

# CITY OF HIGH POINT

## AGENDA ITEM



<b>TITLE:</b> Introduce Series 2024 General Obligation Streets and Sidewalk Bonds	
<b>FROM:</b> Bobby Fitzjohn, Financial Services Director	<b>MEETING DATE:</b> February 19, 2024
<b>PUBLIC HEARING:</b> n/a	<b>ADVERTISED DATE/BY:</b> n/a
<b>ATTACHMENTS:</b> Resolution Making Statement of Facts Bond Order	

### PURPOSE:

The Financial Services Department recommends that the City Council take the first steps to authorize the issuance of up to \$5,425,000 Series 2024 General Obligation Streets and Sidewalk Bonds. Actions requested include making certain statements of fact concerning the proposed bond issue, adopting a preliminary order to issue bonds at a not-to-exceed amount of \$5,425,000, and establishing a public hearing as required by state law.

### BACKGROUND:

On February 5th City Council awarded the contract for the Samet Drive Extension project. The total cost of the project is estimated to be approximately \$4,825,000. Remaining bond funds will be used to partially fund the design phase of the Triangle Lake Rd project. The proposed resolutions, prepared by the City's bond attorneys, provide staff the authorization to issue up to \$5,425,000 two-thirds General Obligation bonds.

At the March 4th meeting, City Council will hold a public hearing and consider adopting the bond order.

At the March 18th meeting, City Council will consider approval of winning bank lender and the bond resolution.

The LGC will consider approving the issuance at their April 2nd meeting.

### BUDGET IMPACT:

Repayment of the proposed bonds will be included in the General Debt Service Fund budget beginning in FY2024-2025.

### RECOMMENDATION/ACTION REQUESTED:

1. City Council is requested to approve the attached "A Resolution of the City Council of the City of High Point, North Carolina Making Certain Statements of Fact Concerning Proposed Bond Issue and Calling a Public Hearing"
2. City Council is requested to introduce the attached "Bond Order Authorizing the Issuance of Not to Exceed \$5,425,000 General Obligation Streets and Sidewalks Bonds of the City of High Point, North Carolina"



EXTRACTS FROM MINUTES OF CITY COUNCIL

\* \* \*

A regular meeting of the City Council of the City of High Point, North Carolina (the “*City Council*”) was duly held in the Council Chambers of the Municipal Building located at 211 South Hamilton Street in High Point, North Carolina, the regular place of meeting, at 5:30 p.m. on February 19, 2024:

Members Present:

Members Absent:

\* \* \* \* \*  
\* \* \*

Councilmember \_\_\_\_\_ introduced the following resolution, a summary of which had been provided to each Councilmember, a copy of which was available with the City Clerk and which was read by title:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGH POINT, NORTH CAROLINA MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE AND CALLING A PUBLIC HEARING**

*WHEREAS*, the City Council of the City of High Point, North Carolina (the “*City Council*”) is considering the issuance of bonds of the City of High Point, North Carolina (the “*City*”) which shall be for the maximum principal amount of \$5,425,000 of bonds to pay the capital costs of streets and sidewalk projects located in the City.

*WHEREAS*, the City Council must make certain findings of fact to enable the Local Government Commission of the State of North Carolina (the “*Commission*”) to make certain determinations as set forth in Section 159-52 of the General Statutes of North Carolina.

***NOW, THEREFORE, BE IT RESOLVED*** that the City Council, meeting in open session on the 19th day of February, 2024, has made the following factual findings in regard to this matter:

A. ***Facts Regarding Necessity of Proposed Financing.*** The proposed bonds are necessary or expedient to pay the capital costs providing streets and sidewalks, including without limitation bridges, viaducts, causeways, overpasses, underpasses, alleys and bicycle lanes; paving, grading, resurfacing, and widening streets; sidewalks, curbs and gutters, culverts, and drains; traffic controls, signals, and markers; lighting; and grade crossings and the elimination thereof and grade separations; streetscaping, landscaping and pedestrian improvements; transit stop improvements; and the acquisition of land and rights-of-way therefor.

B. ***Facts Supporting the Amount of Bonds Proposed.*** The sums estimated for these bonds are adequate and not excessive for the proposed purpose.

C. ***Past Debt Management Policies.*** The City’s debt management procedures and policies are good and have been carried out in compliance with law. The City employs a full-time Financial Services

Director to oversee compliance with applicable laws relating to debt management. The City Council requires annual audits of City finances. In connection with these audits, compliance with laws is reviewed. The City is not in default in any of its debt service obligations. The City Attorney's office reviews all debt-related documents for compliance with laws.

D. ***Past Budgetary and Fiscal Management Policies.*** The City's budgetary and fiscal management policies have been carried out in compliance with laws. The City Council closely reviews annual budgets before final approval of budget ordinances. Budget amendments changing a function total or between functions are presented to the City Council at regular City Council meetings. The Financial Services Director presents financial information to the City Council which shows budget to actual comparisons annually and otherwise as the City Manager deems necessary or as a member of the City Council may request.

E. ***Retirement of Debt.*** The increase in taxes, if any, necessary to service the proposed debt will not be excessive.

F. ***Marketing of Bonds.*** The proposed bonds can be marketed at reasonable rates of interest.

G. ***Estimated Interest.*** The assumptions used by the Financial Services Director in preparing the statement of estimated interest to be filed with the City Clerk pursuant to Section 159-55.1(a) of the General Statutes of North Carolina are reasonable.

H. ***Financing Team.*** The City Manager and the Financial Services Director, with advice from the City Attorney, are hereby authorized and directed to (1) retain Parker Poe Adams & Bernstein LLP, as bond counsel, and (2) retain Davenport & Company LLC, as financial advisor. The City Manager and the Financial Services Director are authorized to retain and approve the services of other professionals that they deem necessary related to the issuance of the proposed bonds. The filing of an application by the Financial Services Director with the Commission for its approval of the proposed bonds is hereby ratified and confirmed.

***NOW, THEREFORE, BE IT FURTHER RESOLVED*** that the City Council that the public hearing on the bond order for the proposed bonds shall be held on 4th day of March, 2024 at 5:30 p.m., or a soon thereafter as practicable, in the Council Chambers of the Municipal Building located at 211 South Hamilton Street in High Point, North Carolina. The City Clerk is hereby directed to cause a copy of said bond order to be published with a notice of such hearing in the form prescribed by law in a newspaper of general circulation on or before six days before the public hearing. The Financial Services Director is hereby directed, prior to publication of the bond order with the notice of such public hearing, (1) to file with the City Clerk a sworn statement of debt as prescribed by law and (2) to file with the City Clerk and the Local Government Commission of North Carolina and post online a statement of disclosure in accordance with Section 159-55.1(a) of the General Statutes of North Carolina.

***PASSED, ADOPTED AND APPROVED*** this 19th day of February, 2024.

STATE OF NORTH CAROLINA                    )  
  )       ss:  
CITY OF HIGH POINT                         )

I, Sandra Keeney, City Clerk of the City of High Point, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of so much of the proceedings of the City Council as it relates to a resolution entitled “**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGH POINT, NORTH CAROLINA MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE**” duly adopted by the City Council of the City of High Point, North Carolina, at a meeting held on the 19th day of February, 2024 and that such proceedings are to be recorded in the minute books of said City Council.

***WITNESS*** my hand and the seal of the City of High Point, North Carolina, this the \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
City Clerk  
City of High Point, North Carolina

(SEAL)

EXTRACTS FROM MINUTES OF CITY COUNCIL

\* \* \*

A regular meeting of the City Council of the City of High Point, North Carolina (the “*City Council*”) was duly held in the Council Chambers of the Municipal Building located at 211 South Hamilton Street in High Point, North Carolina, the regular place of meeting, at 5:30 p.m. on February 19, 2024:

Members Present:

Members Absent:

\* \* \* \* \*  
\* \* \*

Councilmember \_\_\_\_\_ introduced the following bond order by reading the title thereof:

**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$5,425,000  
GENERAL OBLIGATION STREETS AND SIDEWALK BONDS  
OF THE CITY OF HIGH POINT, NORTH CAROLINA**

*WHEREAS*, the City Council of the City of High Point, North Carolina (the “*City*”) deems it advisable to provide streets and sidewalk projects located in the City; and

*WHEREAS*, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Local Government Commission approval of the bonds hereinafter described as required by the Local Government Bond Act, and the Secretary of the Local Government Commission has notified the City Council that the application has been accepted for submission to the Local Government Commission.

*NOW, THEREFORE, BE IT ORDERED* by the City Council of the City of High Point, North Carolina, as follows:

Section 1. The City Council of the City has ascertained and hereby determines that it is necessary to provide streets and sidewalks, including without limitation bridges, viaducts, causeways, overpasses, underpasses, alleys and bicycle lanes; paving, grading, resurfacing, and widening streets; sidewalks, curbs and gutters, culverts, and drains; traffic controls, signals, and markers; lighting; and grade crossings and the elimination thereof and grade separations; streetscaping, landscaping and pedestrian improvements; transit stop improvements; and the acquisition of land and rights-of-way therefor.

Section 2. To raise the money required for the purposes described above, in addition to funds which may be available for such purpose from any other source, bonds of the City are hereby authorized and shall be issued pursuant to the North Carolina Constitution and the Local Government Bond Act of North Carolina to the extent of two thirds of the amount by which the outstanding indebtedness of the City was reduced in the last preceding fiscal year. The maximum aggregate principal amount of such bonds authorized by this bond order shall be and not exceed \$5,425,000.

Section 3. Taxes will be levied in an amount sufficient to pay the principal and interest of the bonds authorized by this bond order.

Section 4. A sworn statement of the City's debt has been filed with the City Clerk and is open to public inspection.

Section 5. This bond order will take effect thirty (30) days after its publication following adoption, unless it is petitioned to a vote of the people within thirty (30) days after its publication as introduced, as provided in North Carolina General Statutes Section 159-60, and in that event the order will take effect when approved by the voters of the City.

STATE OF NORTH CAROLINA                 )  
  )         ss:  
CITY OF HIGH POINT                         )

I, Sandra Keeney, City Clerk of the City of High Point, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of the bond order entitled “**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$5,425,000 GENERAL OBLIGATION STREETS AND SIDEWALK BONDS OF THE CITY OF HIGH POINT, NORTH CAROLINA**” duly introduced by the City Council of the City of High Point, North Carolina, at a meeting held on the 19th day of February, 2024 and that such proceedings are to be recorded in the minute books of said City Council.

**WITNESS** my hand and the seal of the City of High Point, North Carolina, this the \_\_\_\_ day of \_\_\_\_\_, 2024.

City Clerk  
City of High Point, North Carolina

(SEAL)