

LOCAL GOVERNMENT COMMISSION AGENDA
May 7, 2019

1. PLEDGE OF ALLEGIANCE

2. TOAST TO THE FLAG

3. CONFLICT OF INTEREST STATEMENT

4. MINUTES FOR APPROVAL
April 2, 2019

(PRELIMINARY)
RELATED INFORMATION
Approximate Per Capita Debt
05/07/19
State: \$ 457
Federal: \$66,904

| <u>Unit</u> | <u>Type</u> | <u>Purpose</u> | <u>Amount</u> | <u>Comments</u> | <u>Page Number</u> | <u>Last request to Borrow</u> | <u>Voted/ Non-Voted</u> |
|-----------------------|----------------------------|--|----------------|-----------------|--------------------|-------------------------------|-------------------------|
| Reidsville, City of | Revolving Loan | Sewer | \$ 3,963,089 | Unit Letter | 2 | FA 3-2015 \$6.0M | |
| Woodfin, Town of | General Obligation | Parks and Recreation | \$ 4,500,000 | Unit Letter | 2 | GO 2-1999 \$4.5M | Voted |
| Charlotte, City of | Financing Agreement (COPs) | Museum | \$ 116,500,000 | | 3 | FA 4-2019 \$142.5M | |
| Charlotte, City of | Financing Agreement (COPs) | Museum | \$ 40,000,000 | | 4 | FA 4-2019 \$142.5M | |
| Clay, County of | Financing Agreement | School | \$ 3,404,000 | | 5 | FA 6-2014 \$1.5M | |
| Fayetteville, City of | Financing Agreement (LOBs) | Auditorium, Coliseums, Stadiums, etc. | \$ 7,300,000 | | 6 | GO 4-2019 \$2.6M | |
| Lenoir, City of | Financing Agreement | Metersys-Advanced Metering infrastructure | \$ 4,400,000 | | 7 | FA 11-2018 \$1M | |
| Lillington, Town of | Financing Agreement | MunicFAal Building | \$ 1,500,000 | | 7 | FA 3-2017 \$2.6M | |
| Orange, County of | Financing Agreement | Buildings, Schools, Equipment, etc. | \$ 16,500,000 | | 8 | FA 6-2018 \$8.8M | |
| Pasquotank, County of | Financing Agreement | Schools | \$ 1,300,000 | | 9 | FA 5-2017 \$2.4M | |
| Randleman, Town of | Financing Agreement | Water | \$ 260,000 | | 9 | RL 7-2016 \$515K | |
| Guilford, County of | General Obligation | Schools and Public Bldgs. (2/3 Net Debt Auth.) | 40,000,000 | | 10 | GO 10-2017 \$40M | Non-Voted |
| Lincoln, County of | General Obligation | Refunding | 12,600,000 | | 11 | FA 4-19 \$11.6M | Non-Voted |
| Greenville, City of | Revenue | Combined Enterprise Systems | \$ 85,000,000 | | 12 | RL 5-2018 \$16.6M | |
| High Point, City of | Revenue | Combined Enterprise Systems | \$ 85,000,000 | | 13 | FA 4-2019 \$7M | |
| Sanford, City of | Revenue | Enterprise Systems | \$ 44,115,000 | | 14 | FA 1-2018 \$3.5M | |
| Union, County of | Revenue | Enterprise Systems | \$ 78,500,000 | | 15 | GO 10-2018 \$51.9M | |
| Goldsboro, City of | Revolving Loan | Water | \$ 3,610,000 | | 16 | RL 4-2019 \$1.797M | |
| Goldsboro, City of | Revolving Loan | Sewer | \$ 1,235,100 | | 16 | RL 4-2019 \$1.797M | |
| Johnston, County of | Revolving Loan | Water | \$ 3,000,000 | | 16 | RL 9-2018 \$5.63M | |
| Montgomery, County of | Revolving Loan | Water | \$ 782,300 | | 16 | FA 2-2018 \$70M | |
| Newton, City of | Revolving Loan | Sewer | \$ 515,540 | | 17 | FA 4-2018 \$3.6M | |
| Newton, City of | Revolving Loan | Sewer | \$ 597,875 | | 18 | FA 4-2018 \$3.6M | |
| Albemarle, City of | Revolving Loan | Sewer - Misc. Increase | \$ 1,527,770 | | 19 | RL 10-2017 \$4.77M | |
| Booneville, Town of | Revolving Loan | Sewer - Misc. Increase | \$ 515,960 | | 19 | RL 10-2016 \$487K | |
| Mount Gilead, Town of | Revolving Loan | Sewer - Misc. Increase | \$ 602,000 | | 19 | RL 8-2018 \$2.853M | |

| UNIT | PROJECT | PROPOSED ISSUE IS NECESSARY AND EXPEDIENT | ADEQUATE NOT EXCESSIVE | DEBT MANAGEMENT | FEASIBILITY/ TAX INCREASE | TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE | MARKETABILITY |
|--|--|---|---|---|---|--|------------------------------|
| CITY OF REIDSVILLE Sewer \$3,963,089 G.S. 159G-22 Revolving Loan | Construction of a new anaerobic basin and mechanical mixers in front of the existing aeration basin where a pre-anoxic basin will be created by installation of a baffle wall. The existing fixed floor diffused air aeration system will be modified to remove air from the portion of the basin to be used for anoxic treatment. The existing mixers will be used to keep solids suspended in the anoxic zone. The proposed improvements will not increase capacity, but provide additional treatment capabilities needed to meet the promulgated limit for Total Nitrogen. | Necessary and expedient to replace return & waste pumps that are over 20 years old. The proposed improvements will provide nutrient removal for the facility to maintain compliance with the mass based limits for phosphorus and nitrogen. | Cost estimates provided by McGill Associates, PA. | The City received a unit letter due to the Garage and Insurance Funds owing the General Fund. The total receivable amount appears to distort the financial condition of the General Fund since the Garage and Insurance Funds do not appear to be able to repay the amount. A unit visit was made on 3-19-19, and a subsequent visit made on 4/30/19. | The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$14.60 Sewer: \$36.23 | Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%. | |
| WOODFIN, TOWN OF \$4,500,000 Parks & Recreation General Obligation Bonds | To provide funds to pay the costs of acquiring, constructing, renovating and improving parks and recreational facilities, including greenways, on the French Broad River, and acquisition of any necessary furnishing and equipment, land, rights-of-way and easements in land acquired therefor. Among the planned projects are: construction of greenways, sidewalks, a whitewater wave on the French Broad River, a boat ramp, development of the Silverline Park and development of a "blueway" (navigable waterway) on the river. The Town will partner with Buncombe County Parks & Recreation on construction of the greenways under an interlocal agreement. Buncombe County will manage the greenway projects as part of its ongoing green- way construction program. A portion of the greenway follows a former railroad bed. | The Town Aldermen have determined this project is necessary and expedient to meet the recreational needs of the Town and local community. | Cost estimates provided by Equinox Planning Services. The Town has been approved for grants totaling \$13,010,000 and has donations of \$357,000. The Town plans to raise an additional \$4.7 million for future enhancements to the facilities. | The Town received a unit letter for internal control weaknesses and for failure to amend the budget for actual revenues that were less than budgeted. The unit responded satisfactorily. A unit visit was conducted on 8/22/18. | Town staff estimated a tax increase of up to 5.0¢ to provide for debt service on the bonds could be necessary. | Bond Counsel: Parker Poe Adams & Bernstein LLP Financial Advisor: First Tryon Advisors | Moody's (No Ratings) S&P: |

| Purpose | Amount | Estimated Census | Election Date | Bonds Authorized & Unissued | Assessed Valuation | Existing Debt Excluding Enterprise Funds | Tax Rate | Debt Ratios-Excluding Enterprise Funds | | | |
|--------------------|--------------|------------------|---------------|-----------------------------|--------------------|--|----------|--|-------|------------|----------|
| | | | | | | | | To Property Values | | Per Capita | |
| | | | | | | | | Before | After | Before | After |
| Parks & Recreation | \$ 4,500,000 | 6,640 | 11/8/2016* | - | \$ 743,655,715 | \$ 3,795,720 | \$ 0.280 | 0.51% | 1.12% | \$ 572 | \$ 1,249 |

* Bonds were approved by voters at the November 2016 referendum, but the Town did not apply to the Commission for review or approval at that time.

| UNIT | PROJECT | PROPOSED ISSUE IS NECESSARY AND EXPEDIENT | ADEQUATE NOT EXCESSIVE | DEBT MANAGEMENT | TAX INCREASE | TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE |
|---|--|---|---|---|---|--|
| CITY OF CHARLOTTE \$116,500,000 Certificates of Participation Series 2019B Refunding Cultural Arts Center G.S.160A-20 Publicly Offered | Current refunding of 2009E Certificates of Participation (COPs). Current capital market conditions indicate an aggregate net present value savings (NPV) of approximately \$21,460,969 or 18.610% of the refunded balance. | Necessary and expedient to avail themselves of lowered financing costs. | The refunding of the COPs is current in type and all material funds requirements and related amounts are known. | No major deficiencies. No defaults noted. | Debt service for the refunding's is already budgeted. and if a NPV savings of 18.610% is generated, it will result in an average annual savings of approximately \$1.386m for the remaining term of the loan. | Structure: Annual principal and semi-annual interest payments following straight line amortization. Approximate level realization of savings over life of the original COPs. The original term of the financing has not been extended. Expected Ratings: S&P: AA+; Moody's: Aa2; Fitch AA+ Expected Rate: Effective Interest Cost: 3.053% Expected Underwriters Fee/\$1,000: \$ 3.85 |
| Refunding Candidate: | | | | | | APPROVALS |
| Pertaining to the Series 2009E refunded bonds: | | | | | | Amount Not To Exceed: \$ 116,500,000 |
| Originally issued | \$ 139,135,000 | | | | | Approval rate not to exceed: 4.000% |
| Outstanding currently | \$ 118,710,000 | | | | | Final Maturity not beyond: 2039 |
| Balance to be refunded | \$ 115,315,000 | | | | | |

Expected Sources and Uses of Funds:

| Sources: | | Refunding Series 2009E |
|------------------------|-----------|------------------------|
| Par Amount | \$ | 101,110,000 |
| Premium | \$ | 15,092,130 |
| Total Sources | \$ | 116,202,130 |
| Uses: | | |
| Series 2009E Refunding | \$ | 115,361,988 |
| Costs of Issuance | \$ | 451,258 |
| Underwriter's Discount | \$ | 388,884 |
| Total Uses | \$ | 116,202,130 |

FINANCING TEAM
Bond Counsel: Parker Poe Adams & Bernstein LLP
Financial Advisor: DEC Associates Inc.
Financial Consultant: Waters and Company LLC
Underwriter: Wells Fargo Securities (Senior Mgr.);
Bank of America Merrill Lynch (Co-Mgr.)
Underwriter's Counsel: McGuire Woods LLP
Trustee: US Bank N.A.

Installment financing agreement is the necessary vehicle for this financing.

| Purpose | Estimated Census | Amount | Public Hearing | Bonds Authorized & Unissued | Assessed Valuation | Existing Debt Excluding Enterprise Funds | Tax Rate | Debt Ratios-Excluding Enterprise Funds | | | |
|---------|------------------|----------------|----------------|-----------------------------|--------------------|--|----------|--|-------|------------|----------|
| | | | | | | | | To Property Values | | Per Capita | |
| | | | | | | | | Before | After | Before | After |
| Museum | 875,318 | \$ 116,500,000 | 4/22/2019 | \$ 405,849,000 | \$ 95,877,161,000 | \$ 1,635,464,000 | \$0.4887 | 2.13% | 2.13% | \$ 2,332 | \$ 2,332 |
| | | | | | | | | Mecklenburg Co. | | \$ | \$ 1,742 |

| UNIT | PROJECT | PROPOSED ISSUE IS NECESSARY AND EXPEDIENT | ADEQUATE NOT EXCESSIVE | DEBT MANAGEMENT | TAX INCREASE | TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE |
|---|---|---|---|---|--|--|
| CITY OF CHARLOTTE \$40,000,000 Certificates of Participation Series 2019C Refunding Nascar Hall of Fame G.S.160A-20 Publicly Offered | Current refunding of 2009C Certificates of Participation (COPs). Current capital market conditions indicate an aggregate net present value savings (NPV) of approximately \$7,251,102 or 19.442% of the refunded balance. | Necessary and expedient to avail themselves of lowered financing costs. | The refunding of the COPs is current in type and all material funds requirements and related amounts are known. | No major deficiencies. No defaults noted. | Debt service for the refunding's is already budgeted. and if an NPV savings of 19.442% is generated, it will result in an average annual savings of approximately \$449,000 through FY 2034 and approximately \$675,000 for the remaining five fiscal years. | Structure: Annual principal and semi-annual interest payments following straight line amortization. Approximate level realization of savings over life of the original COPs The original term of the financing has not been extended. Expected Ratings: S&P: AA+; Moody's: Aa2; Fitch AA+ Expected Rate: Effective Interest Cost: 3.593% Expected Underwriters Fee/\$1,000: \$ 4.88 |
| Refunding Candidate: | | | | | | |
| Pertaining to the Series 2009C refunded bonds: | | | | | | |
| Originally issued | \$ 37,295,000 | | | | | |
| Outstanding currently | \$ 37,295,000 | | | | | |
| Balance to be refunded | \$ 37,295,000 | | | | | |

Expected Sources and Uses of Funds:

| Sources: | | Refunding Series 2009C |
|------------------------|-----------|------------------------|
| Par Amount | \$ | 35,400,000 |
| Premium | \$ | 2,435,383 |
| Total Sources | \$ | 37,835,383 |
| Uses: | | |
| Series 2009C Refunding | \$ | 37,310,540 |
| Costs of Issuance | \$ | 352,888 |
| Underwriter's Discount | \$ | 171,955 |
| Total Uses | \$ | 37,835,383 |

FINANCING TEAM

Bond Counsel: Parker Poe Adams & Bernstein LLP
 Financial Advisor: DEC Associates Inc.
 Financial Consultant: Waters and Company LLC
 Underwriter: Wells Fargo Securities (Senior Mgr.);
 Bank of America Merrill Lynch (Co-Mgr.)
 Underwriter's Counsel: McGuire Woods LLP
 Trustee: US Bank N.A.

Installment financing agreement is the necessary vehicle for this financing.

| Purpose | Estimated Census | Amount | Public Hearing | Bonds Authorized & Unissued | Assessed Valuation | Existing Debt Excluding Enterprise Funds | Tax Rate | Debt Ratios-Excluding Enterprise Funds | | | |
|---------|------------------|---------------|----------------|-----------------------------|--------------------|--|----------|--|-------|------------|--------------------------|
| | | | | | | | | To Property Values | | Per Capita | |
| | | | | | | | | Before | After | Before | After |
| Museum | 875,318 | \$ 40,000,000 | 4/22/2019 | \$ 405,849,000 | \$ 95,877,161,000 | \$ 1,635,464,000 | \$0.4887 | 2.13% | 2.13% | \$ 2,332 | \$ 2,332 |
| | | | | | | | | | | | Mecklenburg Co. \$ 1,742 |

| UNIT | PROJECT | PROPOSED ISSUE IS NECESSARY AND EXPEDIENT | ADEQUATE NOT EXCESSIVE | DEBT MANAGEMENT | TAX INCREASE | TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE |
|---|--|---|------------------------|---|--|---|
| CLAY COUNTY \$3,404,000 Primary School G.S. 160A-20 Installment Purchase Contract Private Placement | This project consists of the construction of a modern primary school. This construction project will build a 62,373 square foot Pre-K through 2nd grade school facility. <u>Expected Sources and Uses of Funds:</u> Bank Loan \$ 3,404,000 Public School Capital Fund \$ 10,212,000 Total Sources: <u>\$ 13,616,000</u> Uses: Projected Costs \$ 13,616,000 Total Uses <u>\$ 13,616,000</u> | Necessary and expedient because the existing building that houses Pre-K was built in 1950 and has outlived its useful life. | Bids in hand. | No major deficiencies. No defaults noted. | No tax increase is anticipated. General Fund revenues will provide for debt service. | Bank: BB&T Approval Rate: 3.180% Term: 15 Years Market Rate: 2.90% Payment: Semi-Annually S&P: Moody's: Aa2 Installment purchase contract is more timely than issue of G.O. Bonds <u>Financing Team</u> Bond Counsel: Pope Flynn |

| Purpose | Estimated Census | Amount | Public Hearing | Bonds Authorized & Unissued | Assessed Valuation | Existing Debt Excluding Enterprise Funds | Tax Rate | Debt Ratios-Excluding Enterprise Funds | | | |
|---------|------------------|--------------|----------------|-----------------------------|--------------------|--|----------|--|-------|------------|----------|
| | | | | | | | | To Property Values | | Per Capita | |
| | | | | | | | | Before | After | Before | After |
| School | 11,036 | \$ 3,404,000 | 3/20/2019 | \$ - | \$1,971,543,851 | 10,179,853 | \$0.5885 | 0.52% | 0.69% | \$ 922 | \$ 1,231 |

| UNIT | PROJECT | PROPOSED ISSUE IS NECESSARY AND EXPEDIENT | ADEQUATE NOT EXCESSIVE | DEBT MANAGEMENT | TAX INCREASE | TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE |
|---|--|--|--|---|---|---|
| CITY OF LENOIR \$4,400,000 Metersys-Advanced Metering G.S. 160A-20 Installment Purchase Contract Private Placement | This project consists of the implementation of Advanced Metering Infrastructure (AMI) and includes the replacement of approximately 9,000 water meters utilizing infrastructure and technology from Mueller Systems. | Necessary and expedient to improve accuracy and increase efficiency. | With the assistance of MeterSys, the City conducted an RFP procurement process and competitive evaluation to select a preferred meter system vendor. | No major deficiencies. No defaults noted. | The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$21.05 Sewer: \$21.95 | Bank: US BanCorp Approval Rate: 2.925% Term: 10 Years Market Rate: 2.50% Payment: Semi-Annually S&P: A Moody's: A2 Installment purchase contract is more timely than issue of G.O. Bonds |

| Purpose | Estimated Census | Amount | Public Hearing | Bonds Authorized & Unissued | Assessed Valuation | Existing Debt Excluding Enterprise Funds | Tax Rate | Debt Ratios-Excluding Enterprise Funds | | | | | |
|---------|------------------|--------------|----------------|-----------------------------|--------------------|--|----------|--|-------|------------|--------|-----------------|--------|
| | | | | | | | | To Property Values | | Per Capita | | | |
| | | | | | | | | Before | After | Before | After | | |
| Water | 17,849 | \$ 4,400,000 | 3/19/2019 | \$ - | \$2,289,484,338 | 15,592,385 | \$0.5885 | 0.68% | 0.68% | \$ 874 | \$ 874 | Caldwell County | \$ 381 |

| UNIT | PROJECT | PROPOSED ISSUE IS NECESSARY AND EXPEDIENT | ADEQUATE NOT EXCESSIVE | DEBT MANAGEMENT | TAX INCREASE | TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE |
|--|--|--|---|---|--|--|
| TOWN OF LILLINGTON \$1,500,000 Municipal Buildings G.S.160A-20 Installment Contract Private Placement | Permanent financing of purchase of land and buildings for use as a Town Hall, Public Works Facility and Police Station. Note: Original interim financing was approved by the LGC on 3/7/2017 for 2 years at 1.78%. On April 2, 2019 the LGC approved an extension of the interim financing up to June 30, 2019 to allow the Town additional time to close on a traditional installment loan. | Necessary and expedient because the facility is needed to continue providing community services. | A proposal from the Bank is in hand and appurtenant costs of entering the new contract are known. | No major deficiencies. No defaults noted. | No tax increase is anticipated. General Fund revenues will provide for debt service. | Bank: First Bank Approval Rate: 3.27% Term: 15 Years Market Rate: 3.10% Payment: Annually S&P: Not Rated Moody's: Not Rated Installment purchase contract is more timely than issue of G.O. Bonds |

| Purpose | Estimated Census | Amount | Public Hearing | Bonds Authorized & Unissued | Assessed Valuation | Existing Debt Excluding Enterprise Funds | Tax Rate | Debt Ratios-Excluding Enterprise Funds | | | | | |
|--------------------|------------------|-------------|----------------|-----------------------------|--------------------|--|----------|--|-------|------------|--------|----------------|---------|
| | | | | | | | | To Property Values | | Per Capita | | | |
| | | | | | | | | Before | After | Before | After | | |
| Municipal Building | 3,194 | \$1,500,000 | 4/9/2019 | \$ - | \$ 310,158,286 | \$ 1,402,188 | \$0.52 | 0.45% | 0.94% | \$ 439 | \$ 909 | Harnett County | \$1,704 |

| UNIT | PROJECT | PROPOSED ISSUE IS NECESSARY AND EXPEDIENT | ADEQUATE NOT EXCESSIVE | DEBT MANAGEMENT | TAX INCREASE | TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE |
|---|---|--|------------------------|------------------------------------|---|---|
| PASQUOTANK COUNTY \$1,300,000 G.S. 160A-20 Financing Agreement Private Placement | Replacement of HVAC system at Northside Elementary School. <u>Expected Sources and Uses of Funds:</u> Sources: Bank Loan \$ 1,300,000 Total Sources \$ 1,300,000 Uses: Project Fund \$ 1,300,000 Total Uses \$ 1,300,000 | Necessary and expedient to replace a 20 year old unit which has failed multiple times over the previous fiscal year. | Bid is in hand. | No deficiencies or defaults noted. | No tax increase is required. Debt service will be paid from revenues from Article 46 sales tax. | Bank: Towne Bank Amount \$ 1,300,000 Approval Rate: 2.930% Term (years): 10 Market Rate: 2.80% Payment ni-Annual Principal and Interest Bank placement will not be rated. Current G.O. ratings: S&P: A Moody's: N/A Installment purchase contract is more timely than issue of G.O. Bonds. |

| Purpose | Estimated Census | Amount | Public Hearing | Bonds Authorized & Unissued | Assessed Valuation | Existing Debt Excluding Enterprise Funds | Tax Rate | To Property Values | | Per Capita | |
|---------|------------------|--------------|----------------|-----------------------------|--------------------|--|----------|--------------------|-------|------------|--------|
| | | | | | | | | Before | After | Before | After |
| Schools | 40,284 | \$ 1,300,000 | 3/8/2019 | \$ - | \$ 3,199,900,649 | \$ 38,400,687 | \$0.7700 | 1.20% | 1.24% | \$ 953 | \$ 986 |

| | | | | | | |
|---|--|--|--|---|---|---|
| CITY OF RANDLEMAN \$260,000 Water Line Extension G.S. 160A-20 Installment Purchase Contract Private Placement | This project consists of the installation of approximately 1,400 linear feet of water lines, a sewer vault and necessary hardware to complete a water line extension to New Market School property. <u>Expected Sources and Uses of Funds:</u> Bank Loan \$ 260,000 Cash \$ 50,000 Total Sources: \$ 310,000 Uses: Projected Costs \$ 310,000 Total Uses \$ 310,000 | Necessary and expedient to ensure appropriate water infrastructure is installed to extend water service to a previously unserved location. | Cost estimated provided by The Wooten Group. | No major deficiencies No defaults noted. | The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$50.30 Sewer: \$50.30 | Bank: BB&T Approval Rate: 3.59% Term: 15 Years Market Rate: 3.45% Payment: Semi-Annually S&P: BBB+ Moody's: A3 Installment purchase contract is more timely than issue of G.O. Bonds. Financing Team Bond Counsel: Pope Flynn |
|---|--|--|--|---|---|---|

| Purpose | Estimated Census | Amount | Public Hearing | Bonds Authorized & Unissued | Assessed Valuation | Existing Debt Excluding Enterprise Funds | Tax Rate | Debt Ratios-Excluding Enterprise Funds | | | |
|---------|------------------|------------|----------------|-----------------------------|--------------------|--|----------|--|-------|-----------------|--------|
| | | | | | | | | To Property Values | | Per Capita | |
| | | | | | | | | Before | After | Before | After |
| Water | 4,177 | \$ 260,000 | 4/8/2019 | \$ - | \$397,553,964 | 2,423,251 | \$0.63 | 0.61% | 0.67% | \$ 580 | \$ 642 |
| | | | | | | | | | | Randolph County | 425 |

| UNIT | PROJECT | PROPOSED ISSUE IS NECESSARY AND EXPEDIENT | ADEQUATE NOT EXCESSIVE | DEBT MANAGEMENT | TAX INCREASE | TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE | MARKETABILITY |
|--|--|---|--|---|--|---|--|
| GUILFORD COUNTY \$40,000,000 General Obligation Bonds (Two-thirds net debt reduction) Schools: \$10,000,000 | To provide funds to pay the costs of the following projects: Improvement and maintenance projects at various schools for improved security, to include controlled access, communications, surveillance and alarm systems, and intrusion detection systems. | Necessary and expedient to meet County needs. The County will be offering \$40,000,000 G.O. Public Improvement Bonds for sale on May 21, 2019. | Cost estimates provided by various architects and consultants, except the purchase of mental health admin. building. | No major deficiencies. No defaults noted. | No tax increase is planned to service this debt, unless the anticipated increase in the tax base does not materialize. | <u>Approvals:</u> Amount not to exceed: \$40,000,000 Term: 20-year level principal Sale: Competitive sale Sale Date: May 21, 2019 | Fitch: AAA Moody's: Aaa S&P: AAA (Expected) |
| Public Buildings: \$30,000,000 | Improvements to public buildings, including construction of a new animal shelter; construction of a new EMS facility, vehicle maintenance facility, fueling station and covered parking facility; construction of a new sheriff's office with adjacent parking; renovation of a building for probation and parole services; site acquisition and construction of a new building for mental health services; and acquisition of a building for mental health administration, with minor improvements. | | | | | <u>Financing Team:</u> Bond Counsel: Robinson, Bradshaw & Hinson, P.A. Financial Advisor: First Tryon Advisors | |

| Purpose | Amount | Estimated Census | Election Date | Bonds Authorized & Unissued | Assessed Valuation | Existing Debt Excluding Enterprise Funds | Tax Rate | Debt Ratios-Excluding Enterprise Funds | | | |
|-------------------|---------------|------------------|--------------------|-----------------------------|--------------------|--|-----------|--|-------|------------|----------|
| | | | | | | | | To Property Values | | Per Capita | |
| | | | | | | | | Before | After | Before | After |
| Schools: | \$ 10,000,000 | 526,953 | N/A ⁽¹⁾ | \$ - | \$ 49,719,681,396 | \$ 709,929,483 | \$ 0.7305 | 1.43% | 1.51% | \$ 1,347 | \$ 1,423 |
| Public Buildings: | 30,000,000 | | | | | | | | | | |
| | \$ 40,000,000 | | | | | | | | | | |

⁽¹⁾ Election not required pursuant to G.S. 159-49.

| UNIT | PROJECT | PROPOSED ISSUE IS NECESSARY AND EXPEDIENT | ADEQUATE NOT EXCESSIVE | DEBT MANAGEMENT | FEASIBILITY/ TAX INCREASE | TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE | MARKETABILITY |
|--|--|---|---|--|---------------------------------------|--|--|
| LINCOLN COUNTY \$12,600,000 General Obligation Refunding Bonds G.S. 159-72 | All or portion of bonds to be refunded: \$11,800,000 General Obligation Refunding Bonds, Series 2010A, sold February 9, 2010 at a TIC of 3.570% and a present average interest cost of 3.713%. | Necessary and expedient to provide savings when compared to the existing debt. | Amount is adequate, but not excessive to redeem the debt. | No major deficiencies. No defaults noted. | A tax increase is not anticipated. | <u>Structure:</u> Current Refunding. Net present value savings of \$796,617 for the 2010A Bonds. Net present value savings at 6.75% of the refunded bonds. The refunding bonds will be structured with no extensions of maturities (final maturity June 1, 2027) and with approximately level annual gross savings of \$99,577. <u>Competitive Sale:</u> May 29, 2019 <u>Approvals:</u> Amount not to exceed: \$12,600,000 Bond Counsel: Robinson, Bradshaw & Hinson, P.A. Financial Advisor: Davenport & Company LLC | Moody's: AA2 S&P: AA+ Fitch: AA+ (Expected Ratings) |

| Purpose | Amount | Estimated Census | Election Date | Bonds Authorized & Unissued | Assessed Valuation | Existing Debt Excluding Enterprise Funds | Tax Rate | Debt Ratios-Excluding Enterprise Funds | | | |
|-----------|--------------|------------------|---------------|--------------------------------|-----------------------|---|----------|--|-------|-------------------------|------------------------|
| | | | | | | | | To Property Values Before | After | Per Capita Before | Per Capita After |
| Refunding | \$12,600,000 | 83,318 | N/A | - | \$ 9,400,000,000 | \$77,581,215 | 0.611 | 0.83% | 0.83% | 931 | 941 |

| PROJECT | PROJECT IS NECESSARY & EXPEDIENT | AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE | FEASIBILITY | DEBT MANAGEMENT | MARKETABILITY | TERMS/ OTHER INFORMATION |
|---|--|---|---|---|--|---|
| CITY OF GREENVILLE (GREENVILLE UTILITIES COMMISSION ("GUC")) | Necessary and expedient to improve the service capability and capacity of the City's utility departments and to provide for growth by completion of an operations center to allow for uninterrupted service by relocation from a flood prone area, making improvements to the downtown utility office, providing improved electric service for the local hospital and assisting in a road connector project. | Bids are in hand for the projects and all major permits have been received. | Feasibility reports prepared by the consulting firms Black and Veatch Corporation for the electric fund and gas fund and by Raftelis Financial Consultants, Inc. for the water fund and sewer fund and combined by the staff of the GUC and reviewed by Black & Veatch demonstrates coverage of at least 2.58 times on parity debt and on total debt through fiscal year 2024 as compared with coverages required by covenants of 1.25 and 1.00, respectively. The studies assumed average annual rate increases in the water, sewer and electric funds of 4.57%, 1.39% and .8% , respectively through the F/Y 2024 projection period and average rate decreases in the gas fund of -.5% for the same period. Average current residential monthly water and sewer bill based on approximately 6,000 gallons is \$79.02 and the average residential electric bill is \$109.31 based on 1,000 kWh. The average gas bill is \$90.85 based on 66 CCF. | For the City of Greenville and GUC, no major deficiencies; no defaults noted. | The bonds are being sold in a public offering in \$5,000 denominations. The date of the sale is May 22th and is not anticipated to conflict with any other issuance of debt. The GUC has stand-alone ratings of: Moody's-Aa2, Fitch-AA-. | Term: Approximately 25 years Structure: Initial payments moderately increasing to approximately level debt service in 2027. This is reasonable considering GUC avoided borrowing two years of capitalized interest and maintained a relatively shorter amortization schedule. Expected Effective Interest Cost: 3.28% Expected Underwriters' Fee: \$3.63 (Including Underwriters' Counsel) |
| Combined Enterprise System Revenue Bonds, Series 2019 G.S. 159; Article 5 Amount not to exceed: \$ 56,000,000 | | | | | | |
| Administration and Operations: A new Operations Center and additional downtown facilities to support employee and office needs. The cost of the improvements will be allocated to the utility functions as appropriate based on usage. Total Estimated Financed Cost: \$ 46,975,000 | | | | | | |
| Electric: Acquisition of a 6 mW peaking/stand-by generator for benefit of Vidant Health facility. Total Estimated Financed Cost: \$ 6,000,000 | | | | | | |
| Water: Water line relocations related to Department of Transportation ("DOT") project. Total Estimated Financed Cost: \$ 1,896,000 | | | | | | |
| Sewer: Sewer line relocations related to DOT project. Total Estimated Financed Cost: \$ 306,000 | | | | | | |
| APPROVALS | | | | | | |
| Final Maturity: Not beyond 2044 Issue amount: Not to exceed \$56,000,000 Effective Interest Cost: 4.03% | | | | | | |
| FINANCING TEAM | | | | | | |
| Bond Counsel: Womble Bond Dickinson (US), LLP Underwriters: J.P. Morgan Securities LLC (Sr.Manager) FTN Financial Capital Markets (Co-Manager) Underwriter's Counsel: McGuireWoods LLP Trustee: The Bank of New York Mellon Trust Company, N.A. (DTC) Feasibility Consultant-Electric & Gas: Black & Veatch Corporation Feasibility Consultant-Water & Sewer: Raftelis Financial Consultants Financial Advisor: Hilltop Securities | | | | | | |
| Sources and Uses of Funds | | | | | | |
| Sources: | | | | | | |
| Bond Proceeds | \$ 50,080,000 | | | | | |
| Net Premium/Discount | \$ 5,726,310 | | | | | |
| Total Sources | <u>\$ 55,806,310</u> | | | | | |
| Uses: | | | | | | |
| Project Fund Deposits | \$ 55,171,000 | | | | | |
| Issuance Costs | \$ 4,533,316 | | | | | |
| Underwriters' Fees | \$ 181,994 | | | | | |
| | <u>\$ 59,886,310</u> | | | | | |

| PROJECT | PROJECT IS NECESSARY & EXPEDIENT | AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE | FEASIBILITY | DEBT MANAGEMENT | MARKETABILITY | TERMS/ OTHER INFORMATION |
|--|--|--|---|---|--|--|
| CITY OF HIGH POINT | | | | | | |
| Combined Enterprise System Revenue Bonds, Series 2019 | Necessary and expedient to provide financing of the City's water and sewer capital improvements in order to provide for continued growth in the area and to maintain assets in serviceable condition. Current capital market conditions indicate an aggregate net present value savings (NPV) of approximately \$444,426 or 2.68% of the refunded bonds. The Series 2010B bonds are two taxable tranches with different Federal subsidy rates. The rationale for refunding is economic, as savings are positive for both tranches, and non-economic, in order to protect from future erosion/elimination of the Federal subsidy that leaves exposure to a higher net interest rate compared to current tax exempt rates. Increases in the estimated refunding rate may remove either tranche as a refunding candidate as the City plans to refund only those bonds that will produce a minimum NPV 3% savings. | 94% of the projects are bid and are under construction or complete. Verification of the adequacy of the escrowed refunding balances will be performed by Bingham Arbitrage Rebate Services, Inc. | A feasibility study has been undertaken by Willdan Financial Services and the substantially complete version of the document demonstrates required coverages of debt service by income available for debt service as defined in the bond covenants of at least 1.63X on total system debt and at least 1.89X on Parity Bonds only through 2024. These calculations are made using a conservative coverage formula and any subsequent changes to the feasibility document are expected to be immaterial. Average residential monthly water and sewer bill is \$88.69 based on usage of 6,000 gallons with an assumed average 4.0% annual rate increase through 2024. | No major deficiencies. No defaults noted. | Public Sale in \$5,000 denominations. Sale is scheduled on June 5, 2019 so as to not conflict with any other revenue bonds. Bonds are expected to be rated Moody's: Aa2, S&P: AAA, Fitch:AA+ | Term: 25 years. Interest Rate: Fixed Structure: Amortization and related total debt service of the financing has been structured to produce a level debt service profile for the amount financing current projects. Total debt service for the refunding portion of the offering has been structured to provide level savings to the extent the requirements of the transaction allow. Expected Rate: Effective Interest Cost: 3.1% Expected Underwriters Fee: \$4.95/\$1,000 |
| G.S. 159; Article 5 | | | | | | |
| Amount not to exceed (combined): | \$ 54,500,000 | | | | | |
| A)Financing and completion of financing of several of the City's water and sewer projects. | | | | | | |
| Projects expected to be funded: | | | | | | |
| Westside Wastewater Treatment Plant ("WWTP") Improvements - Phase 3 (\$20,250,000 financed with Series 2014 Revenue Bonds) | \$ 12,330,000 | | | | | |
| Eastside WWTP Incinerator Improvements (\$8,000,000 financed with Series 2014 Revenue Bonds) | \$ 16,250,000 | | | | | |
| Elevated Water Tank (\$1,200,000 financed with Series 2014 Revenue Bonds) | \$ 2,500,000 | | | | | |
| Ward Water Treatment Plant ("WTP") Improvements (\$2,000,000 financed with Series 2014 Revenue Bonds) | \$ 13,000,000 | | | | | |
| Utility Relocations/Improvements pursuant to DOT agreements. | \$ 4,406,000 | | | | | |
| Riverdale Pump Station Force main Upgrade | \$ 3,000,000 | | | | | |
| Total Projects: | \$ 51,486,000 | | | | | |
| Less: City Equity Cash Funding | \$ (15,000,000) | | | | | |
| Amount of Project Costs Financed: | \$ 36,486,000 | | | | | |
| Wastewater Projects: | \$ 33,783,000 | | | | | |
| Water Projects: | \$ 17,703,000 | | | | | |
| Expected project expenditures | \$ 51,486,000 | | | | | |
| B)Refunding and defeasance of the City's Combined Enterprise System Revenue Bonds, Series 2010B (Taxable), currently with an interest subsidy provided by the Federal Government, that will be callable on Nov. 1, 2020. | \$ 17,552,169 | | | | | |
| Pertaining to the Series 2010B refunded bonds: | | | | | | |
| Originally issued | \$ 20,475,000 | | | | | |
| Outstanding currently | \$ 18,185,000 | | | | | |
| Balance to be refunded | \$ 16,550,000 | | | | | |
| | | <u>Expected Sources and Uses of Funds:</u> | | | | |
| | | | <u>New Projects</u> | <u>Refunding</u> | <u>Total</u> | |
| | | Sources: | | | | |
| | | Revenue Bonds at par: | \$30,805,000 | \$14,425,000 | \$45,230,000 | |
| | | Premium | \$6,052,104 | \$3,127,169 | \$9,179,273 | |
| | | IRS Accrued Subsidy | | \$47,471 | \$47,471 | |
| | | Total Sources | <u>\$36,857,104</u> | <u>\$17,599,640</u> | <u>\$54,456,744</u> | |
| | | Uses: | | | | |
| | | Project Fund | \$36,462,800 | | \$36,462,800 | |
| | | Refunding Escrow | | \$17,415,350 | \$17,415,350 | |
| | | Issuance Costs | \$240,000 | \$114,550 | \$354,550 | |
| | | Underwriter's Discount | \$154,304 | \$69,740 | \$224,044 | |
| | | Total Uses | <u>\$36,857,104</u> | <u>\$17,599,640</u> | <u>\$54,456,744</u> | |

APPROVALS

Amount not to exceed: \$54,500,000
Final maturity: Not beyond 2043
Interest Rate not to exceed:
Effective Interest Cost: 4.1%

FINANCING TEAM:

Bond Counsel: Womble Bond Dickenson (US), LLP
Underwriters: Wells Fargo Bank, N.A. (Sr. Manager); FTN Financial Capital Markets (Co-Manager); Robert W. Baird & Co. (Co-Manager)
Underwriters Counsel: Holland and Knight LLP
Registrar/Trustee: U.S. Bank National Association (DTC)
Financial Advisor: Davenport & Company, LLC
Feasibility Consultant: Willdan Financial Services
Verification Agent: Bingham Arbitrage Rebate Services, Inc.

| PROJECT | PROJECT IS NECESSARY & EXPEDIENT | AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE | FEASIBILITY | DEBT MANAGEMENT | MARKETABILITY | TERMS/ OTHER INFORMATION |
|--|--|---|---|---|--|--|
| CITY OF SANFORD G.S. 159; Article 5 Enterprise Systems Revenue Bonds, Series 2019 Public Offering Amount not to exceed: \$ 44,115,000 | Necessary and expedient to maintain the ability of the system to effectively and reliably service the needs of its existing customer base and continued growth. Current capital market conditions indicate an aggregate net present value savings (NPV) of approximately \$1,307,000 or 4.50% of the refunded bonds. | The costs of the projects financed have been bid and a substantial number of the projects are under construction. Necessary material permits or regulatory authorizations have been received for those projects. The City has an agreement with Chatham County to finance a portion of Moncure project and has received grants from Golden Leaf for the economic benefits of the projects. Verification of the adequacy of the escrowed refunding balances will be performed by Bingham Arbitrage Rebate Services, Inc. | Feasibility study by the County's feasibility consultants, Raftelis Financial Consultants, Inc., demonstrates required coverages of debt service by net revenues as defined in the Bond Covenants of at least 1.31X on total system debt and at least 1.71X on Parity Bonds only thru 2024. The feasibility study describes an expected current-rate based average residential monthly water and sewer bill as \$59.11 based on usage of 4,500 gallons with an average 3.0% annual rate increase expected in years 2020 through 2024. | No major deficiencies. No defaults noted. | Public Sale. Sale is scheduled on May 30 so as to not conflict with any other revenue bonds. Bonds are expected to be rated Moody's: Aa3 and Fitch: AA-. | Term: 25 years Interest Rate: Fixed Structure: Approximately effective interest amortization resulting in level total debt service payments for each amortization class across the term of the bonds. Total debt service for the refunding portion of the offering has been structured to provide level savings to the extent the requirements of the transaction allow. Expected Rate: Effective Interest Cost - 3.05% Expected Underwriters Fee: \$4.71/\$1,000 |
| Project: A) Financing of four water and sewer service extension/enhancements including new or larger lines and required appurtenant facilities including lift stations, etc. Sewer will be extended to the Moncure mega site industrial park and the Raleigh Executive Jetport and water service will be improved/extended for the Lee County Industrial Park and other primarily commercial areas. \$ 13,655,000 | | | | | | APPROVALS Final maturity: Not beyond 2045 Interest Rate not to exceed: Effective Interest Cost: 3.80% Amount not to exceed: \$44,115,000 |
| B) Refunding and defeasance of the City's Combined Enterprise System Revenue Bonds, Series 2010B (Taxable), currently with an interest subsidy provided by the Federal Government, that will be callable on June 1, 2020. \$ 30,460,000 | | | | | | FINANCING TEAM: Bond Counsel: Parker Poe Adams & Bernstein LLP Underwriter: Wells Fargo Bank, National Association Underwriters Counsel: Womble Bond Dickenson (US), LLP Financial Advisor: Hilltop Securities Feasibility Consultant: Raftelis Financial Consultants, Inc. Registrar/Trustee: Regions Bank (DTC) Verification Agent: Bingham Arbitrage Rebate Services, Inc. |
| Pertaining to the Series 2010B refunded bonds: Originally issued \$ 32,000,000 Outstanding currently \$ 32,000,000 Balance to be refunded \$ 29,005,000 | | | | | | |

Expected Sources and Uses of Funds:

| | <u>New Projects</u> | <u>Refunding</u> | <u>Total</u> |
|------------------------------|----------------------|-------------------------|----------------------|
| Sources: | | | |
| Revenue Bonds at par: | \$ 12,135,000 | \$ 25,480,000 | \$ 37,615,000 |
| Premium | \$ 1,520,040 | \$ 4,979,084 | \$ 6,499,124 |
| Contributed Accrued Interest | | \$ 63,199 | \$ 63,199 |
| Contributions from | | | |
| Chatham County | \$ 3,500,000 | | \$ 3,500,000 |
| Golden Leaf Grants | \$ 5,500,000 | | \$ 5,500,000 |
| City's Available Funds | \$ 2,438,608 | | \$ 2,438,608 |
| Total Sources | \$ 25,093,648 | \$ 30,522,283.00 | \$ 55,615,931 |
| Uses: | | | |
| Project Funding | \$ 24,938,608 | | \$ 24,938,608 |
| Refunding Escrow | | \$ 30,199,612 | \$ 30,199,612 |
| Issuance Costs | \$ 97,901 | \$ 202,696 | \$ 300,597 |
| Underwriter's Discount | \$ 57,139 | \$ 119,975 | \$ 177,114 |
| Total Uses | \$ 25,093,648 | \$ 30,522,283 | \$ 55,615,931 |

| PROJECT | PROJECT IS NECESSARY & EXPEDIENT | AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE | FEASIBILITY | DEBT MANAGEMENT | MARKETABILITY | TERMS/ OTHER INFORMATION |
|---|--|---|--|--|--|---|
| <p>UNION COUNTY G.S. 159; Article 5 Enterprise Systems Revenue Bonds, Series 2019 Public Offering Amount not to exceed: \$ 78,500,000</p> <p>Project: Financing of numerous major water and sewer projects including continued work on expansion of a waste water treatment plant, construction of an elevated water tank, expansion of a water treatment plant, construction/improvements of sewer lines and water lines and major sewer interceptors, improvements to metering and metering infrastructure and various similar projects.</p> <p><u>Expected Sources and Uses of Funds:</u></p> <p>Sources: Revenue Bonds at par: \$ 66,645,000 Net Original Issue Discount/Premium \$ 11,832,934 Total Sources <u>\$ 78,477,934</u></p> <p>Uses: Project Fund Deposits \$ 77,830,000 Issuance Costs \$ 400,563 Underwriter's Discount \$ 247,371 Total Uses <u>\$ 78,477,934</u></p> | <p>Necessary and expedient to maintain the ability of the system to effectively and reliably service the needs of its existing customer base and continued growth.</p> | <p>84.7% of the estimated costs of the projects financed has been bid and a substantial number of the projects are under construction. Necessary material permits or regulatory authorizations have been received for those projects.</p> | <p>Feasibility study by the County's feasibility consultants, Stantec Consulting Services, Inc., demonstrates required coverages of debt service by net revenues as defined in the Bond Covenants of at least 1.29X on total system debt and at least 1.61X on Parity Bonds only thru 2023. These ratios are calculated without system development fees which are subject to fluctuation but are includable as revenues pursuant to the indenture. The feasibility study describes an expected current-rate based average residential monthly water and sewer bill as \$71.90 based on usage of 5,500 gallons with an average 6.2% annual rate increase expected in years 2020 through 2023.</p> | <p>No major deficiencies. No defaults noted.</p> | <p>Public Sale. Sale is scheduled on May 16 so as to not conflict with any other revenue bonds. Bonds are expected to be rated Moody's: Aa1, S&P: AA+ and Fitch: AA.</p> | <p>Term: 25 years Interest Rate: Fixed Structure: Approximately effective interest amortization resulting in level total debt service payments for each amortization class across the term of the bonds. Expected Rate: Effective Interest Cost - 3.14%</p> <p>Expected Underwriters Fee: \$4.61/\$1,000</p> <p style="text-align: center;">APPROVALS</p> <p>Final maturity: Not beyond 2044</p> <p>Interest Rate not to exceed: Effective Interest Cost: 3.85%</p> <p>Amount not to exceed: \$78,500,000</p> <p style="text-align: center;">FINANCING TEAM</p> <p>Bond Counsel: Parker Poe Adams & Bernstein LLP Underwriter: Robert W. Baird & Co. (Sr. Manager); FTN Financial Capital Markets (Co-Manager); PNC Capital Markets (Co-Manager) Underwriters Counsel: Robinson, Bradshaw & Hinson, P.A. Financial Advisor: George K. Baum & Company Feasibility Consultant: Stantec Consulting Services, Inc. Registrar/Trustee: U.S. Bank, N.A. (DTC)</p> |

| UNIT | PROJECT | PROPOSED ISSUE IS NECESSARY AND EXPEDIENT | ADEQUATE NOT EXCESSIVE | DEBT MANAGEMENT | FEASIBILITY/ TAX INCREASE | TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE | MARKETABILITY |
|--|---|--|--|---|---|--|---------------|
| CITY OF GOLDSBORO Sewer \$1,235,100 G.S. 159G-22 Revolving Loan | Rehabilitation of 3370 LF of 8", 12" and 36" gravity sewer. All line segments will be rehabilitated with CIPP. In addition, the project will also correct minor and major deficiencies to approximately 15 manholes. Approximately 25 service laterals located on gravity segments scheduled to be replaced will also be replaced to the right-of-way. Asphalt repair, miscellaneous cleanup and earthwork will also be included in the project, concentrated around gravity sewer replacement activities. | Necessary and expedient to address Inflow / Infiltration (I/I) issues. The project should assist the City in protecting the public and environmental health that result from sanitary sewer overflows (SSO's). | Cost estimates provided by The Wooten Company. | No major deficiencies. No defaults noted. | The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$17.16 Sewer: \$37.20 | Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%. | |
| CITY OF GOLDSBORO Water \$3,610,000 G.S. 159G-22 Revolving Loan | Replacement of approximately 4,000 LF of 6-inch PVC water main with 16-inch PVC water main; replacement of approximately 3100 LF of 6-inch, cast-iron water main with 8-inch PVC water main; replacement of 2700 LF of 6-inch and 8-inch, cast iron water main with 12-inch PVC water main; replacement of approximately 5300 LF of 6-inch, asbestos cement water main with 8-inch PVC water main; replacement of approximately 2700 LF of 10-inch PVC water main with 12-inch PVC water main, and; installation of a new 1500-gpm, booster pump station to address low-pressure issues affecting the system. | Necessary and expedient to allow the City to address low pressure issues that are the result of the undersized and / or dead-end lines. The project should assist the City to improve fire flow, system pressure, and water quality and thus improve protection for the public & environmental health of the City. | Cost estimates provided by The Wooten Company. | No major deficiencies. No defaults noted. | The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$17.16 Sewer: \$37.20 | Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%. | |
| JOHNSTON COUNTY Water \$3,000,000 G.S. 159G-22 Revolving Loan | Improvements to the County's WTP will generally include the addition of a solids contract clarifier (42 ft diameter ClariCone); polymer feed addition; modification of controls for twelve existing filter cells to increase hydraulic loading from 3.0 gpm / sq. ft. to 4.0 gpm / sq. ft.; upgrading the plant SCADA system; and electrical improvements for the raw water pump station and flow meter, electrical building enclosure modifications, and replacement of sluice gates and pump check valves in the raw water intake. | Necessary and expedient to increase water supply capacity in order to meet projected near-term peak daily demands in response to residential, commercial and industrial growth. | Cost estimates provided by Johnston County Public Utilities. | No major deficiencies. No defaults noted. | The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$42.20 Sewer: \$64.00 | Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%. | |
| MONTGOMERY COUNTY Water \$782,300 G.S. 159G-22 Revolving Loan | Replacement of two (2) existing 6-MGD pumps with two (2) new 6-MGD centrifugal pumps, motors, floats, valves, piping and other appurtenances; replacement of existing 300-kW emergency generator; modification of the station's electrical and SCADA systems, as needed, and; installation of a sodium-permanganate pre-treatment unit. Work will also include ancillary landscaping for stream-bank stabilization purposes. | Necessary and expedient because the existing pump station was constructed in 1982 and the project is needed to replace aged equipment at the facility. Installation of a sodium permanganate system will help improve water quality in the system. | Cost estimates provided by The Wooten Company. | No major deficiencies. No defaults noted. | The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$27.00 Sewer: N/A | Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%. | |

| UNIT | PROJECT | PROPOSED ISSUE IS NECESSARY AND EXPEDIENT | ADEQUATE NOT EXCESSIVE | DEBT MANAGEMENT | FEASIBILITY/ TAX INCREASE | TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE | MARKETABILITY |
|--|--|--|---|--|--|---|---------------|
| <p>CITY OF NEWTON Sewer \$597,875 G.S. 159G-22 Revolving Loan</p> | <p>Replacement of approximately 2515 LF of existing 8" gravity sewer line and 11 manholes with new 8" gravity sewer and manholes. The proposed improvements will be of like sizes. Therefore, no additional capacity will be created within the sewer collection system, there will be no new connections to this system, and the new sewer line will serve the same area as the existing sewer line.</p> | <p>Necessary and expedient to replace a portion of existing sewer system that is in a state of disrepair and is contributing to excessive levels of inflow and infiltration (I/I). NCDEQ has issued Notices of Violation related to numerous sanitary sewer overflow (SSOs) events.</p> | <p>Cost estimates provided by Withers Ravenel, Inc.</p> | <p>No major deficiencies. No defaults noted.</p> | <p>The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$33.64 Sewer: \$42.53</p> | <p>Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%.</p> | |
| <p>CITY OF NEWTON Sewer \$515,540 G.S. 159G-22 Revolving Loan</p> | <p>Construction of approximately 765 LF of 8" vitrified clay pipe (VCP) gravity sewer line replacement, up to 11 manholes, sewer service reconnections, and related improvements. The proposed project will be replacing 8" diameter gravity sewer lines with 8" diameter gravity lines. There will be no increase in capacity. There are no new connections in the project, and the new sewer line will serve the same area as the existing sewer line.</p> | <p>Necessary and expedient to promote investment in downtown development / business. Given the age of the infrastructure (40+ years), it is prudent to rehabilitate this infrastructure in conjunction with the investment in the streetscape work to avoid future needs for extensive rehabilitation.</p> | <p>Cost estimates provided by Withers Ravenel, Inc.</p> | <p>No major deficiencies. No defaults noted.</p> | <p>The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$33.64 Sewer: \$42.53</p> | <p>Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%.</p> | |

MISCELLANEOUS:
City of Albemarle

(ACTION ITEMS):

The City is requesting approval for an increase of additional funds on a State Revolving loan. The loan is for rehabilitation/ replacement of approximately 7000 ft. of 30", 24" and 18" gravity sewer. The original loan was approved by the LGC on October 3, 2017 for \$4,766,000. The City is requesting an additional increase of \$1,527,770 for a total loan of \$6,293,770 with \$500,000 principal forgiveness. The increase is necessary due to actual construction bids received being higher than expected due to an increasing cost environment.

Town of Boonville

The Town is requesting approval for an increase of additional funds on a State Revolving loan. The loan is for modifications to the wastewater treatment plant that includes improvements to a mechanical screen, replacement of the aeration tank blowers and resurfacing of the in-ground aeration tanks. The original loan was approved by the LGC on October 6, 2015 for \$369,030. The Town requested an increase of funds on October 4, 2016 in the amount of \$487,045 for a total of \$856,075. The Town is requesting an additional increase of \$515,960 for a total loan of \$1,372,035. The increase is necessary due to change orders and increased engineering costs.

Town of Mount Gilead

The Town is requesting approval for an increase of additional funds on a State Revolving loan. The loan is for rehabilitation of the Town's Waste Water Treatment Plant (WWTP) and 3 lift stations. The WWTP improvements include new headworks, modifying the grit removal process to make it more functional, new influent pump station, new effluent control structure to allow equalized flow from the lagoon and new emergency generator. The original loan was approved by the LGC on August 7, 2018 for \$2,853,000. The Town is requesting an additional increase of \$602,000 for a total loan amount of \$3,455,000. The increase is necessary due to actual construction bids received being higher than expected due to an increasing cost environment.