

February 12, 2013

Joint Legislative Committee on Local Government
Committee Chair and Committee Assistant
North Carolina General Assembly
16 West Jones Street
Raleigh, North Carolina 27601

Fiscal Research Division
North Carolina General Assembly
Legislative Office Building – Suite 619
300 North Salisbury Street
Raleigh, NC 27603-5925

Re: Financing of Riverwalk Phase II by the Town of Hillsborough, North Carolina

To Whom It May Concern:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the Town of Hillsborough, North Carolina (the "Town") hereby notifies you of its intent to utilize an installment purchase contract under North Carolina General Statute 160A, Article 3, Section 20. The principal amount is not to exceed \$1,742,500 and will be used to finance Phase II of the Riverwalk project.

The Riverwalk Phase II project will:

construct approximately one mile of greenway proposed along the Eno River corridor in the Town of Hillsborough. Riverwalk Phase II is largely an 8-foot-wide, asphalt, accessible, urban trail that will provide an east-west connection between existing trails in Gold Park and River Park in downtown Hillsborough. Within Gold Park, Riverwalk Phase I provides nearly one mile of paved loop trails. The Phase II project will extend the park's facilities by providing additional public access and by connecting the park to the downtown Hillsborough commercial district and nearby neighborhoods. Riverwalk Phase II will be the primary route for the N.C. Mountains-to-Sea Trail and one of the few sections of the trail

located in an urban environment. It also will be the first section of the statewide trail system to be constructed in Orange County. Future phases of Riverwalk will connect to the Occoneechee Mountain State Natural Area to the west and the Historic Occoneechee Speedway Trail and Eno River State Park to the east. Beyond the scope of the Phase II project, the town has planned four additional connector trails and sidewalks. These projects will run on a parallel construction schedule to Phase II but are funded separately.

Actual construction cost for Riverwalk Phase II is estimated at \$1,450,000 and consists of:

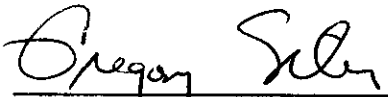
8-foot-wide asphalt trail (3912 linear feet)
5-foot-wide asphalt trail (397 linear feet)
Bridge 1 (85 linear feet – 12-foot-wide prefab bridge section)
Boardwalk at Bridge 1 (130 linear feet of 10-foot-wide boardwalk)
Bridge 2 (105 linear feet – 12-foot-wide prefab bridge section)
Boardwalk at Bridge 2 (225 linear feet of 10-foot-wide boardwalk)
Boardwalk along north bank (400 linear feet of 8-foot-wide boardwalk)
Nash and Kollock Street trail entry plaza (1280 square feet platform)
Viewing platform on south bank (234 square feet)

Contingency (\$292,500)

These projects are included in the Town's annual Capital Improvements Plan, and estimated debt service requirements are included in the Fiscal Year 2013-2014 Annual Operating Budget. Furthermore, as required by the Local Government Commission, bids were received on all projects.

The Town anticipates that the North Carolina Local Government Commission will consider approval of the issuance of this proposed debt at its meeting scheduled for June 4, 2013.

Town of Hillsborough, North Carolina

By: 
Finance Director

Cc: Local Government Commission