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

April 4, 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 Orange County

To the Committee:

As counsel to Orange County, 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 – various public improvements, as described on Exhibit A

LGC meeting for consideration – June 2018

Amount to be financed – estimated as up to approximately \$8,150,000

Type of financing – bank-placement installment financing under Section 160A-20

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

Estimated financing term – The County expects a financing term of approximately 20 years. Various projects will be financed over various terms to reflect the useful lives of the various components.



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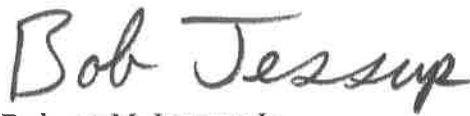
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Estimated interest rate – Under current market conditions, the County expects a true interest cost of the financing of approximately 4.50%.

Expected source of repayment – general fund 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, slightly slanted style.

Robert M. Jessup Jr.

cc: Greg C. Gaskins, Secretary of the Local Government Commission
c/o Joe Futima
Gary Donaldson, Orange County finance officer, and other County
representatives
Davenport & Company LLC
Daniel Sater, legislative staff [Daniel.sater@ncleg.net]
(each by electronic mail)

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Exhibit A – list of projects to be financed with estimated amounts

Project Description	Estimated Amount
Environmental Agricultural Center Building	\$ 394,500
Government Services Annex Building	350,000
HVAC Projects	122,000
Roofing Projects	102,444
IT Government Council Initiatives	344,493
IT Infrastructure	700,000
Communications Systems	920,000
Cedar Grove Community Center	75,000
Facility Accessibility and Security Improvements	30,000
Vehicle Replacements	1,106,514
Miscellaneous County equipment	184,000
Chapel Hill HS Architecture and Facility Improvements	601,000
Classroom and Building Improvements (OCS)	254,000
Food Services (OCS)	145,000
Passmore Center Renovations	550,000
Information Technologies	500,000

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IT Broadband Connectivity	60,000
IT Governance Council Initiatives	346,010
911 Center Improvements	117,832
Conservation Easements	500,000
Cedar Grove Park, Phase II	60,000
Parks and Recreation Facility Renovations	195,000
Affordable Housing Land Banking	293,000
TOTAL ESTIMATED COSTS	\$ 7,950,793

The County also expects to pay financing costs from financing proceeds.