

# SanfordHolshouser

209 Lloyd Street, Suite 350 | Carrboro, NC 27510  
www.sanfordholshouserlaw.com

February 15, 2018

Joint Legislative Committee on Local Government  
Attention: Committee Chairs, Committee Ass't  
North Carolina General Assembly  
16 West Jones St.  
Raleigh, NC 27601

Fiscal Research Division  
Attention: Director  
North Carolina General Assembly  
300 North Salisbury St., Suite 610  
Raleigh, NC 27603

**Notice to the Joint Legislative Committee on Local Government  
Concerning Proposed Financing by the Town of Hillsborough**

To the Committee:

As counsel to the Town of Hillsborough, North Carolina, and as required under N.C. Gen. Stat. Section 120-157.2, I am providing this notice of a proposed local government capital project that requires approval of the North Carolina Local Government Commission and requires debt to be issued in an amount exceeding \$1,000,000. Here is information about the proposed financing –

**Project description** -- improvements to the Town's reservoir, including modifications to the existing dam and roadway projects to accommodate the reservoir expansion

**LGC meeting for consideration** – April 2018

**Amount to be financed** – estimated as up to approximately \$16,000,000

**Type of financing** – revenue bonds

**Description of other sources of financing** – The County expects that the amount borrowed will pay substantially all the costs of the project.



**Sanford Holshouser LLP**

February 15, 2018

page 2

**Estimated financing term** – The County expects a financing term of up to 25 years, which is less than the expected useful life of the property being financed.

**Estimated interest rate** – Under current market conditions, the County expects an average annual interest rate on the financing of approximately 4.00%.

**Expected source of repayment** – water and sewer enterprise revenues

Please let me know if you have additional questions or comments for me about this proposed financing.

Very truly yours,

A handwritten signature in black ink that reads "Bob Jessup". The signature is written in a cursive, flowing style.

Robert M. Jessup Jr.

cc: Greg C. Gaskins, Secretary of the Local Government Commission  
c/o Tim Romocki and Biff McGilvray  
Daphna Schwartz, Town of Hillsborough finance officer  
Robert E. Hornik, Town of Hillsborough attorney  
Davenport & Company LLC  
Daniel Sater, legislative staff [Daniel.sater@ncleg.net]  
(each by electronic mail)