approval of Town Council
September 16	Closing

Questions may be addressed to the Town through its financial advisor or bond counsel:

Financial Advisor	Bond Counsel
Amy Vitner / Brandon DeCoste	Paul C. Jacobson / Ashley Anderson
First Tryon Advisors	Sands Anderson PC
(704) 926-2457	(919) 313-0045
(704) 926-2981	(919) 313-0047
avitner@firsttryon.com	pjacobson@sandsanderson.com
bdecoste@firsttryon.com	aanderson@sandsanderson.com

Town of Blowing Rock, North Carolina

2025 Installment Financing Contract

Summary of Bids Received

August 5, 2025

Bank	Rate	Fees	Effective Rate	Prepayment	Additional Terms
JPMorgan Chase	3.5500%	\$8,000	3.6258%	Non-Callable	Must be accepted by August 6th at 9:00am
	3.7200%		3.7958%	Beginning 9/1/2030 at Par	McGuireWoods would serve as bank's counsel
	4.0600%		4.1358%	Beginning 9/1/2027 at Par	Audited financial statements due within 270 days of fiscal year end Flood insurance may be required
First National Bank	3.8400%	\$0	3.8400%	Any time at par	Rate locked through September 19th Request opportunity to discuss deposits, treasury, and other services Audited financial statements due within 210 days of fiscal year end
Pinnacle Bank	3.8200%	\$6,500	3.8816%	103% in year 1 102% in year 2 101% in year 3 At par thereafter	Must accept by September 10th Proceeds would be held at Pinnacle; \$40 fee per draw Maynard Nexsen would serve as bank's counsel Audited financial statements due within 210 days of fiscal year end
Webster Bank	4.1000%	\$5,000	4.1474%	Beginning 9/1/2028 at Par Beginning 9/1/2030 at Par	Must accept proposal by August 13th Rate locked until September 17th Proceeds may be held at Webster Bank, if desired Gilmore & Bell would serve as bank's counsel
United Community Bank	4.2400%	\$6,000	4.2969%	Any time at par	Term sheet expires on September 13th Audited financial statements due within 210 days of fiscal year end
Huntington Bank	4.3300%	\$5,000	4.3774%	Before 9/1/2030 at 102% At par thereafter	Must accept by August 10th Town must provide insurance naming Huntington as loss payee

Town of Blowing Rock

Request for Council Action

FROM: Jennifer Brown, Director of Parks & Recreation
SUBJECT: Blowing Rock Chamber of Commerce Art in the Park Event
TO: Town Council
DATE: September 9, 2025
REQUESTED BY: Robin Miller

BACKGROUND:

The Blowing Rock Chamber of Commerce has submitted a request to host Art in the Park on Park Avenue for the next five years. The event would occur one Saturday per month, beginning in May and concluding in October each year.

The application has been reviewed by the appropriate department heads. While the request has been duly evaluated, concerns regarding the proposed use of Park Avenue have been identified. These concerns, along with the Special Event Application and proposed dates, are attached for consideration.



Town Of Blowing Rock
Special Events/Activities Application
(Must be submitted to Blowing Rock Parks & Recreation)

Town Of Blowing Rock
PO Box 47
1036 Main Street
Blowing Rock, NC
28605

Tel 828-295-5200

The purpose of this application is to provide information about your event or activity in order for various departments and agencies to determine if they need to be involved in the approval and/or permitting process. Depending on the specific event, a permit application and/or fee(s) from individual departments may be required.

The applicant is responsible for providing complete and accurate information on the application, including an attached detailed site plan. The applicant is also responsible for notifying the Parks Department of any changes. Incomplete applications will not be accepted. **A complete application should be submitted at least 90 days prior to the planned event to allow sufficient review time. Town staff may contact you with specific questions. Any official may require a pre-planning meeting.

Applications and events are prioritized based on a first come-first served basis and the Town may approve or disapprove an event's requested date based on availability of resources. Events that occur on an annual basis will receive priority the following year.

Applicant should contact the Parks Department to verify date availability prior to submission of application.

**NO MORE THAN 2 RACES WILL BE ALLOWED IN ANY GIVEN MONTH

****If the event is to be held on public property, approval to use the property must be obtained from Town Council; therefore the application must be submitted 90 days prior to the event.**

APPLICANT INFORMATION

Name of Event: Art in the Park

Applicant Name & Title: Robin Miller, CEO

Organization: Blowing Rock Chamber of Commerce

Mailing (Billing) Address: PO Box 406

City / State / Zip: Blowing Rock, NC 28605

Daytime Phone: 828-295-7851 Cell: 828-616-9122 Email: robin@blowingrock.com

Description of the Event: Art in the Park is an outdoor art show held in Blowing Rock, NC. It takes place one Saturday each month from May through October.

Does the event have a Twitter, Facebook or other social networking page: Yes

If yes, please list URL(s): https://www.facebook.com/brartinthepark

Event Address: <u>Park Avenue</u>	
Date of Event: <u>5/16/26, 6/13/26, 7/18/26, 8/15/26, 9/12/26, 10/3/26</u>	
Event Start Time: <u>9 am</u>	Event End Time: <u>4 pm</u>
Set-Up Begins: <u>5:30 am</u>	Clean-Up Ends: <u>7 pm</u>
Preferred Date & Time of Inspection: <u>N/A</u>	
Estimated Attendance: <u>Average 1000 per show</u>	
The Event is: <input type="checkbox"/> Private (by invitation only) or <input checked="" type="checkbox"/> Open to General Public	

APPLICANT'S SIGNATURE *Robin A. Miller* DATE: 8/25/25

A pre-planning meeting may be required and will be scheduled to include the appropriate staff. The event applicant must attend the meeting. The town reserves the right to require others to attend.

TENTS & MEMBRANE STRUCTURES

**** Tent** is a structure, enclosure, or shelter, with or without sidewalls or drops ******

Will tent(s) be used for the event? ☒ Yes ☐ No

Number of Tent(s) planned: No more than 70 _____

Size of Tent(s) planned: 10' x 10' _____

Percentage of side walls if any to be used for each tent: 90% _____

Detail tent location, size, percentage of side walls and spacing for each on required site plan.

**** Membrane structure** is an air-inflated or air supported structure ******

Will inflated/air Supported membrane(s) structures be used for the event? ☐ Yes ☒ No

Number of air inflated/air supported membrane structures planned: _____

Size(s) air inflated/air supported membrane structures planned: _____

Detail air inflated/air supported membrane structure location(s), size and spacing for each on required Site plan.

POWER SOURCES

Will you use electric generators? ☐ Yes ☒ No

If yes, will Power Distribution boxes be used? ☐ Yes ☐ No

Provide contact information for contractor supplying generator power:

Name: _____ Phone: _____ Email: _____

Will you use electric power from an existing structure? ☐ Yes ☐ No

If yes, will direct wiring to breakers be required? ☐ Yes ☐ No

Provide contact information for person responsible for setup of power:

Name: _____ Phone: _____ Email: _____

HAZARDOUS MATERIALS

Will there be any portable heaters?? ☐ Yes ☒ No

Will there be any deep fat fryers?? ☐ Yes ☒ No

Will the event have any hazardous materials such as propane, butane, gasoline, diesel tanks, helium cylinders or other upright tanks? ☐ Yes ☒ No

If yes, all tanks must be secured in a manner to prevent accidentally being knocked over. All helium tanks not being used shall have their caps in place.

Will there be any fireworks, lasers, torches, candles or pyrotechnics? ☐ Yes ☒ No

If yes, contact the Blowing Rock Fire & Rescue office at 828-548-2800 for more information.

VOICE/MUSIC AMPLICATION

Are there any musical entertainment features related to your event? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (If no proceed to next section)
If yes, state the number of bands and type of music: Number of bands: <small>TBD- 1 per show maximum</small> Type(s) of music: <u>Easy going</u>
Will a portable or temporary stage be utilized? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes*, state the number of portable or temporary stages: _____ Will stage have canopy with frame that supports equipment (lighting, etc.)? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes* state the size of canopy: _____
Provide contact information for contractor providing stage: Name: _____ Phone: _____ Email: _____
Will your event use amplified sound? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please indicate times: Start time: <u>11 am</u> Finish time: <u>3 pm - speaker only</u>

ALCOHOL

Will alcoholic beverages be served? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If yes, NC ABC permit required)
Will alcoholic beverages be sold? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If yes, NC ABC permit required)
What type of alcohol will be served? <input type="checkbox"/> Draft Beer <input type="checkbox"/> Can/Bottle Beer <input type="checkbox"/> Wine <input type="checkbox"/> Liquor
Who will be serving the alcohol?
Times for alcohol to be served:
Locations within event site where alcohol will be served:
Have you applied for a North Carolina temporary ABC permit? <input type="checkbox"/> Yes <input type="checkbox"/> No

MECHANICAL RIDES

Does the event include mechanical rides, or other similar attractions? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please describe attractions: _____ <i>Applicants contracting with amusement ride companies are required to provide the Town of Blowing Rock with a certificate of insurance, naming applicant and the Town of Blowing Rock (if applicable) as additional insured on general liability.</i>

VENDORS

PLEASE ATTACH COMPLETE LIST OF VENDORS IF ON PUBLIC PROPERTY.

Does the event include food vendors? ☒ Yes ☐ No

If the event will have food vendors, please check the following that apply:

☒ Served ☒ Sold ☐ Free ☐ Catered ☒ Prepared Outdoors

Does the event include food concession and/or cooking areas? ☒ Yes ☐ No

If yes, please list each vendor and specify cooking method (Gas, Electric, Charcoal, Other)

(Use additional sheet if necessary)

VENDOR	COOKING METHOD	FOOD ITEM
Cub Scouts	at home / crock pot	Hot dogs / nachos
Possilbe Food Truck Vendors	generator / truck	TBD

Fire Code requires a fire extinguisher at each cooking location. Event organizers are responsible for arranging health inspections for their events.

EVENT SCHEDULE

Provide a detailed schedule of the event including dates and times for entertainment, activities, hours of event, start time, finish time, etc. If the event requires an extended time frame for set-up, include details with a timeline listing the times and locations where streets or public property will be impacted and when dismantling will be completed. (Use additional sheet of paper if necessary)

DATE	TIME	ACTION	ADDITIONAL NOTES
5/16/26	5:30 a - 7 p	See Attachment	
6/13/26	5:30 a - 7 p	Same as above	
7/18/26	5:30 a - 7 p	Same as above	
8/15/26	5:30 a - 7 p	Same as above	
9/12/26	5:30 a - 7 p	Same as above	
10/3/26	5:30 a - 7 p	Same as above	

Art in the Park – Summary and Schedule:

- Event signs are placed around downtown the day prior to Art in the Park for artist registration, parking, and shuttle.
 - No Parking After Midnight signs are placed at both ends of Park Ave and notes are left on visitors' cars that they need to be moved before midnight, or they will be towed at the owner's expense.
- Chamber Staff arrive at 5 am for a very precise and logistical artist load in.
 - Artists line up on Wallingford Avenue and wait to be guided into their spot. 3 staff / volunteers are placed at various points on Park Ave and communicate via radio to get the artists in and unloaded in a safe and organized manner.
 - Artists unload, move their cars to the designated parking area, and then come back and set up their booths.
- Park Ave closes at 9 am; police barricades are placed at both ends of Park Ave for no through traffic.
- Trash cans are placed at 4 different points on Park Ave and in the Police lot.
- The show currently runs from 10 am – 5 pm, however, The Chamber proposes that we change the time from 9 am – 4 pm per the artist's request + shoppers are already walking through before 10 am.
- The Chamber pays for a shuttle that runs from the Shoppes on the Parkway to Park Ave. It runs from 10 am – 5 pm.
- A Precise and logistical load out begins at 5 pm; 3 staff / volunteers are placed at various points on Park Ave and communicate via radio to get the artists loaded and out in a safe and organized manner.
 - Artists must break down their booths completely before they are given a pass to retrieve their car. Once cars are retrieved, they line up on Wallingford again and wait until their section of the road is open to be guided in for safe loading.
- Trash cans and signage are retrieved; barricades moved; Park Ave opens at 6 pm.

2025 Additions:

- The Community Garden was designed to create a sense of community to go along with the art, where our local non-profits set up tables and give out information.
- Easy-going music, which received very positive feedback.
- Play time in the lawn where children can gather and hang out during Art in the Park.

Art in the Park – Parking Plan:

- The artists are issued parking passes, and they park on Clark Street. There is designated parking for trailers and regular vans / vehicles; directional signs are placed the day before – a map and directions that are given to the artists is attached.
- No parking is allowed in the pool parking lot. The Chamber places “no parking” signs in that area.
- The Chamber pays for a shuttle for all shows from the Shoppes on the Parkway directly to Park Ave; all others must find parking downtown or in one of the parking decks.

Vendor Parking Map



Once you leave Park Avenue tent location, you take 3 lefts to the Parking Area:

1. Turn Left on to Main St.
2. Turn Left at the first stop light onto HWY 221 (between Speckled Trout / Mellow Mushroom)
3. Turn Left onto Clark St, then follow signs to parking.
4. There is a walking trail from there that goes by Broyhill Park back up to Park Ave and your tent location.

If you have any questions, please call the Chamber at 828-295-7851.

Art in the Park – Volunteer Plan:

- Chamber Staff are on site during the entire event from 5:15 am – 7:30 pm.
- Volunteers sign up to work the following shifts:

Traffic	6 am – 8 am
Artist Check In	6:30 am – 8:30 am
Chamber Table / Set Up (Table/Tent)	10 am – 12 pm
Chamber Table / Information	12 pm – 2 pm
Chamber Table / Information	2 pm – 4 pm
Chamber Table / Break Down	4 pm – 5 pm
Traffic / Clean Up	5 pm – 6:30 pm

- The Chamber provides a volunteer t-shirt, breakfast, lunch, and water for all volunteers working during those shifts.

TOWN SERVICES

The Town of Blowing Rock does not provide amenities such as portable washrooms, sound systems, tables, chairs, tents, canopies or other equipment.

TRASH AND RECYCLING PLAN

In order to determine what types of containers are needed for the event, please answer the following questions: Are you requesting trash/recycle bins from the town?(Additional Fee Will Be Required) Yes / No

How many trash bins are you requesting for trash? _____

How many recycle bins are you requesting? _____

Date and Time for trash or recycling bins to be emptied\picked up: _____

Delivery Location? _____

____ Applicants are responsible for cleaning and restoring the site after the event. The cost of any employee overtime incurred because of an applicant's failure to clean and/or restore the site following the event will be paid for by the applicant. If you reasonably believe that no litter will be generated during your event, please state this in your plan.

PUBLIC PROPERTY CLEAN-UP

Contracted personnel or volunteers may be used if indicated below. What is the clean-up plan for the event? Chamber staff and volunteers will clean up signage, street cans, and road barriers

If town personnel are needed to assist with event site clean-up the applicant will be required to hire off Duty personnel.

If needed, please list preferred Date & Time for clean-up staff to arrive: _____

Will any of the following services be used for the event:

- ☐ Water Service ☐ Portable Toilet Services
☐ Wastewater Service ☐ Public Restrooms ☐ Public Electric Power

SAFETY AND SECURITY (CHECK TYPES OF SECURITY USED)

- ☐ Beer/Alcohol Security ☐ Stage Security ☐ Event Area Security ☐ Gate Security
☐ Road Closure Security ☐ Money Handling Security ☐ Other _____
☐ Overnight Security From _____: _____ To _____: _____

Dates & Times security will be on-site: _____

Security provided by: _____ Number of Security Personnel: _____

Applicant may be required to hire sworn off-duty Town of Blowing Rock police officers to provide security to insure public safety. The Blowing Rock Police Department will determine the number of security personnel required on site.

WALK, RUN, CYCLE EVENTS ON PUBLIC ROADWAYS

Number of participants expected: _____ % of participants expected under 18: _____

*Must be at least 100 participants and no more than 2,000 per route.

Number of volunteers expected: _____ % of volunteers expected under 18: _____

ADDITIONAL GUIDELINES AND REQUIREMENTS

Please initial all guidelines below and provide the information requested at the time the application is submitted.

Must use a pre-approved route from the Town/NCDOT and/or pre-approved neighborhood route and/or track or one of the options not on roadways that are available at a park. _____

Must include a certificate of liability insurance for walk, run, and/or cycle event if the start/finish are on public property. _____

Must include a plan for volunteers for events with an anticipated attendance of 100 participants or more (how many, their duties). _____

Must include a parking plan for participants and volunteers (can be included in site plan). _____

The provision of twenty foot (20') minimum emergency access lanes throughout the event site. _____

Temporary signs may be used to mark a course. No markings of any kind (permanent or temporary) are allowed on roadways, sidewalks, or parking lots. _____

Any unauthorized traffic control device or other sign or message placed on the highway right-of-way by a private organization or individual constitutes a public nuisance and should be removed. Any violations of this policy will result in disapproval of future event(s). _____

Do not assume, advertise, or promote your event until you have a signed permit from the Blowing Rock Police Department, along with permission from town staff and Blowing Rock Town Council. Conflicts do arise and changes to the request may be necessary. _____

Organizers to make sure race starts at the time approved on the application. Any deviated start times shall be requested no later than 30 days prior to the event. A deviated time request cannot be guaranteed approval. _____

Event organizers to assist in enforcing safe roadway rules. _____

Event volunteers standing throughout the course to direct as well as instruct participants to stay out of the roadway. _____

Cancellation of any event must be in writing/email to the permit center no later than 30 days prior to the scheduled date of the event. _____

A VIOLATION OF ANY GUIDELINE REQUIREMENT COULD RESULT IN THE DENIAL OF FUTURE EVENTS. _____

SITE PLAN

Provide a detailed Site-Plan sketch of the event. Include maps, outline or diagram of the entire event venue including the names of all streets or areas that are part of the venue and the surrounding area. The plan should include the following information (if applicable):

- Location of the event/activity on the property with approximate distances from roads, fire hydrants, existing buildings, etc.
- Location of temporary structures that will be used during the event. Must indicate size of temporary structures, distances between temporary structures and existing buildings.
- Identify how each temporary structure will be used. Example: type of vendor, food preparation, alcohol sales, etc.
- Identify location of all cooking devices and open flames.
- Location of all fencing, barricades, or other restrictions that will impair access to and from the event or property.
- Identify all designated parking areas.
- Identify location of any generators and fuel storage.

SITE PLAN SKETCH

Please provide a site plan and describe details here.

SEE ATTACHED ART IN THE PARK MAP

ATTACHED

ATTACHMENT CHECKLIST

In addition to the Special Event Application form, the following supporting documents are required to complete your application package and begin the review process:

All Events:

- ☒ Site Plan Sketch
- ☒ Parking Plan for participants and volunteers (May be included in site plan)
- ☒ Volunteer Plan for events with an anticipated attendance of 100 participants or more (how many, their duties)

All Public Property Events: (WE SUPPLY EVERY YEAR PRIOR TO MAY)

- ☐ Certificate of Insurance listing the Town of Blowing Rock as certificate holder and additional insured.

Public Property Event at a Public Park:

- ☒ Email from the Parks and Recreation Director indicating approval of the event date. Parks and Recreation Director may be reached at (828) 295-5222 or jbrown@toibr.us. (BROOKE)

Waiver Request:

- ☐ I am requesting a waiver from the Section which prohibits animals from special events on town property. I have included the required safety plan with the application.

BLOWING ROCK CHAMBER OF COMMERCE

NAME OF NON-PROFIT ORGANIZATION

BRIEFLY DESCRIBE THE PURPOSE OF THE NON-PROFIT ORGANIZATION:

501c6 membership business organization. Promotes business, economic development and community events.

LIST ORGANIZATIONS OFFICERS:

Ellen Harrell

828-260-1787

TELEPHONE

Ben Powell

828-719-8487

TELEPHONE

Pam Vines

828-963-0939

TELEPHONE

CHAIRPERSON OF THE SPECIAL EVENT:

Robb A. Miller

828-616-9122

NAME

TELEPHONE

132 Park Avenue ; BR, NC, 28605

ADDRESS

The undersigned Applicant is aware of the rules regulating the use of public places and parks for special events, and will abide with the same; and further understands that the Town of Blowing Rock will not be responsible for the security or protection of any articles, items, merchandise, display tables, booths or other property owned by the applicant or others participating in the special event. The undersigned Applicant agrees to reimburse the Town of Blowing Rock for the additional cost of providing police department and/or fire department personnel to supervise the event, including services rendered both before, during and after the event itself, to ensure the compliance with all laws and ordinance, to direct traffic and to promote the safety and welfare of participants and other citizens.

8-25-25

Date

Robb A. Miller / CEO

President

Blowing Rock Chamber

Non-Profit Organization

Approved by:

TOWN MANAGER

DATE

DATE APPROVED BY BLOWING ROCK TOWN COUNCIL:

USE OF PUBLIC PLACES

**** THIS SECTION IS ONLY TO BE COMPLETED IF REQUESTING TO HOLD AN EVENT IN PUBLIC PLACES AND PARKS ****

RULES REGULATING THE USE OF PUBLIC PLACES AND PARKS FOR SPECIAL EVENTS

- The Town Council reserves the right to reject any application as to the use of any area for any special event. If the Town Council learns that the event or vendors participating were misrepresented to the Town Council or that the event in any way fails to comply with the rules regulating the use of public places or fails to comply with any applicable local, state, or federal laws, it reserves the right to rescind any approved application up to and during the course of the event. In the case of a special event being held at a Town-owned facility for which a rental fee is usually charged, the normal rental fee shall be charged to the applicant unless the Town Council waives such rental.
- Application must be filed in the Parks & Recreation Office at least ninety (90) days prior to the time that the applicant desires to first take possession of the area to make preparations for the special event. The applicant for a special event must be a non-profit organization, organized and existing for the purpose of either some charitable or public benefit or for the promotion of business in the area of Blowing Rock. In addition, said non-profit organization may at the request of the Council be required to produce evidence of their non-profit corporation status as defined by state and federal laws. In addition, procedures to be used for selecting participants and vendors must be included with the application.
- The applicant shall provide to the Parks & Recreation Director at least two (2) weeks prior to the beginning of the public participation in the special event a list of all of the vendors or others having booths or display tables during the special event. No other persons may sell merchandise or operate any booth or display tables during the special event, unless the applicant, in writing, requests the Town Manager to amend such list accordingly and permission is granted.
- No motor vehicles or other large equipment or manufactured items or livestock will be permitted within the area unless they are clearly identified and described and the proposed location is stated in the application and specific approval is given.
- The size, type of construction and location of display tables and booths must be described generally in the application; all construction must be safe and self-sustaining; no spikes or other holding devices may be driven into the ground of any street, sidewalk or tied to any tree.
- When food preparation, painting and/or pottery making activities or similar activities are held, appropriate protective materials must be placed over any paved or brick areas for protection.

- No tents may be placed in the area without being described and exhibited to the Fire Prevention Inspectors of the Blowing Rock Fire & Rescue Department and special approval by the Town Council.
- Public address systems can be used only if specifically requested in the application and special permission given, including limitations as to use.
- Sufficient portable toilets shall be provided for the expected number of participants.
- A first-aid station shall be provided, staffed by competent Emergency Medical Technicians, unless a waiver is requested and granted by the Town.
- The applicant shall be responsible for providing trash receptacles of the number and size as the town shall require in order to eliminate litter.
- If the applicant desires to sell alcoholic beverages, it shall specifically so state in its application and shall provide a sketch of the area where the same will be sold and consumed. The area shall be delineated by barricades, with the entrance to be clearly marked and so constructed as to allow ready control of patrons, including viewing of identification to avoid underage persons being within the barricaded area. Signs shall be posted stating that no one shall leave the barricaded area with alcoholic beverages.
- Application must be made to proper State authorities for special permit for sale of alcoholic beverages. Special permit shall be available for inspection by the Town at any time.
- The applicant shall assume full liability for all accidents or claims of accidents as a result of activities taking place at the special event and during the time the area is being readied for the event and while it is being cleaned up following the event. A copy of the insurance policy must be submitted to the Town Manager's office prior to the event. The policy is to be one of comprehensive general liability in the amount of not less than Three Hundred Thousand Dollars (\$300,000.00) for bodily injury per person and One Million Dollars (\$1,000,000.00) per occurrence and not less than One Hundred Thousand Dollars (100,000.00) for property damage per occurrence.
- The applicant will be responsible for the security or protection of any articles, items, merchandise, display tables, booths or other property owned by the applicant or others participating in the special event.
- Applicants must obtain any special use permits required by the Blowing Rock Fire Inspector, must comply with all applicable provisions of the North Carolina Fire Code and must at all times insure that all fire lanes in the area to be used remain unobstructed.
- Applicants must comply with all applicable Health Department regulations pertaining to the scheduled event.
- Applicants must comply with the requirements of the Blowing Rock Sign Ordinance.
- Applications must comply with any and all local, state, and federal laws pertaining to equal opportunity and should make every effort to make events accessible to the disabled public. In addition, applicants shall not deny access or a vendor's booth to any group based on national origin, race, religion, age, sex, or disability.

NORTH CAROLINA

RELEASE AND INDEMNITY AGREEMENT

WATAUGA COUNTY

THIS RELEASE AND INDEMNITY AGREEMENT, entered into by THE TOWN OF BLOWING ROCK, a North Carolina Municipal Corporation, party of the first part, and the Blowing Rock Chamber of Commerce, a non-profit organization with its principal place of operation being Watauga County, North Carolina, party of the second part:

WITNESSETH

WHEREAS, the party of the first part is desirous of allowing the party of the second part to conduct a special event within the Town Limits of Blowing Rock, North Carolina, pursuant to the Blowing Rock Town Code; and

WHEREAS, the party of the second part is desirous of conducting a special event within the Town Limits of Blowing Rock, North Carolina; and

WHEREAS, to this end, said party of the second part has heretofore filed with the Town of Blowing Rock an application for approval of said event, and wishes to enter into this Release and Indemnity Agreement pursuant to the Blowing Rock Town Code and the administrative rules of the Town of Blowing Rock;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, and for other good and sufficient consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. That the party of the second part hereby completely and unequivocally releases the party of the first part, the officials of the party of the first part, and all employees of said party of the first part, and their families, from any and all claims, damages, injuries or rights of action which the party of the second part may incur by reason of the special event being conducted by the party of the second part.
2. That the party of the second part hereby agrees to indemnify and hold harmless the party of the first part for any liability, injury or claim which may arise to the benefit of the party of the second part as a result of the special event being conducted by the party of the second part.
3. That the parties to this Release and Indemnity Agreement stipulate and acknowledge that there exists sufficient consideration for the execution of this instrument.

This the 25th day of August, 2025.
Gilbert Mulh
President

L. Kristen Brown
Witness

Art in the Park
5-year projected schedule*
2024-2031

	2024	2025	2026	2027	2028	2029	2030	2031
May	18	17	16	15	20	19	18	17
June	15	14	13	12	10	16	15	14
July	13	12	18	17	15	14	13	12
August	17	16	15	14	12	18	17	16
September	7	6	12	11	9	8	7	6
October	5	4	3	2	7	6	5	4

* Dates past one year are subject to change. Town Council will approve next year's dates in August meeting

Symphony by the Lake

2024	2025	2026	2027	2028	2029	2030	2031	2032
July 19	July 25	July 24	July 23	July 21	July 27	July 26	July 25	July 23

Good afternoon,

I would like to recommend that the Chamber consider relocating *Art in the Park* to an alternate venue. I have previously discussed this matter with Robin, and potential locations we identified include:

- The Laurel Lane connector from Main Street to Wallingford
- Ginny Stevens Lane from Main Street to Wallingford
- Davant Field
- A potential partnership with Blowing Rock Elementary to host the event on their PVA or field

My concerns with the current location on Park Avenue are as follows:

1. **Loss of Police Department Parking:** The event completely shuts down the Police Department's parking lot, which has been problematic from the beginning. Citizens with disabilities have been unable to access handicap parking near the building, as both available spots on this side of town are blocked. Last year, one individual had to park on Main Street and wheel through the park, only to find the PD handicap ramp obstructed by merchants' boxes.
2. **Restricted Access to Patrol Vehicles and Equipment:** Although tents were set back from the PD bay doors this year, cleanup created new issues when vehicles blocked patrol cars. Officers had to locate drivers to move their cars before responding to a call, which delayed our response time.
3. **Early Merchant Arrivals:** Vendors often arrive at 2-3 a.m. to set up in the PD parking lot, which has resulted in dispatchers being blocked in.
4. **Disrespect of Police Memorial:** In a previous year, I personally encountered a group of merchants stacking boxes on and around our Officer Down monument, using it as storage.
5. **Emergency Response Concerns:** At the August *Art in the Park*, a medical emergency on Park Avenue required moving the patient up the street for medics to reach them, significantly delaying treatment.

Above all, **safety is my greatest concern.** Closing the Police Department's parking lot and access area discourages citizens from seeking help, delays officer response times, and could prove catastrophic in the wrong circumstance. On multiple occasions, citizens being followed or fleeing harassment have pulled into the PD lot for refuge. Thankfully, none of these incidents have coincided with *Art in the Park* dates, but the risk remains very real. For these reasons, I strongly urge the town council to consider relocating *Art in the Park* to a venue that better accommodates both the event and the critical public safety functions of the Police Department.

Respectfully,

Nathan Kirk
Chief of Police
Blowing Rock Police Department
143 Park Avenue
Blowing Rock, NC 28605
828-295-5210