

ATTACHMENT I

RESOLUTION AUTHORIZING THE TOWN MANAGER TO ENTER INTO AN AGREEMENT FOR FINANCING OF NEW BUSES WITH THE TOWN OF CHAPEL HILL AND THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

WHEREAS, funding for public transportation infrastructure (e.g., buses, facilities, etc.) from federal and state sources have become increasingly limited; and,

WHEREAS, the Town of Chapel Hill, Town of Carrboro, and The University of North Carolina at Chapel Hill (known as the Funding Partners) understand that there is a growing need to use local revenue sources to replace existing transit buses; and

WHEREAS, the funding Partners for Chapel Hill Transit recognize that the Town of Chapel Hill has the fiduciary responsibility for operation of the public transit system, including, but not limited to, issuing any debt necessary to finance the purchase of the new buses as well repayment of that debt; and,

WHEREAS, The Chapel Hill Transit funding Partners have achieved consensus on the terms of the risk-sharing agreement relating to the financing of 10-15 new buses;

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE TOWN OF CARRBORO THAT:

Section 1: The Town Manager is authorized to sign and enter into an agreement for financing of new buses for transportation services between the Town of Carrboro and Town of Chapel Hill and The University of North Carolina at Chapel Hill.

Section 2: The terms of this agreement shall be essentially the same as those set out in the attached proposed agreement. The Town Manager is authorized to approve changes to the proposed agreement provided the intent and purposes of the agreement are not modified.

Section 3. In addition to its annual support of the operating costs of the transit system, the Town of Carrboro's share of the debt service payment will be 11% (Carrboro's annual share of the debt service is estimated to be approximately \$83,600).

Section 4: Within five (5) days after this resolution is adopted, the Town Clerk shall file a copy of this resolution with the Finance Director.

Section 5: This resolution shall be effective July 1, 2016.