

LOCAL GOVERNMENT COMMISSION
DECEMBER 3, 2019

1. PLEDGE OF ALLEGIANCE

2. TOAST TO THE FLAG

3. CONFLICT OF INTEREST STATEMENT

4. MINUTES FOR APPROVAL

November 5, 2019

(FINAL)

RELATED INFORMATION

Approximate Per Capita Debt

11/29/19

State: \$ 574

Federal: \$ 69,852

<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>
Update on Town of Eureka	Update						
Update on Cliffside Sanitary District	Update						
Cliffside Sanitary District	Resolution	Adopt an Interim Budget	NA				
Bunn, Town of	Revenue Bond	Sewer	\$ 436,000	Unit Letter	2	RL 7-2012 \$1.6M	
Carolina Beach, Town of	Financing Agreement	Community Development	\$ 1,200,000	Unit Letter	2	FA 4-2017 \$520K	
Shelby, City of	Financing Agreement	Rail Trail Corridor	\$ 5,500,000	Unit Letter	3	FA 5-2017 \$7.7M	
Rutherford, County of	Financing Agreement (LOBs)	School	\$ 20,000,000		4	FA 5-2017 \$6.8M	
Wake Forest, Town of	General Obligation	Refunding	\$ 3,800,000		5	FA 4-2019 \$5.5M	Non-Voted
Charlotte Housing Authority	Revenue	Multi-family Mortgage Backed (Archdale Flats)	\$ 13,172,000		6	RB 11-2018 \$18M	
Charlotte Housing Authority	Revenue	Multi-family Mortgage Backed (Archdale Flats)	\$ 27,661,000		7	RB 11-2018 \$18M	
Concord, City of	Revenue	Water & Sewer System	\$ 6,600,000		8	10-2019 FA \$935K	
Hendersonville, City of	Revenue	Water & Sewer System	\$ 13,000,000		9	10-2018 FA \$2.5M	
N.C. Housing Finance Agency	Revenue	Home Ownership Revenue Bonds	\$ 300,000,000		10	12-2017 \$600M & \$20.3M	
Mount Holly, City of	Revolving Loan	Sewer	\$ 18,850,000		11	5-2017 \$8.6M	
N.C. Department of Transportation I-77 Mobility Partners LLC (I-77 Mobility?)	Revenue	Misc. Action Item - Replacement of Trustee	NA		12		
Atrium Health	Revenue	Misc. Non-Action Item	\$ 600,000,000		12	6-2019 \$306M	

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
TOWN OF BUNN Sewer \$436,000 Revenue Bond G.S. 159; Article 5	Rehabilitation of the Waste Water Treatment Plant and replacement of an existing pump station.	Necessary and expedient because the existing pump station is failing. The project will increase the capacity and efficiency of the Town's sanitary sewer system.	Bids in hand.	The Town received a unit letter because expenditures exceeded amounts authorized by budget in the General Fund and Water & Sewer Fund. A unit visit was conducted on 11/19/2019.	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: \$42.42 Sewer: \$38.65	Term: RBAN: 12 months RB: 40 years Interest Rate: Fixed Structure: RBAN: Interest due at maturity. RB: Approximately level debt service	USDA commitment to purchase the bonds upon substantial completion of the project.
USDA Loan	\$ 436,000.00						
USDA Grant	\$ 846,000.00						
	<u>\$ 1,282,000.00</u>						
						<p>APPROVALS Issue Amount Revenue Bond: \$436,000 Issue Amount Revenue BAN: \$436,000 Final Maturity: RBAN: No later than 12/2/2020 RB: 2060 or 40 years after the maturity of the RBAN</p> <p>Interest Rate: RBAN: 2.99% RB: \$436,000 2.125%</p> <p>FINANCING TEAM Bond Counsel: Sanford Holshouser LLP Revenue BAN: BB&T Revenue Bond: USDA Rural Development Registrar: Finance Officer</p>	
TOWN OF CAROLINA BEACH Community Development \$1,200,000 G.S.160A-20 Installment Contract Private Placement	Demolition and reconstruction of a Town owned public bathroom to add office, training and storage space for Ocean Rescue; acquisition of property for temporary lifeguard storage, housing of critical safety and security infrastructure, management of tourism and recreational activities, and future open space.	Necessary and expedient to improve health and public safety by moving the Ocean Rescue staff and equipment closer to the municipal beach strand and provide housing for security equipment.	Value of property and repairs verified by an independent appraisal. Purchase agreement between buyer and seller is in hand. The Ocean Rescue portion of the project is design build with stipulated costs.	The Town received a unit letter due to the percentage of general fund balance available relative to expenditures being significantly less than that of comparable units. The Town responded satisfactorily.	No tax increase is anticipated. General Fund revenues will provide for debt service	Bank: BB&T Approval Rate: 2.49% Term: 15 years Market Rate: 3.00% Payment: Annually S&P: N/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	Debt Ratios-Excluding Enterprise Funds					
								To Property Values		Per Capita			
								Before	After	Before	After		
Community Development	6,490	\$1,200,000	9/10/2019	\$ -	\$ 1,925,357,820	\$ 4,132,810	\$0.245	0.21%	0.28%	\$ 637	\$ 822		
										New Hanover County			\$1,904

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CITY OF SHELBY \$5,500,000 Recreation G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of the purchase of a rail corridor from Norfolk Southern Railway to be used for a rail-trail as part a County-wide trail network.	Necessary and expedient because there exists a need to establish additional recreational opportunities for residents of Shelby and the County of Cleveland.	Purchase price confirmed with certified appraisal.	The City received a unit letter due to a significant decline in the percentage of fund balance available for appropriation relative to expenditures, in the General Fund and was below the group average. The Fiscal staff also noted that the City did not increase its tax rate for the 2020 fiscal year, and is planning to implement a new salary plan beginning in the 2020 fiscal year. Lastly, in review of the City's 2020 budget ordinance, it was noted that the assessed property values increased by a significant amount, and that the City has not appropriated any fund balance in the General Fund. The city's response was satisfactory.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: Fidelity Bank Approval Rate: 2.00% Term: 10 Years Market Rate: 2.00% Payment: Annually S&P: A Moody's: A1 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			
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Recreation	19,960	\$ 5,500,000	11/18/2019	\$ -	\$2,307,717,295	14,709,603	\$0.5225	0.64%	0.88%	\$ 737	\$ 1,013
								Cleveland County		\$	\$ 589

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
RUTHERFORD COUNTY \$20,000,000 Limited Obligation Bonds Series 2019 160A-20 Installment Contract Public Offering	Construction of a new approximately 100,000 square foot Rutherfordton Spindale Middle School. The school to be built on County owned land adjacent to the high school and will host 800 students. <u>Expected Sources and Uses of Funds:</u> Sources: Limited Obligation Bonds at Par: \$ 17,380,000 Net Original Issue Premium \$ 2,922,100 State Lottery Grant \$ 15,000,000 Total Sources \$ 35,302,100 Uses: Project Funds \$ 35,000,000 Issuance Costs \$ 228,930 Underwriters Discount \$ 73,170 Total Uses \$ 35,302,100	Necessary and expedient to replace an ageing facility that was originally built in 1925 and lacks modern technology needs as well fails to address safety concerns.	Bids are in hand.	No major deficiencies. No defaults noted.	No tax increase is required. Debt service will be paid with General Fund Revenues	Structure: Straight line amortization with annual principal and bi-annual interest payments. Expected Ratings: S&P: A+ , Moody's: A1; Expected Rate: Effective Interest Cost: 2.727% Expected Underwriters Fee/\$1,000: \$5.96 APPROVALS Amount Not To Exceed: \$20,000,000 Approval rate not to exceed: 3.250% Final Maturity not beyond: 2040 FINANCING TEAM Bond Counsel: Parker Poe Adams & Bernstein LLP Underwriters: PNC Capital Markets Underwriter's Counsel: Moore & Van Allen Financial Advisor: Stifel Public Finance Limited Obligation Bond structure is more timely and feasible than 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
School	66,826	\$ 20,000,000	10/7/2019	\$ -	\$ 7,011,446,395	\$ 27,308,011	\$0.607	0.39%	0.67%	\$ 409	\$ 708

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WAKE FOREST, Town of \$3,800,000 G.S. 159-72 General Obligation Refunding Bond (Private Placement)	All or portion of bonds to be refunded: \$4,015,000 G. O. Public Improvement Bonds, Series 2009A, sold December 22, 2009 at a true interest cost of 3.3622%. Outstanding maturities carry an interest rate of 3.25% to 4.0%, with an average interest rate of 3.854%.	Necessary and expedient to provide savings on the outstanding issue.	Amount is adequate to redeem debt.	No major deficiencies. No defaults noted.	Debt service will be significantly reduced.	<u>Structure:</u> Current refunding: Net present value savings of \$318,576, or 7.935% of the refunded bonds. The refunding bond will be structured with no extension of maturities, with the final maturity on 2-1-2030. Level annual savings are calculated at approximately \$35,000 annually. Sale: Bank Placement Sale Date: On or about December 23, 2019 <u>Approvals:</u> Amount: Not to exceed \$3,800,000 Bank Rate: 1.79% Final Maturity: February 1, 2030 <u>Financing Team:</u> Bond Counsel: Womble Bond Dickinson (US) LLP Financial Advisor: Davenport & Company LLC Bank: Benchmark Community Bank	Current G.O. Ratings: Moody's: Aa1 S&P: AAA Fitch: AAA (The Refunding Bond will not be rated)

Purpose	Estimated Census	Amount	Election Date	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds				
								To Property Values		Per Capita		Per Capita
								Before	After	Before	After	After
Refunding	37,279	\$ 3,800,000	N/A	\$ 4,920,000	\$ 5,323,065,702	\$ 41,857,367	0.520	0.88%	0.88%	\$ 1,255		\$ 1,260
Wake County												

PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION																				
<p>CITY OF CHARLOTTE HOUSING AUTHORITY Multifamily Housing Mortgage-Backed Revenue Bonds (Archdale Flats-Seniors), Series 2019A Tax Exempt Series 2019B Taxable G.S. 159-148; 159-153; 157-17.1</p> <p>Not to exceed \$13,172,000 The proceeds of the bonds will be used to provide a loan to ECG Archdale Seniors, LP a North Carolina limited partnership, or an affiliate, for the acquisition, construction and equipping of approx. 131 apartment units located in the City of Charlotte on 4.1 acres. The apartments are targeted for senior tenants. The apartments will be built in accordance with the specifications provided in the application for low-income housing tax credits (LIHTC) as approved by the NC Housing Finance Agency (NCHFA).</p> <p>Sources of Funds</p> <table border="0"> <tr> <td>Fannie Mae MBS (Tax Exempt)</td> <td>\$ 10,672,000</td> </tr> <tr> <td>Fannie Mae MBS (Taxable)</td> <td>\$ 1,995,470</td> </tr> <tr> <td>Federal LIHTC Equity</td> <td>\$ 7,620,283</td> </tr> <tr> <td>Deferred Developer Fee & Interim Sources</td> <td>\$ 1,567,765</td> </tr> <tr> <td>Total Sources</td> <td>\$ 21,855,518</td> </tr> </table> <p>Uses of Funds</p> <table border="0"> <tr> <td>Construction and Land Acquisition</td> <td>\$ 15,554,455</td> </tr> <tr> <td>Fees and soft costs</td> <td>\$ 3,507,975</td> </tr> <tr> <td>Costs of Issuance</td> <td>\$ 1,428,345</td> </tr> <tr> <td>Interest, Reserves and Other</td> <td>\$ 1,364,743</td> </tr> <tr> <td>Total Uses</td> <td>\$ 21,855,518</td> </tr> </table>	Fannie Mae MBS (Tax Exempt)	\$ 10,672,000	Fannie Mae MBS (Taxable)	\$ 1,995,470	Federal LIHTC Equity	\$ 7,620,283	Deferred Developer Fee & Interim Sources	\$ 1,567,765	Total Sources	\$ 21,855,518	Construction and Land Acquisition	\$ 15,554,455	Fees and soft costs	\$ 3,507,975	Costs of Issuance	\$ 1,428,345	Interest, Reserves and Other	\$ 1,364,743	Total Uses	\$ 21,855,518	<p>Charlotte Housing Authority has found that the project is necessary to continue to provide an adequate supply of affordable housing for residents of the City.</p> <p>The development will include one-bedroom units, 100% of which will be designated for seniors and subject to income and rent restrictions.</p>	<p>The developer has provided a Phase I Environmental Site Analysis, and a Market Study, along with a construction contract for the project which supports the valuations thereof.</p> <p>The issuer has found that the debt to be incurred in connection with the project is adequate but not excessive and the fees are reasonable. In addition, the Rental Investment section of the NCHFA has reviewed this information and has found it to be reasonable.</p>	<p>The developer has provided 20-year cash flow projections that show debt service coverage for the bonds will range from 1.20X to 1.50X.</p> <p>The lender has performed its own credit review.</p> <p>The developer commissioned a market analysis which concluded sufficient support for the introduction and absorption of affordable rental units within the market area at the proposed affordable rental rates.</p>	<p>No defaults noted. No major deficiencies.</p>	<p>Public Offering</p> <p>Sale of the bonds will not conflict with the sale of any other revenue bonds.</p>	<p>Term (Construction Phase): Approx. 24 months Term (Permanent Phase): Approximately 15 years 40 year amortization</p> <p>Permanent Phase: Tax Exempt estimated 3.70% Permanent Phase: Taxable estimated 4.00% Structure: Approximately level debt service</p> <p>APPROVALS Amount: Not to exceed \$13,172,000 Final Maturity: Not to exceed December 31, 2062 Interest Rate: Tax-exempt not to exceed 8.0%</p> <p>FINANCING TEAM Bond Counsel: McGuireWoods LLP Issuer's Counsel: The Banks Law Firm, P.A. Borrower: ECG Archdale Family, LP Borrower's Counsel: Reno & Cavanaugh PLLC Developer: Elmington Capital Group and Horizon Development Properties Construction Lender: Fifth Third Bank Construction Lender's Counsel: Womble Bond Dickinson (US) LLP Permanent Lender: Berkadia Commercial Mortgage, LLC Permanent Lender Counsel: Krooth & Altman LLP Fannie Mae Counsel: DLA Piper LLP (US) LIHTC Equity Investor: First Horizon Community Investment Group, Inc. LIHTC Equity Investor Counsel: Arnal Golden Gregory LLP Underwriter: Stifel, Nicolaus & Company, Incorporated Underwriter's Counsel: Tiber Hudson LLC Trustee: US Bank National Association</p>
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CITY OF CONCORD						
G.S. 159; Article 5 Water and Sewer System Revenue Bond, Series 2019 Direct Bank Placement Amount not to exceed:	\$ 6,600,000					Term: Approximately 3.5 years Interest Rate: Fixed Structure: Amortization of the refunding principal will provide approximately level realization of savings as allowable by the structure of the refunded bonds and their related repayment resources over the term of the refunded series.
Current refunding of the City's Utilities Systems Revenue Refunding Bonds, Series 2009B						
Pertaining to the Series 2009B refunded bonds:						
Originally issued	\$ 40,925,000					
Outstanding currently	\$ 10,925,000					
Balance to be refunded	\$ 10,925,000					
<u>Expected Sources and Uses of Funds:</u>						
Sources:						
Revenue Bond at par:	\$ 6,572,000					
Debt Service Reserve Fund and other related funds	\$ 4,436,365					
Total Sources	<u>\$ 11,008,365</u>					
Uses:						
Refunding Deposit	\$ 10,937,554					
Issuance Costs	\$ 70,811					
Total Uses	<u>\$ 11,008,365</u>					

Amount not to exceed: \$6,600,000

APPROVALS

Final maturity: Not beyond 2022

Interest Rate not to exceed:
Interest Rate: 1.67%

FINANCING TEAM:

Bond Counsel: Parker Poe Adams & Bernstein LLP
Lender: J.P. Morgan Chase Bank, N.A.
Lender's Counsel: McGuireWoods LLP
Financial Advisor: First Tryon Advisors
Registrar/Trustee: U.S. Bank, N.A.

PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
CITY OF HENDERSONVILLE						
G.S. 159; Article 5 Water and Sewer System Revenue Bond, Series 2019 Direct Bank Placement Amount not to exceed:		\$ 13,000,000	Necessary and expedient to maintain and improve the City's water and sewer system in the City's Etowah area and to relieve the lien on a significant System asset to enhance the credit of the revenue bond debt structure. The refunding of the 2012 financing agreement is non-economic but has minimal savings associated with it.	Bids and major permits are in hand.	Feasibility study by the City'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 2.64X on Parity Bonds only thru 2024. The feasibility study describes an expected current-rate based average residential monthly water and sewer bill as \$44.81 based on usage of 4,000 gallons with an average 10.1% annual rate increase expected in years 2020 through 2024.	No major deficiencies. No defaults noted.
					The lending is a direct bank placement. A proposal from the bank has been received and accepted contingent on Local Government Commission approval of the transaction.	<div style="border: 1px solid black; padding: 2px;">Term: 15 years</div> Interest Rate: Fixed Structure: Approximately effective interest amortization resulting in level total debt service payments across the term of the bond. APPROVALS Final maturity: Not beyond 2034 Interest Rate not to exceed: Interest Rate:1.87% Amount not to exceed: \$13,000,000 FINANCING TEAM: Bond Counsel: Parker Poe Adams & Bernstein LLP Lender: STI Institutional and Government, Inc. Lender's Counsel: Pope Flynn, LLC Feasibility Consultant: Raftelis Financial Consultants, Inc. Financial Advisor: First Tryon Advisors Registrar/Trustee: The Bank of New York Mellon Trust Company, N.A.
Project:						
A) Construction of Etowah Area Improvements Project including approx. 14,800 of 12 inch and 6 inch water main, a booster pumping station and a 500,000 storage tank with required appurtenances and demolition and removal of existing facilities.						
B)Refunding of 2012 financing agreement originally financing acquisition of an automated metering system to enhance the credit of the revenue bond structure.						
Pertaining to the 2012 refunded financing agreement:						
Originally issued	\$	11,643,452				
Outstanding currently	\$	6,209,841				
Balance to be refunded	\$	6,209,841				
<u>Expected Sources and Uses of Funds:</u>						
Sources:						
Revenue Bond at par:	\$	12,897,000				
Accrued Interest Contribution	\$	65,494				
Total Sources	\$	<u>12,962,494</u>				
Uses:						
Project Fund Deposits	\$	6,569,659				
Refunding Deposit	\$	6,275,335				
Issuance Costs	\$	117,500				
Total Uses	\$	<u>12,962,494</u>				

PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
<p>NORTH CAROLINA HOUSING FINANCE AGENCY - \$300,000,000 G.S. 122A</p> <p>Home Ownership Revenue Bonds, Series 43, initially, with additional series as warranted by housing mortgage demand</p> <p>The Agency will use the proceeds of the Home Ownership Revenue Bonds issued from time to time in an amount not to exceed \$300,000,000 (a) to provide funds for the purchase of mortgage loans and other obligations, including mortgage backed securities, made for the purpose of assisting in providing home ownership for low and moderate income households; (b) make required deposits to the credit of any debt service fund or other required reserve; (c) refund existing bonds of the Agency to achieve debt service savings or to refinance hedged variable rate bond issues with fixed rate bond issues (including paying any required payments to terminate interest rate swap agreements; and (d) pay all of a portion of the issuance costs associated with the bonds.</p> <p>The Bonds are to be issued under the Trust Agreement dated May 1, 1998 entered into by the Agency with the Bank of NY Mellon Trust Co., N.A. as Trustee. Mortgage-backed securities to be purchased will be GNMA, FNMA or FHLMC certificates. Loans that may be purchased with proceeds of the Bonds must be FHA-insured, USDA or VA guaranteed, or insured by a private mortgage insurer acceptable to the rating agencies with ratings in effect on the Agency's bonds. Loans are not required to be insured or credit enhanced if the loan-to-value ratio of the loan to the property securing the loan is 80% or less. Bond proceeds may also be used to fund zero interest forgivable down payment assistance mortgage loans that are not subject to these requirements. Bonds will be sold pursuant to a purchase contract between the Agency, the LGC and the underwriters, such contract to be customary form.</p>	<p>The financing is necessary to increase the State's supply of affordable housing. The Agency plans to issue bonds to continue the home ownership program for the next six to eight months, dependent on mortgage demand.</p>	<p>The Agency's loan servicer purchases loans from Mortgage Lenders for sale to the Agency in the form of mortgage-backed securities. The pooled mortgage loans were made to persons and families of low and moderate income.</p> <p>The Agency currently has Volume Cap available at 11/21/2019 in the amount of \$1,301,972,214</p>	<p>The Housing Finance Agency makes a determination of feasibility, proposed mortgage rates, and size of issue. The financial advisor has evaluated economic soundness.</p>	<p>No deficiencies and no defaults noted.</p>	<p>Public sales from time to time scheduled so as not to conflict with other revenue bond sales. If directly placed, limited to financial institutions under contracts approved by the Secretary.</p> <p>Expected ratings AA+ from S&P and Aa1 from Moody's.</p>	<p>Term: Final maturity not to exceed 40 years Interest Rate: Multi-modal (Fixed and/or Variable)</p> <p>Structure: Debt service to match expected revenue</p> <p>Initial issuance is expected to consist of one series of \$150 million, with additional series in 2020 depending on demand. Series 43 will be fixed-rate and sold publicly. Underwriting discount is expected not to exceed \$12.50 per bond. Expected All-in TIC is estimated at 3.09%.</p> <p style="text-align: center;">APPROVALS</p> <p>Amount: Not to exceed \$300,000,000 Final Maturity: Not to extend beyond 40 years True Interest Cost: Not to exceed 6.0% (Fixed) or 12% (Variable)</p> <p style="text-align: center;">FINANCING TEAM</p> <p>Bond Counsel: Womble Bond Dickinson (US) LLP Underwriters: RBC Capital Markets LLC; Co-managers may include: Bank of America Securities, Inc.; Raymond James & Associates Inc.; Wells Fargo Bank, National Association; Citigroup Global Markets, Inc.; or others as approved by the Secretary Underwriters Counsel: Bode & Harrell, LLP Trustee/Registrar: The Bank of New York Mellon Trust Company, N.A. Trustee's Counsel: Moore & Van Allen PLLC Financial Advisor: Caine Mitter & Associates Inc. Swap/Additional Investment Advisor: Kensington Capital Advisors, LLC</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 MOUNT HOLLY Sewer \$18,850,000 G.S. 159G-22 Revolving Loan	This project consists of approximately 3,700 linear feet of 24-inch force main, pumping station, yard piping, equalization tanks, electrical facilities, and land development work.	Necessary and expedient to serve the current customer base and expected future growth.	Cost estimated provided by Will Shull, PE.	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: \$21.90 Sewer: \$26.95	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%.	N/A

MISCELLANEOUS - ACTION ITEMS

N.C. Department of Transportation I-77 Mobility Partners LLC (I-77 Mobility?) North Carolina Department of Transportation ("NCDOT") and I-77 Mobility Partners LLC ("I-77 Mobility")

NCDOT, as a conduit issuer, in connection with the I-77 High Occupancy Toll Lanes Project issued its Tax-Exempt Private Activity Revenue Bonds (I-77 HOT Lanes Project). Series 2015, for the benefit of I-77 Mobility. The Bonds (currently outstanding principal amount of \$100,000,000) were issued pursuant to a Trust Indenture dated as of May 1, 2015 (the "Indenture"), between NCDOT and Deutsche Bank Trust Company Americas, as trustee (the "Trustee"). The overall transaction for the financing of the Project included a number of other documents to which Deutsche Bank Trust Company Americas was a party as Trustee and in other roles. Deutsche Bank Trust Company Americas ceased to maintain the minimum credit ratings required by the documents and I-77 Mobility has selected Citibank, N.A., to be replacement trustee and for other roles. Under the Indenture the consent of the LGC is needed and requested, conditional on receipt of approval by all other required parties.

Current credit ratings –

	Moody's	S&P	Fitch
Deutsche Bank Trust Company Americas	Baa2	BBB+	BBB+
Citibank, N.A	Aa3	A+	A+

NON-ACTION - INFORMATIONAL ITEM

Charlotte-Mecklenburg Hospital Authority (Atrium Health) Atrium Health has contacted staff and intends to make application for the January LGC meeting. They are seeking approval of \$600 million in revenue bonds as part of their on-going capital improvement program.