

# BOARD OF ALDERMEN

ITEM NO. C(7)

## AGENDA ITEM ABSTRACT

MEETING DATE: May 16, 2006

**TITLE: A Request to Approve a Resolution for the Issuance of \$1,230,000 Sidewalk Bond Anticipation Notes**

<b>DEPARTMENT: Management Services</b>	<b>PUBLIC HEARING: YES ___ NO <u>x</u></b>
<b>ATTACHMENTS:</b> A. <b>Resolution for the Issuance of \$1,230,000 Sidewalk Bond Anticipation Notes</b> B. <b>Memo from Bob Jessup, Bond Counsel</b> C. <b>Cost Summary for Sidewalk and Greenways Bond Projects – Estimated Needs for BAN Proceeds</b>	<b>FOR INFORMATION CONTACT:</b> L. Bingham Roenigk, 918-7315 George Seiz, 918-7427

### PURPOSE:

A referendum was held on November 4, 2003, whereby Carrboro voters authorized the issuance of up to \$4,600,000 of Town general obligation bonds for sidewalks and greenway trails. None of the bonds have been issued. The Board is requested to approve a resolution to issue bond anticipation notes totaling \$1,230,000 to provide preliminary funding for the sidewalk projects in anticipation of the later issuance of a portion of the Bonds.

### INFORMATION

Town staff has been working on sidewalk projects since the November 2003 referendum. Design and construction bids for approximately one-half of the sidewalks proposed in Phase I have been completed as of tonight. The bond anticipation notes (BAN) proceeds will provide for the sidewalk bond projects and the Hanna Street and Bolin Forest sidewalk projects presented earlier tonight as well as set aside funds for design of the Morgan Creek Greenway project.

It is anticipated that staff will begin sidewalk construction efforts and project costs and move forward with the remaining sidewalk projects in Phase I.

### FISCAL IMPACT:

The BANs shall mature in March 2007. Staff will review, no later than December 1, whether to issue another BAN or move forward with a bond issue. The Board will be apprised of project status and financing at a later date. Actual interest cost associated with the BAN will not be known until June 6 when the Local Government Commission (LGC) receives sealed bids. Closing of the notes is scheduled for June 20, 2006. Sufficient funds are available to pay for bond counsel fees and administrative fees incurred by the LGC. A budget amendment will be presented to the Board before the summer break allocating BAN proceeds to each project.

### STAFF RECOMMENDATION

Approve resolution authorizing the Town's sidewalk and greenways bond anticipation notes.