



City Council Meeting
August 7, 2023





Mayor Hooks

Call to Order





Pastor Stu Johnston, Grace Reformed Baptist Church

Invocation





Mayor Hooks

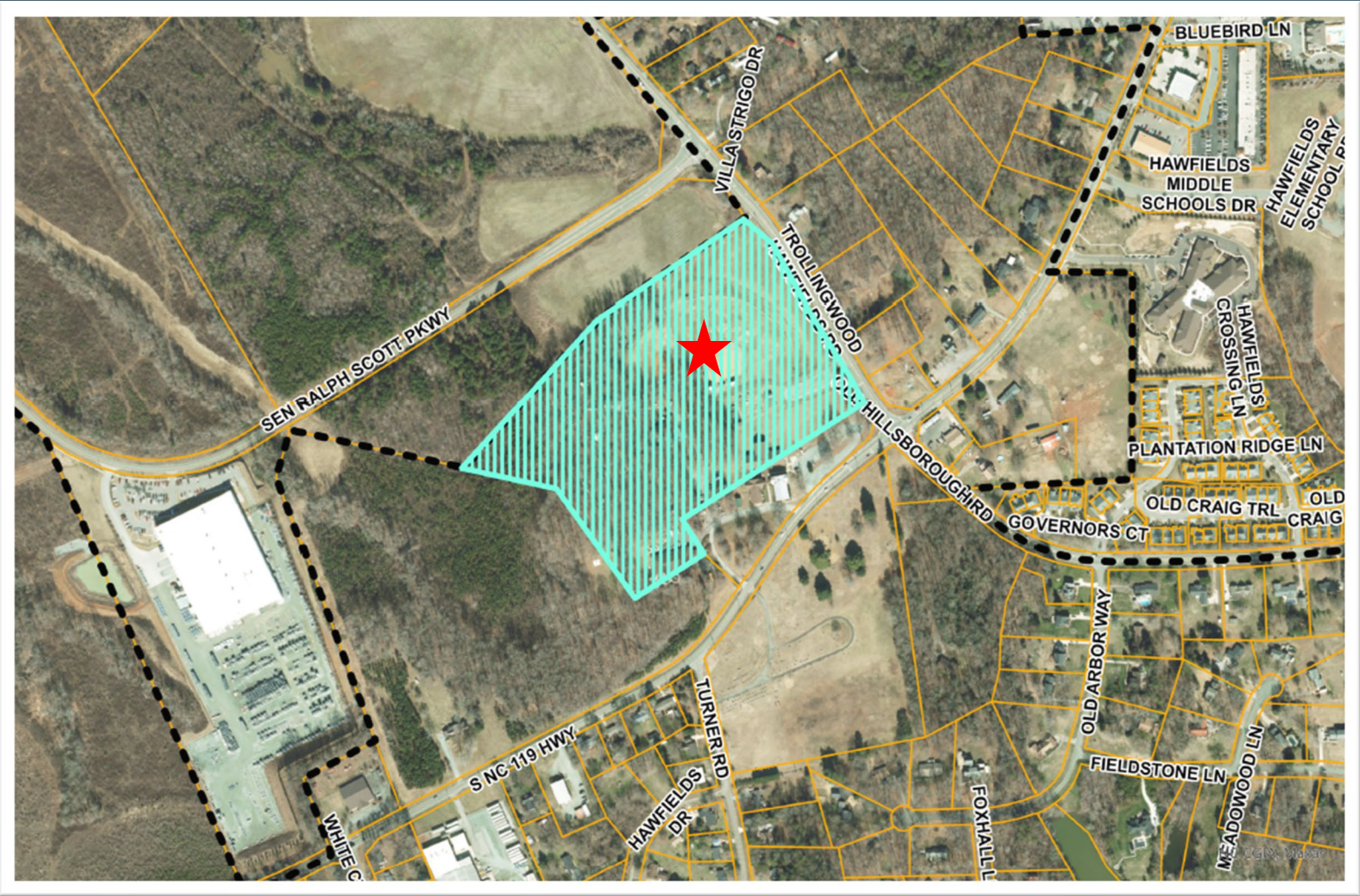
Public Comments



Consent Agenda

- a. Approval of Minutes- July 10, 2023 Regular Meeting
- b. Petition for Voluntary Contiguous Annexation-
Hawfields Presbyterian Church, LLC
- c. FY22-23 Asset Disposals January 1, 2023 to June 30, 2023





Annexation Petition- Hawfields Presbyterian Church, LLC

- Voluntary Contiguous
- +/- 22.04 acres in Alamance County
- Accept the Petition and Clerk's the Clerk's Certificate of Sufficiency
- Set a Date of Public Hearing for September 11, 2023





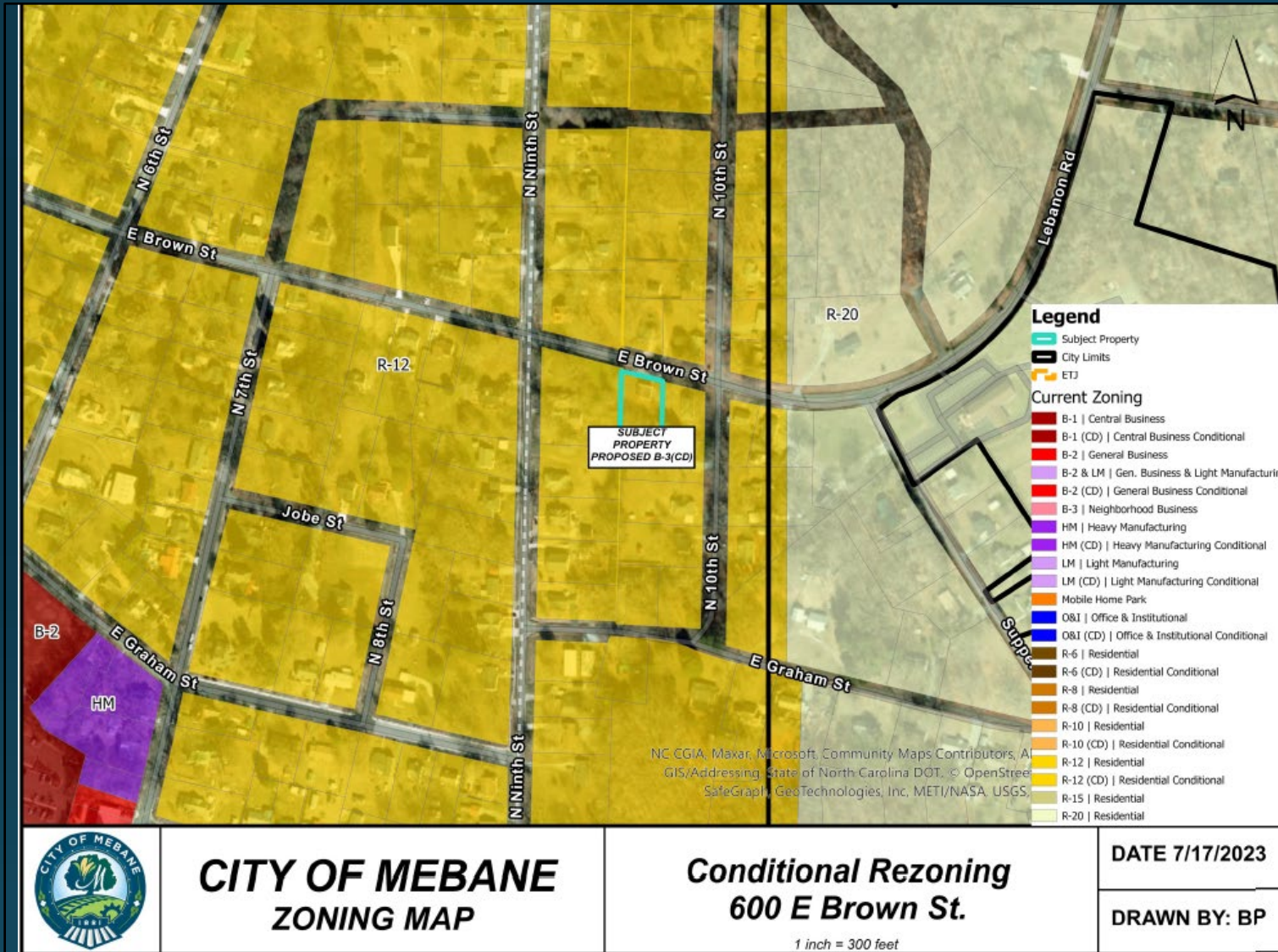
Ashley Ownbey, Development Director

Public Hearing: Rezoning Request: R-12 to B-3 (CD)
by Terry Hedgspeth



600 E. Brown St. Conditional Rezoning Request

- Request by Terry Hedgspeth
- +/- 15,246 square foot lot
- Existing zoning: R-12
- Requested zoning: B-3 (CD)
- General Watershed Area Overlay District



CITY OF MEBANE
ZONING MAP

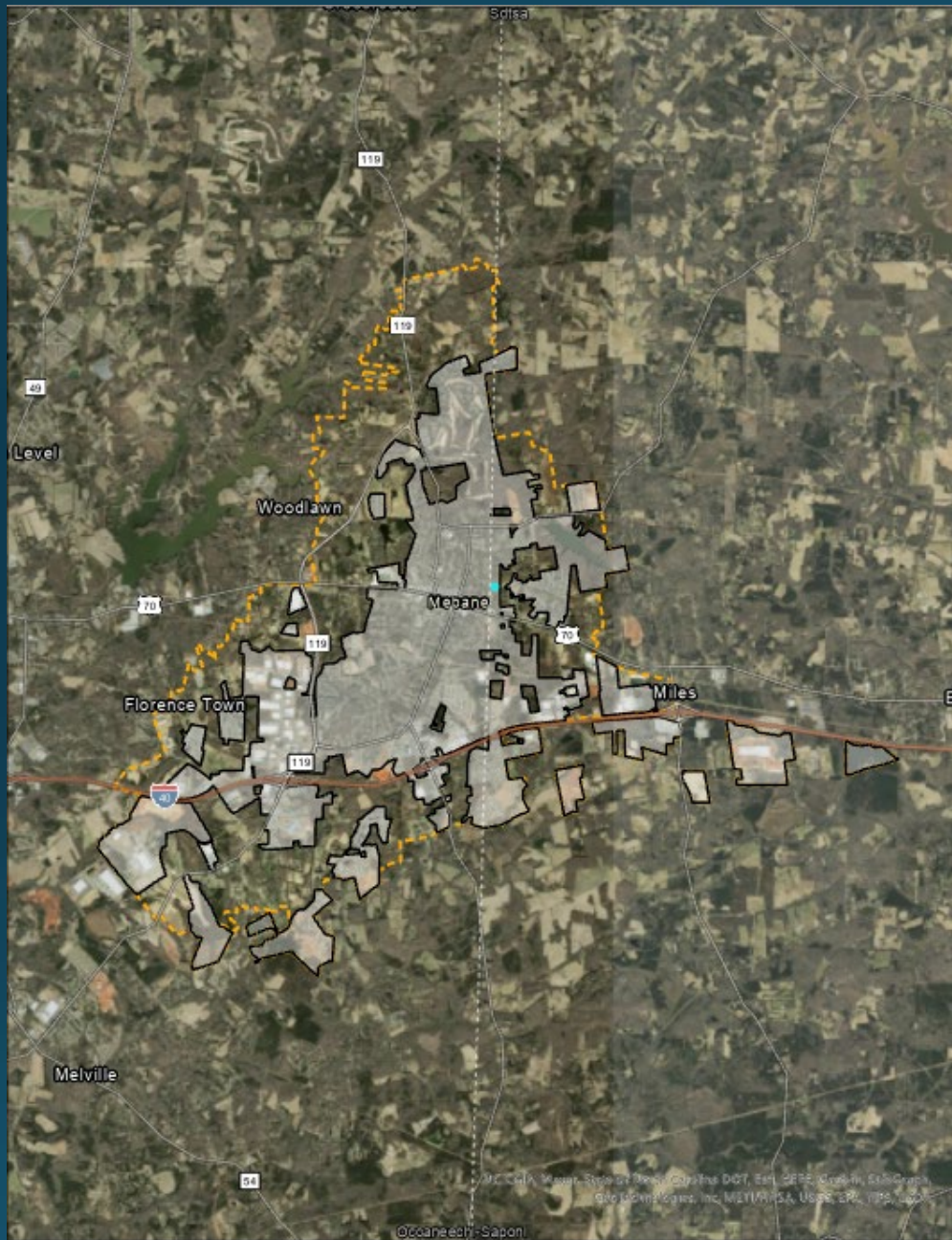
Conditional Rezoning
600 E Brown St.

1 inch = 300 feet

DATE 7/17/2023

DRAWN BY: BP





600 E. Brown St. Conditional Rezoning Request

- City of Mebane, Orange County
- City water and sewer





600 E. Brown St. Conditional Rezoning

- Vacant Storefront
- Surrounding uses include:
 - Single-Family Residential
 - Eastside Baptist Church

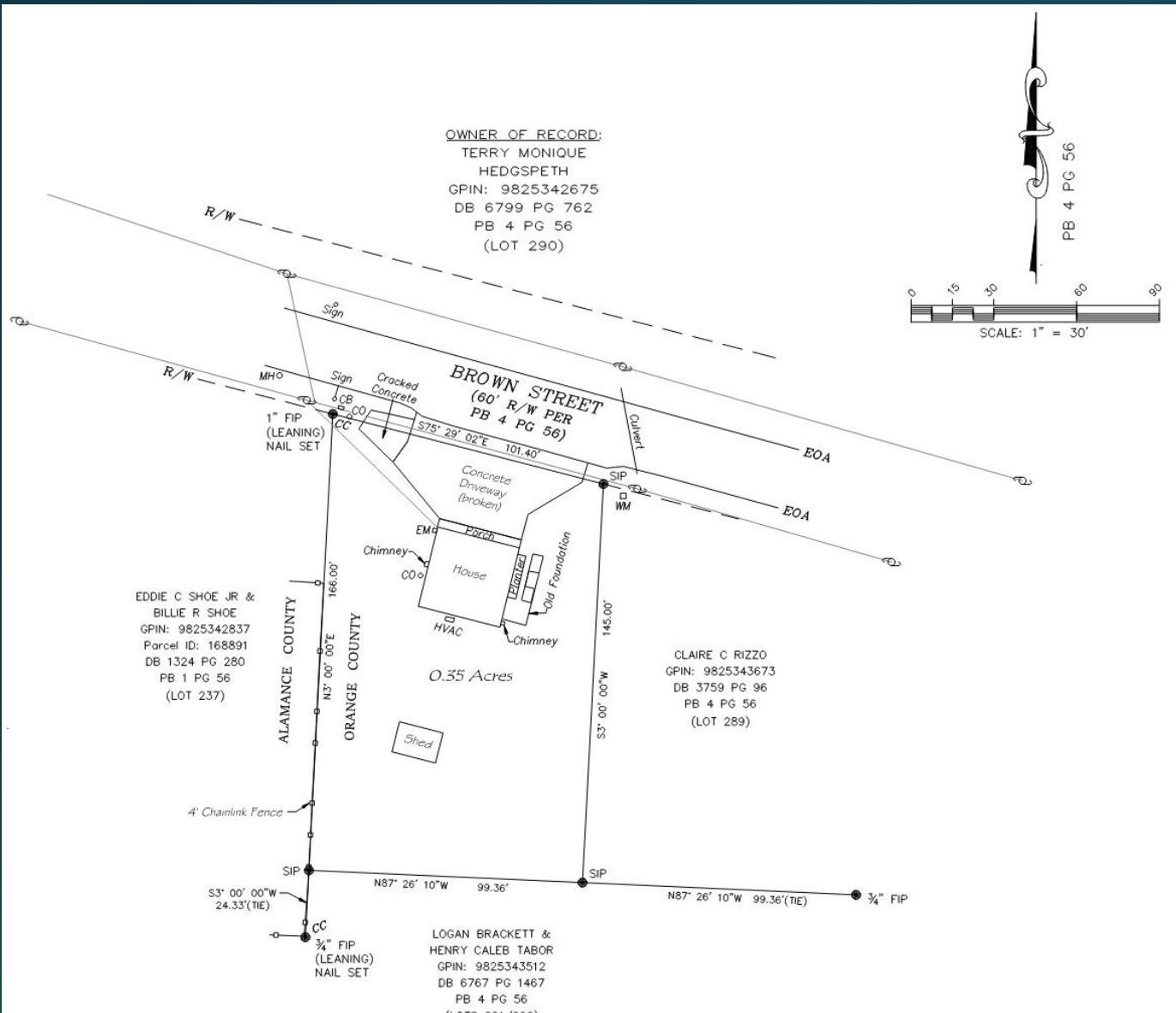




600 E. Brown St.
Conditional Rezoning Request

- *Mebane By Design* G-4 Secondary Growth Area





600 E. Brown St. Conditional Zoning Request

Zoning Request: Neighborhood Business,
 Conditional District

Proposed Conditions:

- No expansion to existing structures.
- No new structures.
- Three striped parking stalls
 - Mebane UDO requires five.
- Any changes to driveway, parking, or landscaping require review by City staff.
- Restriction of uses





Applicant Presentation





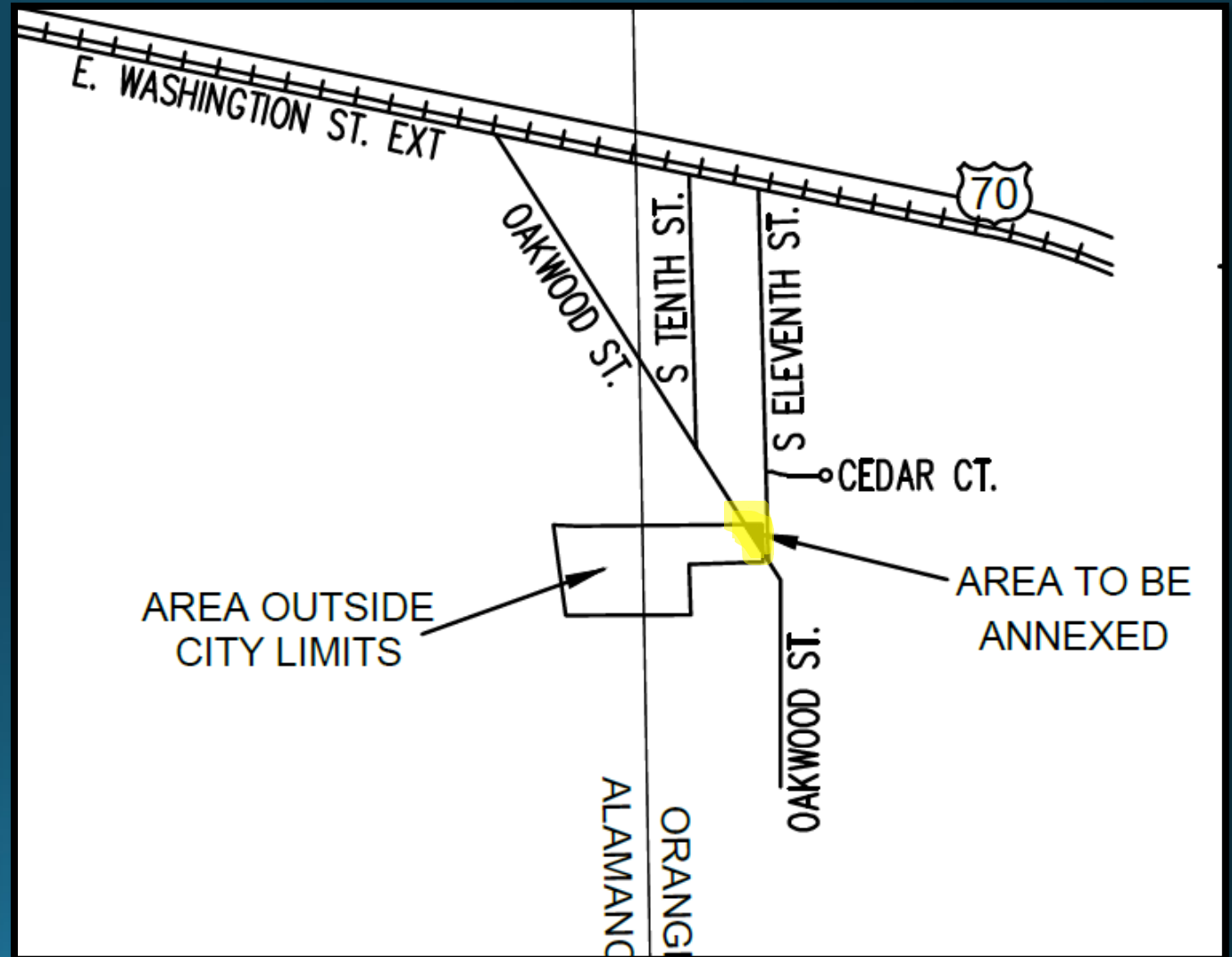
Lawson Brown, City Attorney

Public Hearing- Ordinance to Extend the Corporate Limits
Elizabeth S. Woody- Montclair subdivision



Ordinance to Extend Corporate Limits- Elizabeth S. Woody- Montclair subdivision

- Voluntary Contiguous Annexation
- +/- .327 acres in Orange County
- The property is zoned residential
- Council accepted the Petition and Certificate of Sufficiency last month and set the date of Public Hearing for tonight.





Mr. Brown

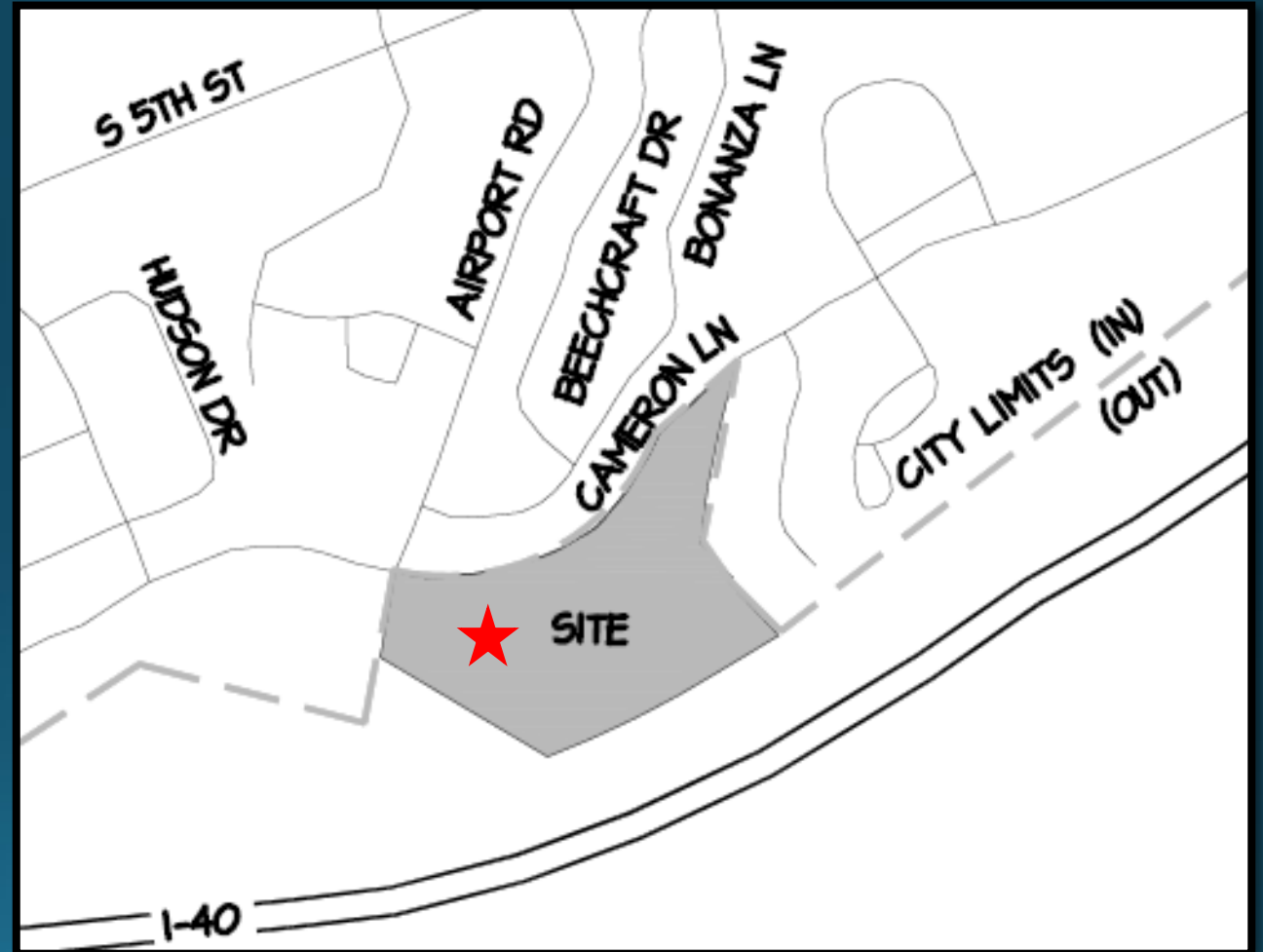
Public Hearing- Ordinance to Extend the Corporate Limits
Keystone Group, Inc., Mebane Towne Center- Ph. A2, A3 and A4



Ordinance to Extend Corporate Limits-

Keystone Group, Inc., Mebane Towne Center- Ph. A2, A3 and A4

- Voluntary Contiguous Annexation
- +/- 23.340 acres in Alamance County
- Council accepted the Petition and Certificate of Sufficiency last month and set the date of Public Hearing for tonight.

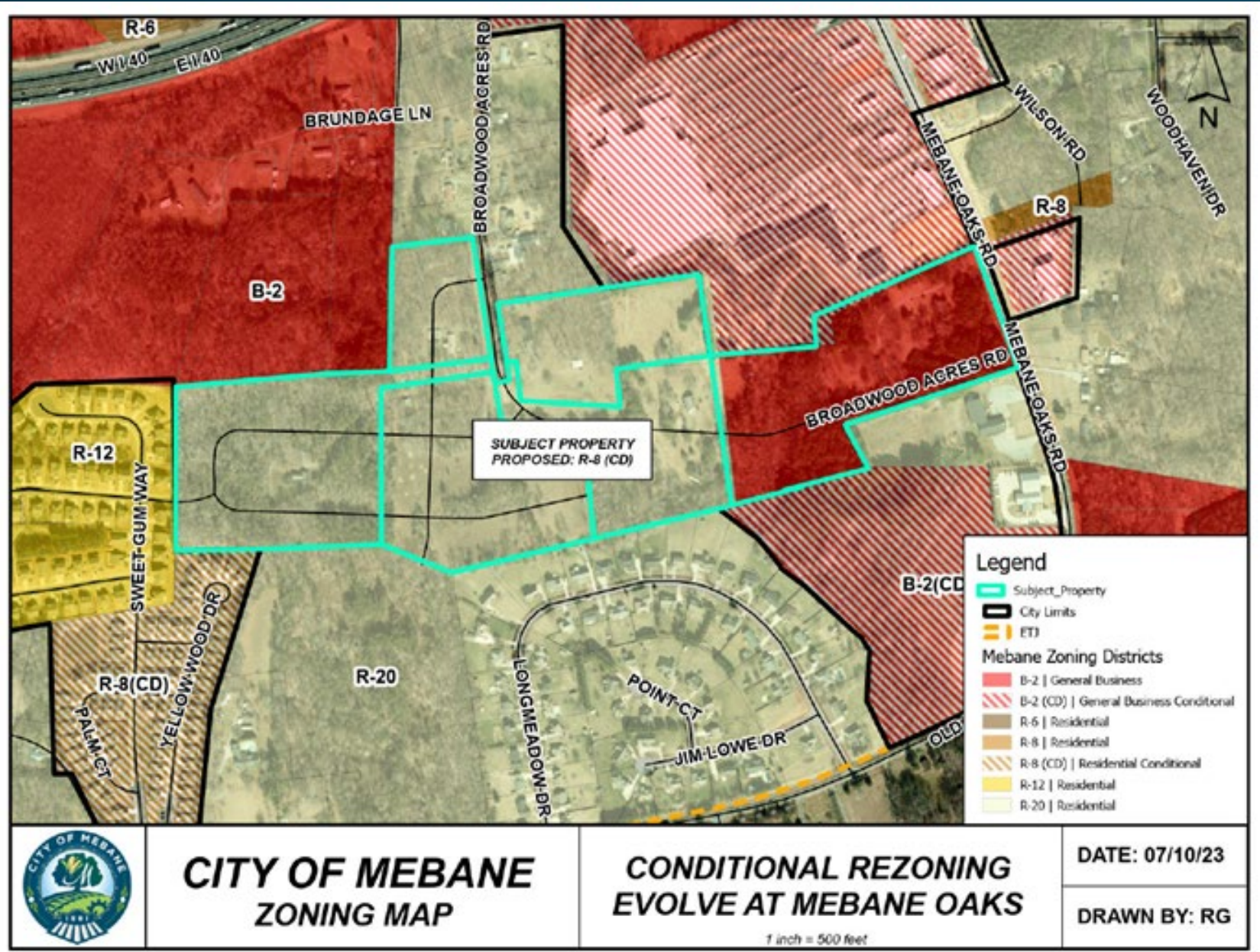




Ashley Ownbey, Development Director

Public Hearing- Rezoning Request: R-20 and B-2 to R-8 (CD)
by Mebane Housing, LLC & Evolve Mebane Oaks, LLC



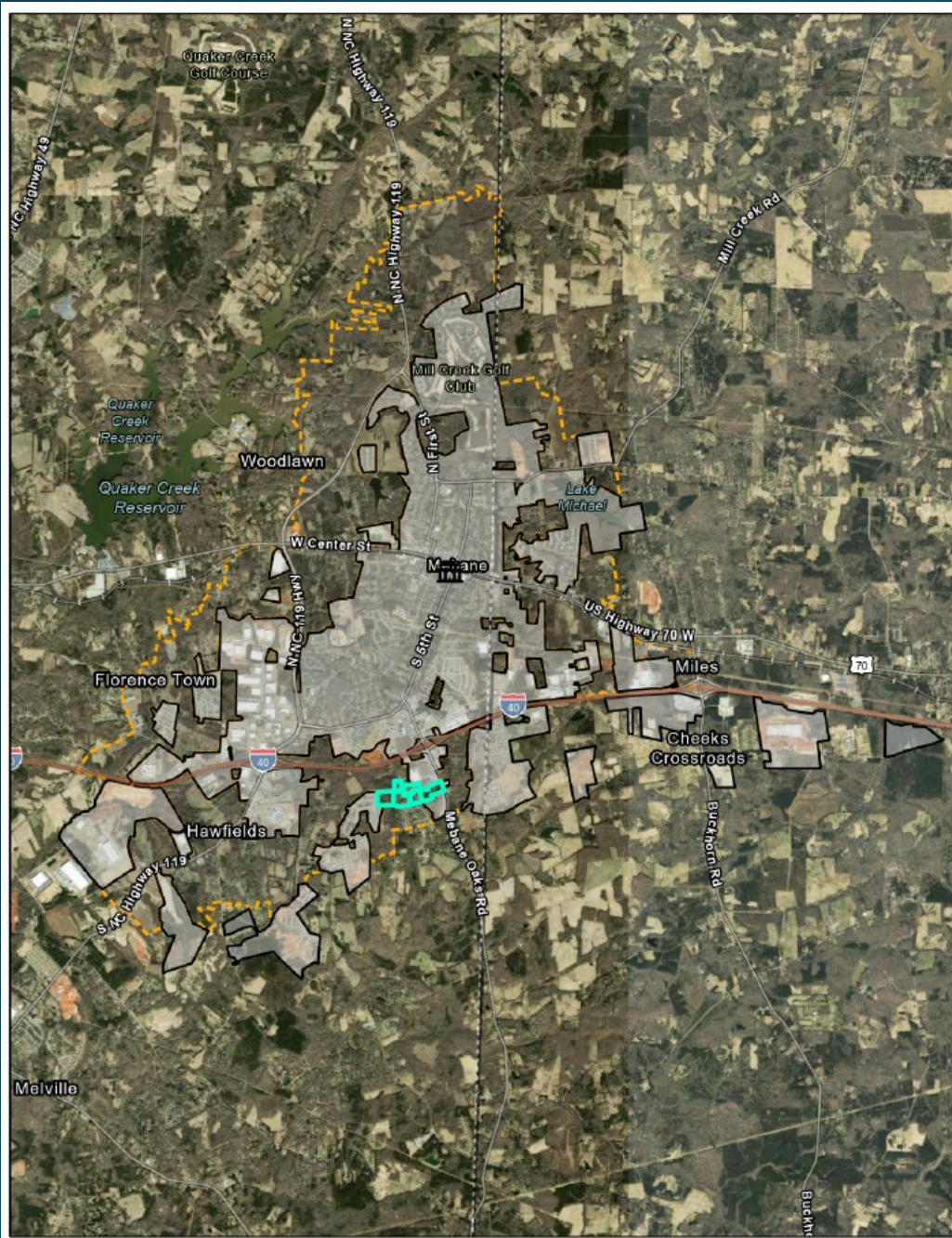


Evolve at Mebane Oaks

Conditional Rezoning Request

- Request by Mebane Housing, LLC and Evolve Mebane Oaks, LLC
- Six lots totaling +/- 60.241 acres
- Existing zoning: R-20 & B-2
- Requested zoning: R-8(CD)



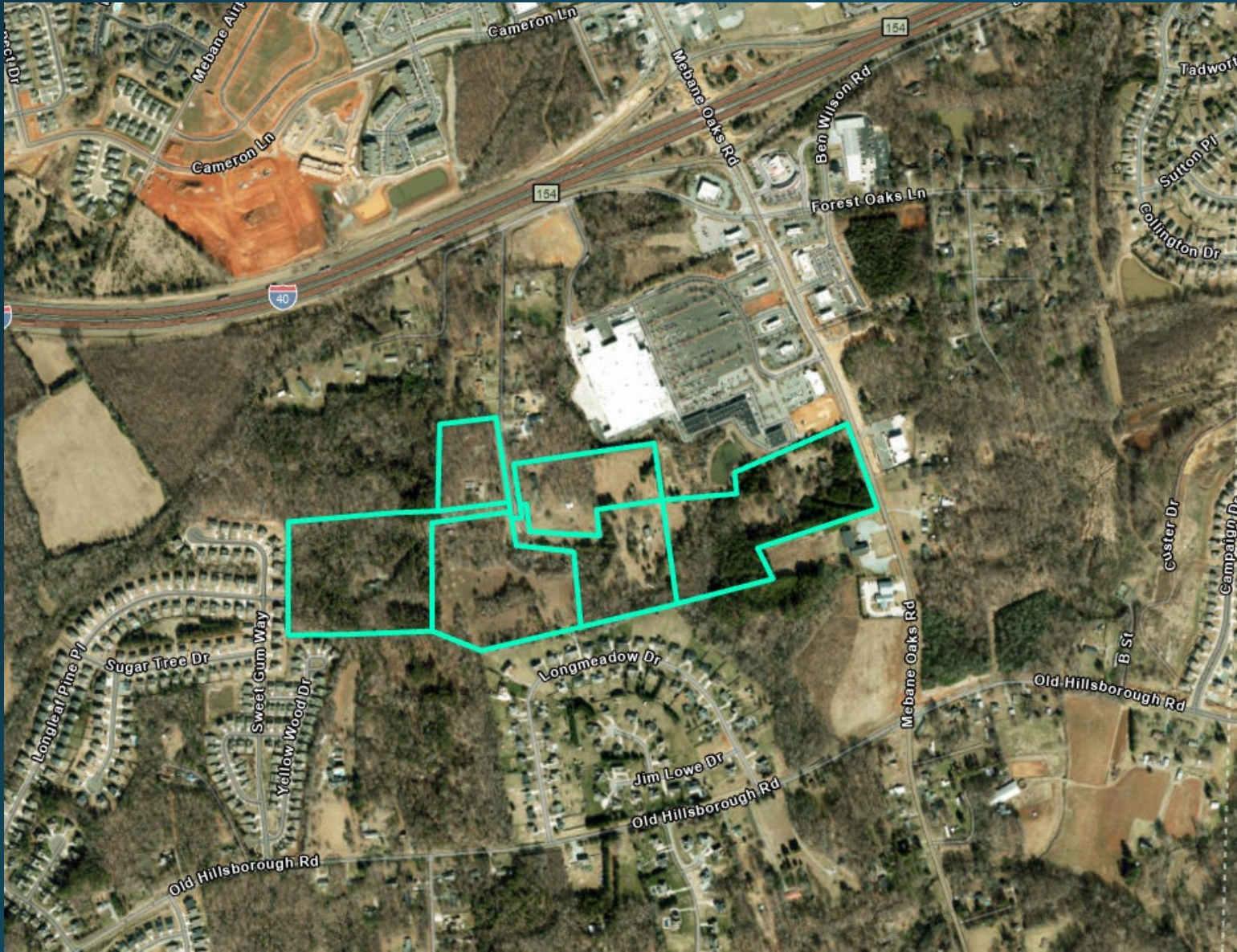


Evolve at Mebane Oaks

Conditional Rezoning Request

- Mebane ETJ
- Applicant must petition for annexation before connecting to City water and sewer.



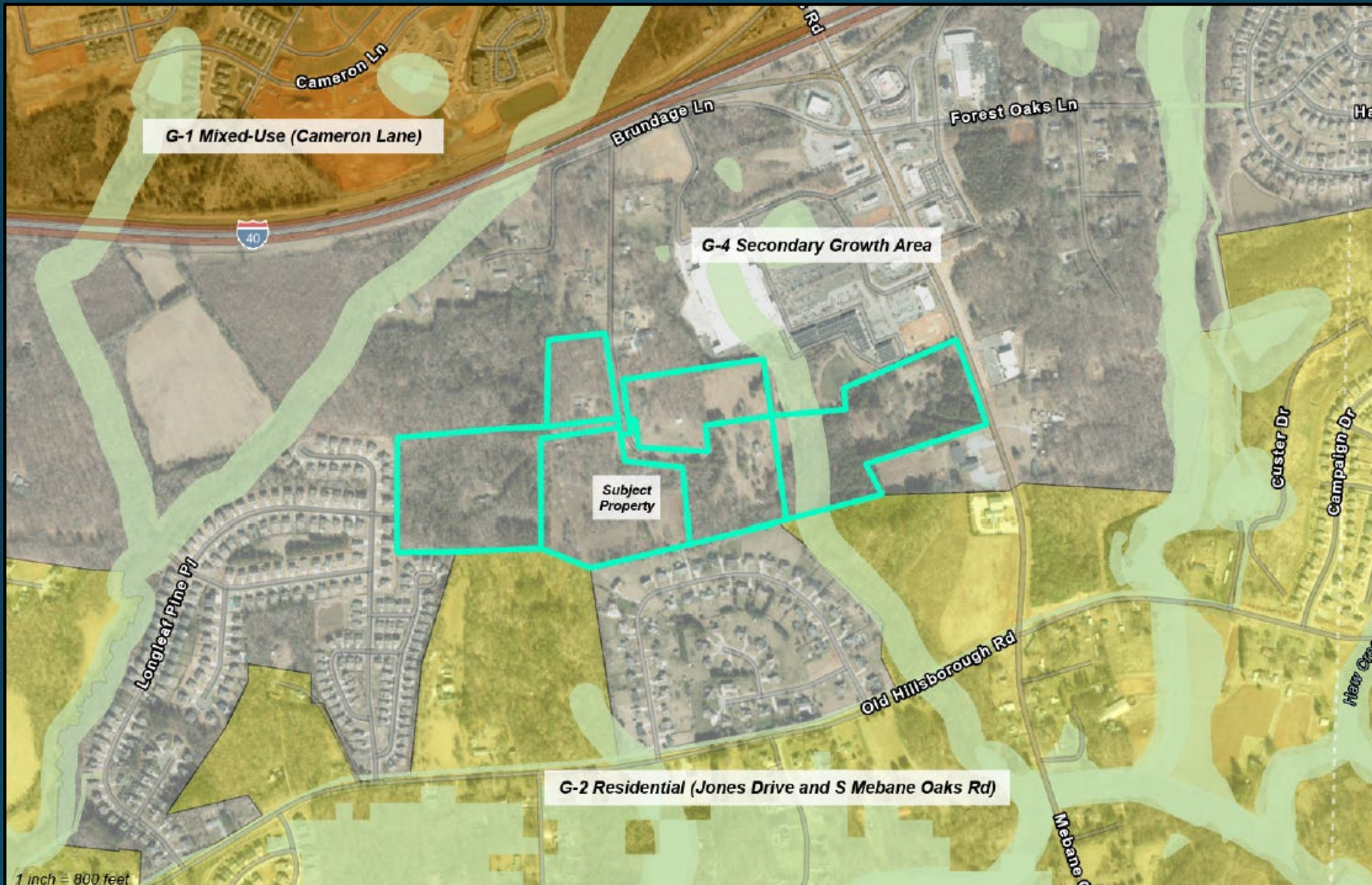


Evolve at Mebane Oaks

Conditional Rezoning Request

- Current use is single-family residential.
- Surrounding uses include:
 - Walmart and other Retail Stores
 - Restaurants and Other Commercial Uses
 - Church
 - Single-Family Residential



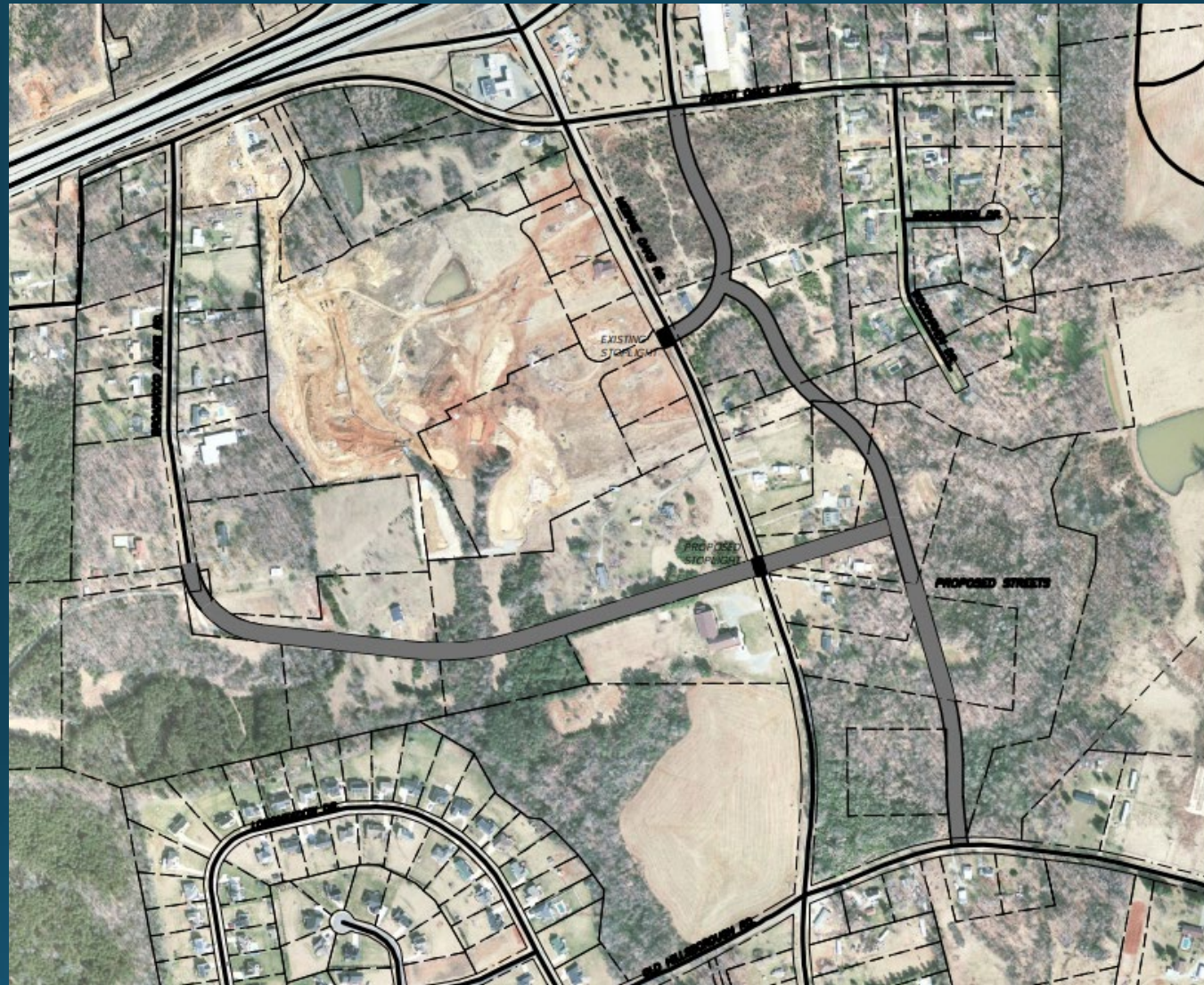


Evolve at Mebane Oaks

Conditional Rezoning Request

- *Mebane By Design* G-4 Secondary Growth Area





Evolve at Mebane Oaks

Conditional Rezoning Request

- Mebane Oaks Road Small Area Plan, 2007



Evolve at Mebane Oaks

Conditional Rezoning Request

- R-8 (CD) Zoning requested to allow for a Planned Unit Development with 95 single-family residences, 294 apartments, and +/- 13,000 sq. ft. of commercial space

- No conditions related to setback distances or lot dimensions have been requested.

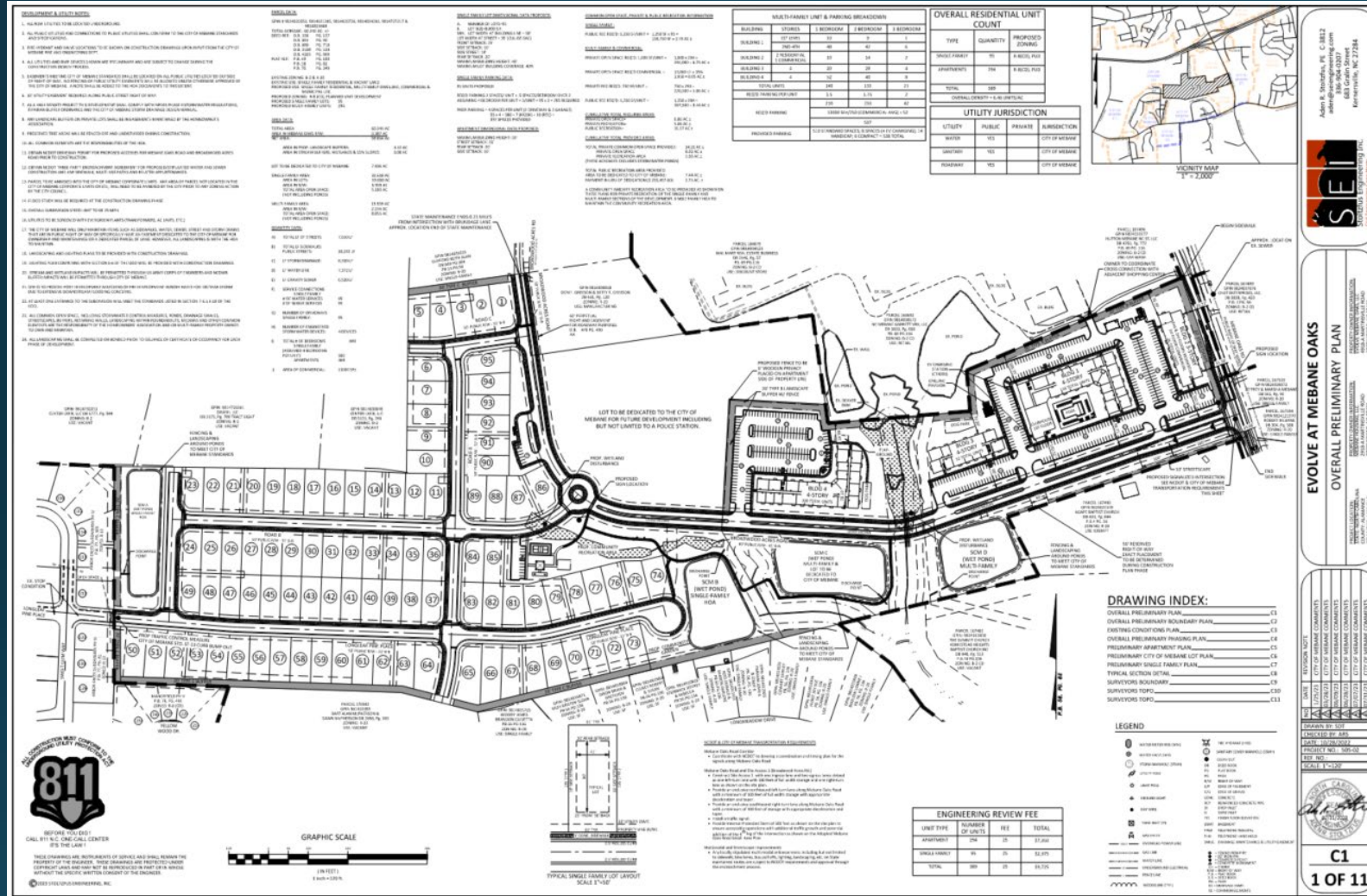
- The four apartment buildings will consist of a total of:
 - 140 1-bedroom units
 - 133 2-bedroom units
 - 21 3-bedroom units

- The total parking requirement for these units is 537 spaces. The applicant has proposed to provide:

- 510 standard spaces
- 4 EV charging spaces
- 6 compact car spaces
- 14 ADA accessible spaces

- Private recreation areas

- Internal street network to include traffic calming and sidewalks



Evolve at Mebane Oaks

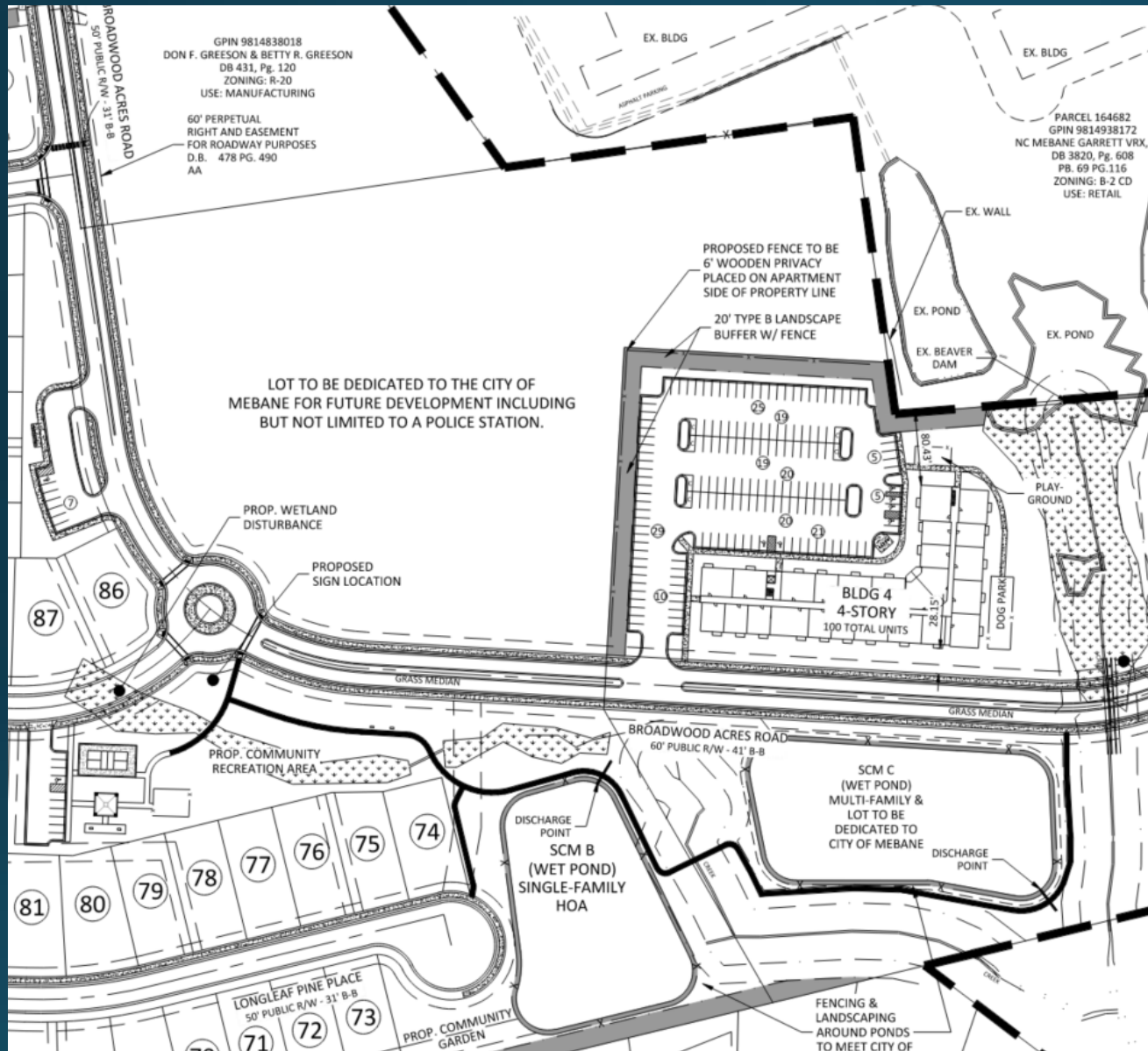
Conditional Rezoning Request

Non-UDO Condition Requested:

- As a condition of the approval of the apartments, buildings 1 and 2 sewer flow will be allocated in year 2024 and buildings 3 and 4 in 2025.

Public Recreation Requirement:

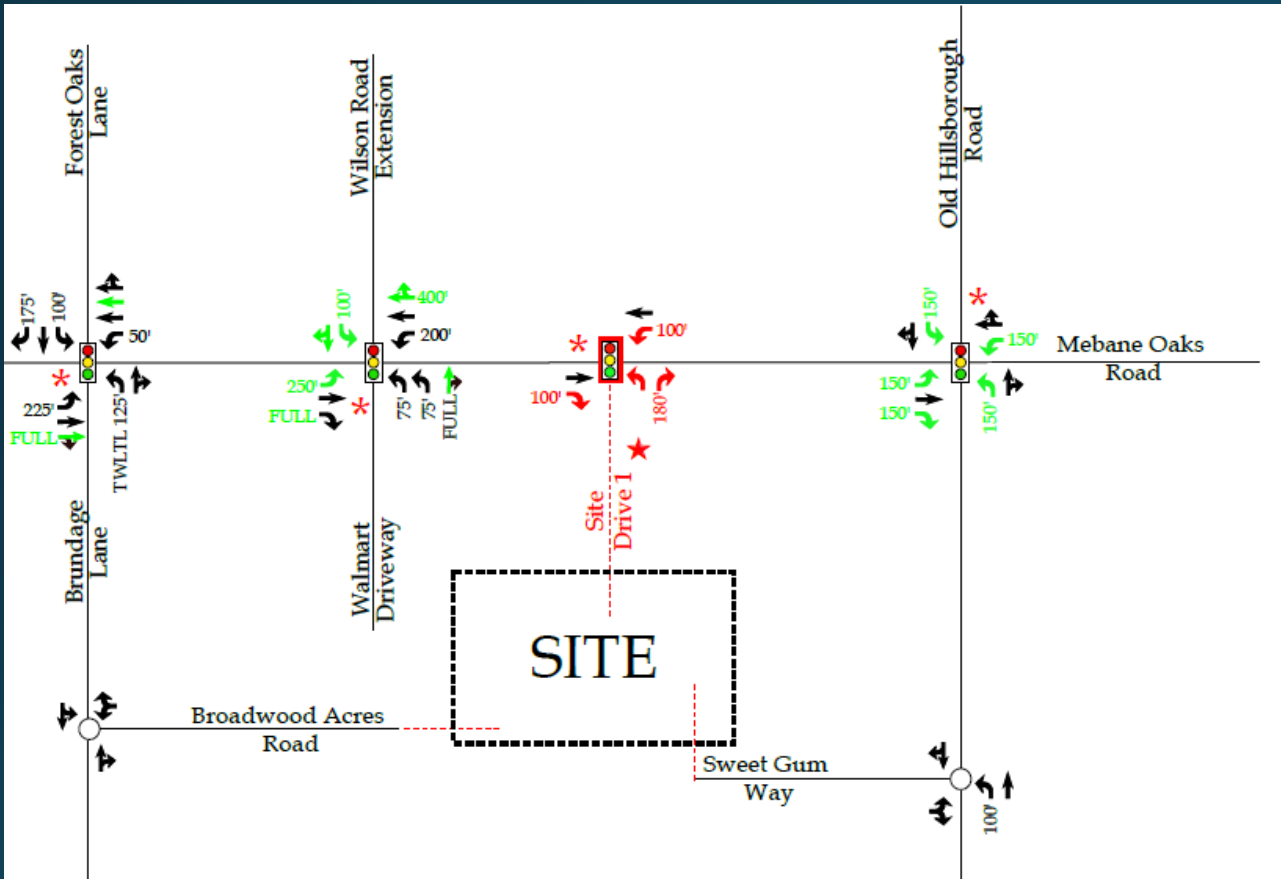
- Dedication of +/- 7.44-acre lot to the City for development at the City's discretion.
- Payment in lieu of remaining 3.73 acres of required public recreation.



Traffic Impact Analysis (TIA)

The developer is required to make the following improvements:

- Coordinate with NCDOT to develop a coordination and timing plan for the signals along Mebane Oaks Road.
- Install a traffic signal at the site access on Mebane Oaks Road with the first phase of development.
- Provide an exclusive northbound left-turn lane with a minimum of 100 feet of full width storage with appropriate transitions.
- Provide an exclusive southbound right-turn lane with a minimum of 100 feet of storage with appropriate deceleration taper.
- Construct the Site Access 1 (from Mebane Oaks Road) with one ingress lane and two egress lanes striped as one left-turn lane with 180' of full width storage and one right-turn lane as shown on the site plan.
- Provide an internal protected system (IPS) of 580' as shown on the site plan to ensure acceptable operations with additional traffic growth and potential addition of the 4th leg of the intersection as shown on the adopted Mebane Oaks Road Small Area Plan.





Applicant Presentation



RZ-23-05

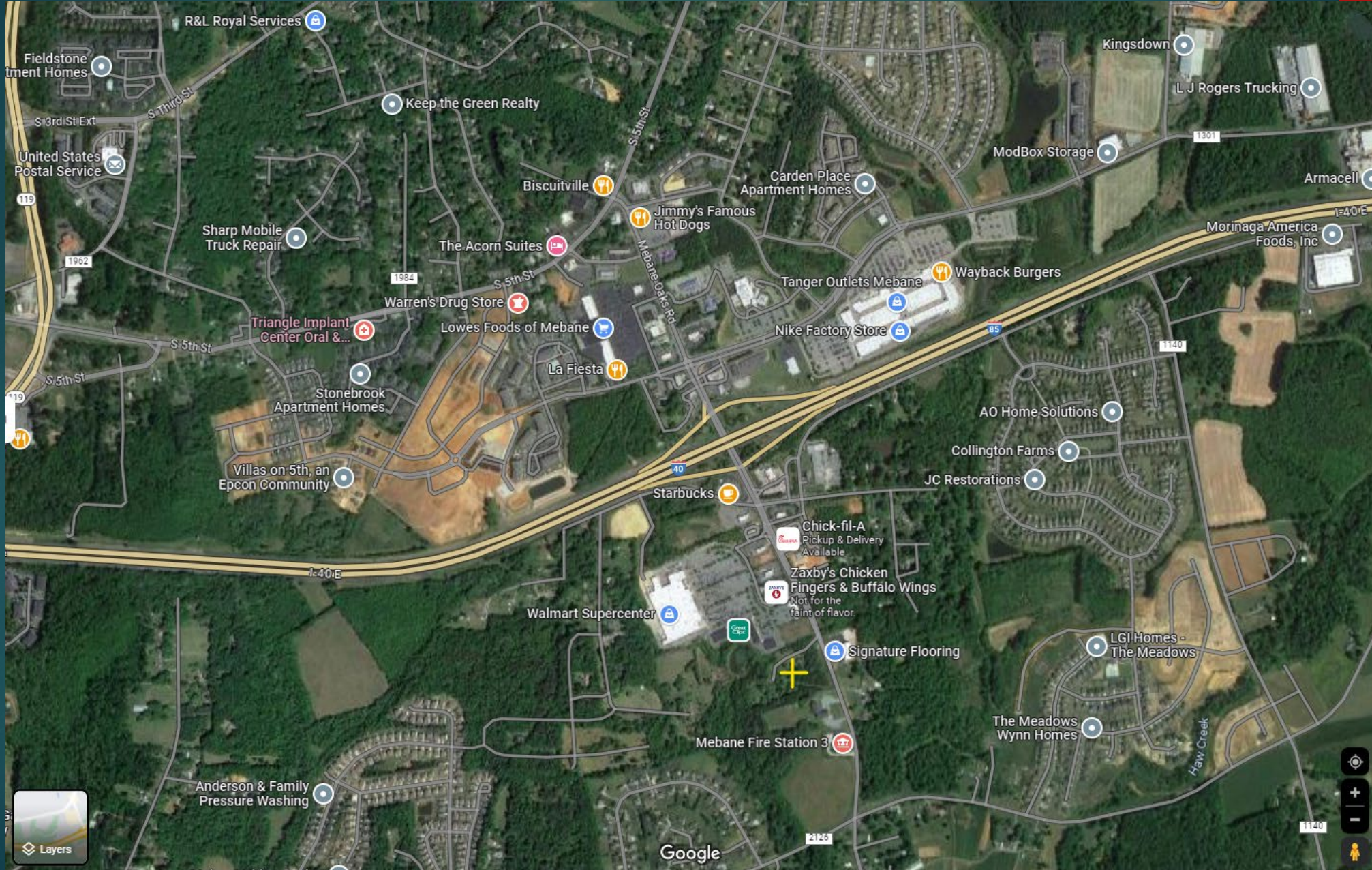
Evolve at Mebane Oaks

CITY OF MEBANE CITY COUNCIL

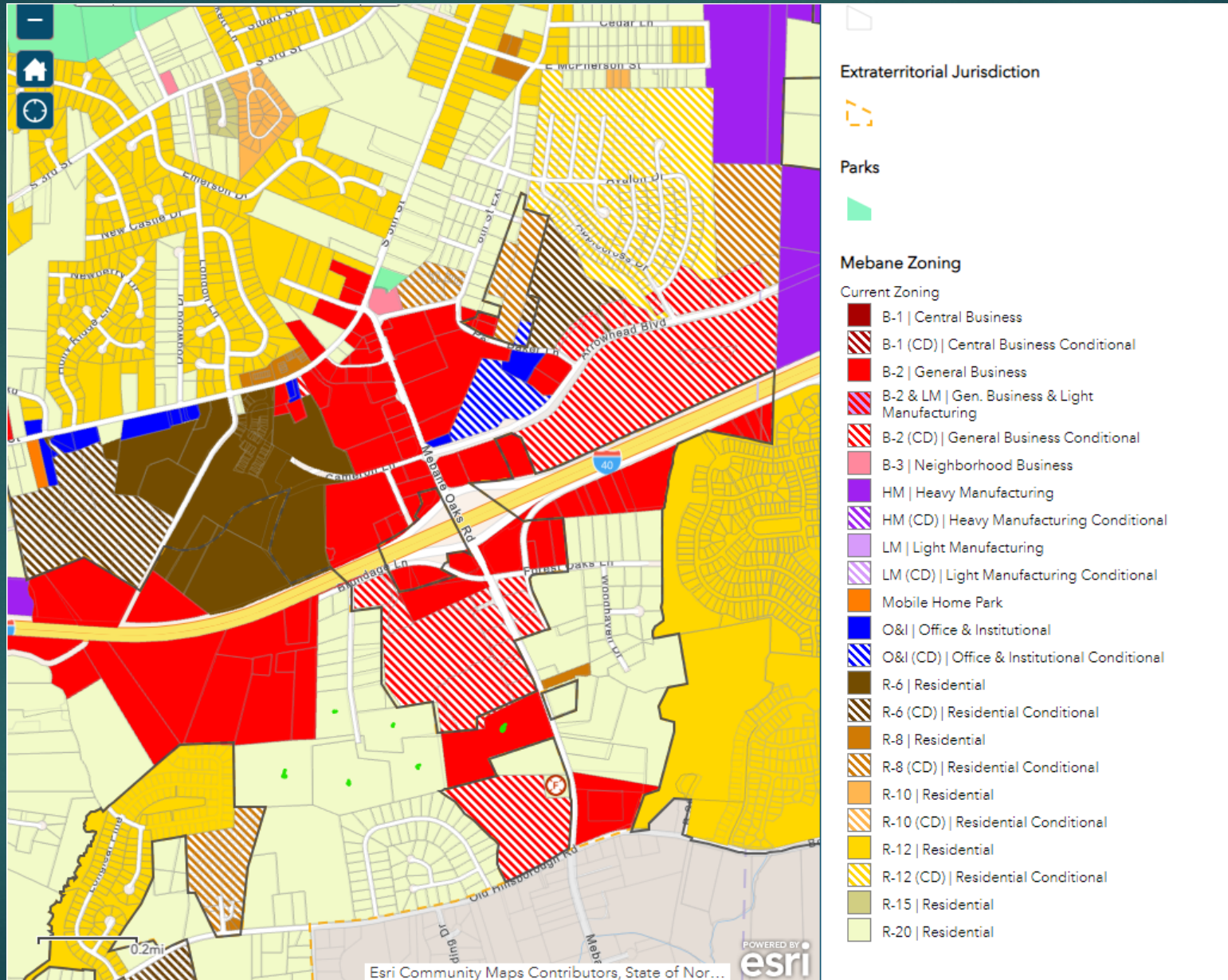
AUGUST 7, 2023



EXISTING LAND USE PATTERN



ZONING CONTEXT



MEBANE BY DESIGN

MEBANE BY DESIGN

Comprehensive Land Development Plan

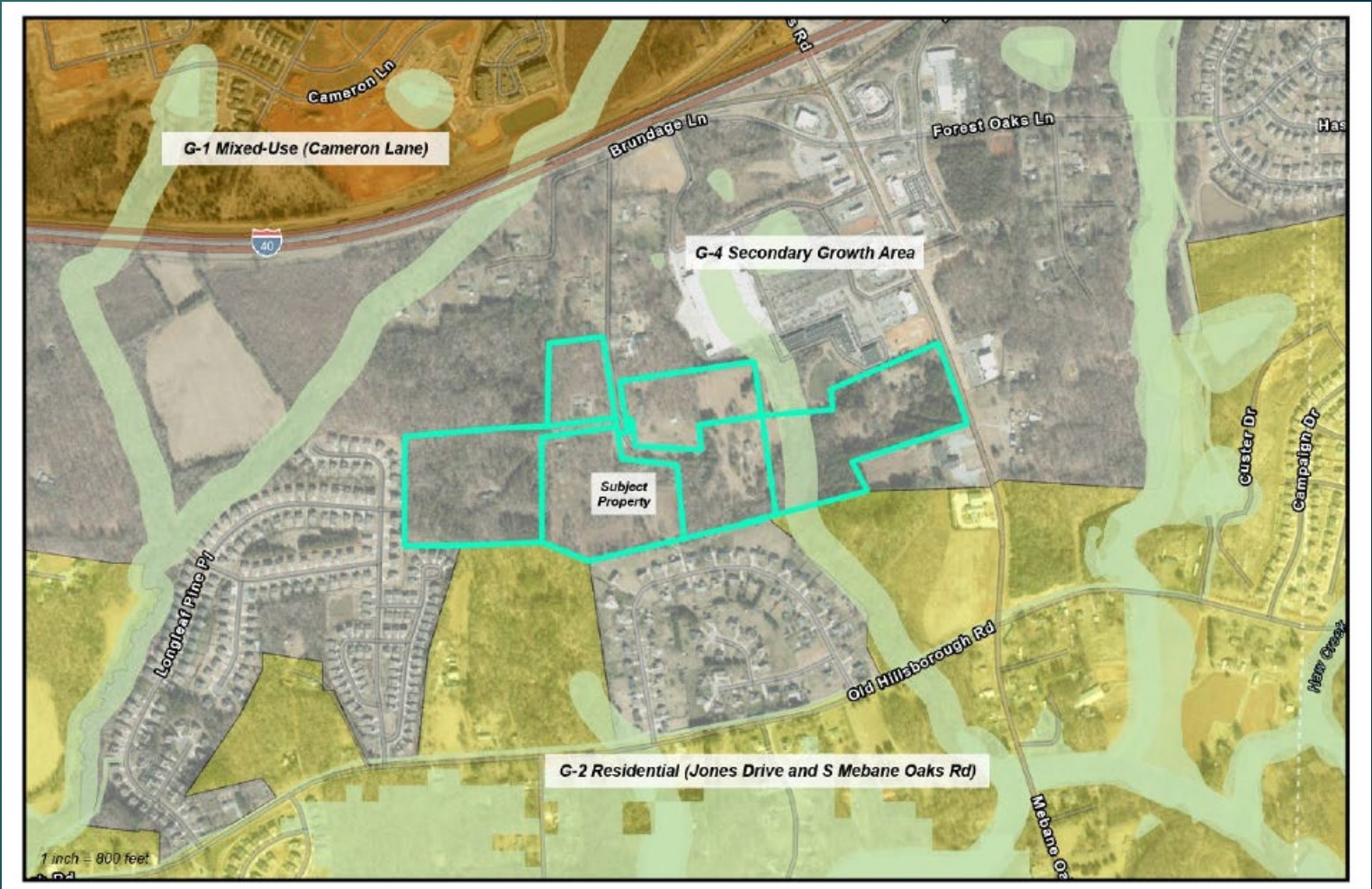
City of Mebane



FINAL REPORT

Adopted by Mebane City Council

May 1, 2017



Comprehensive Transportation Plan/Mebane Oaks Rd Small Area Plan

MEBANE 2040 COMPREHENSIVE TRANSPORTATION PLAN PROJECT SHEET

Wilson Road / Old Hillsborough Road / Broadwood Acres Road Connectors

Project Description

Build approximately 1.1 miles of a two-lane section connector streets between Wilson Road, Old Hillsborough Road, and Broadwood Acres Road to provide additional connectivity near the Wal-Mart on Mebane Oaks Road.

Identified Problem

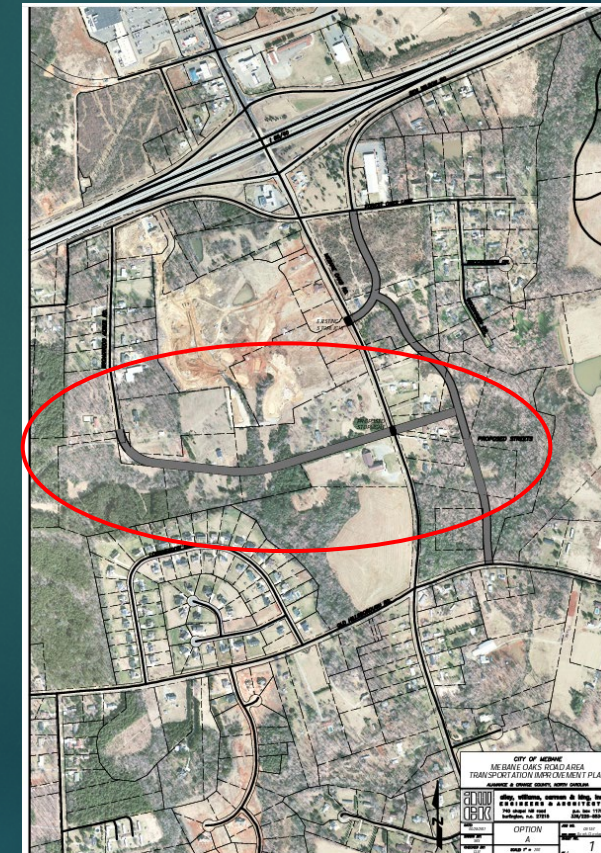
Lack of street connectivity around commercial development south of I-85/40.

Justification of Need

The recommendation will improve connectivity.

Community Vision and Goals Fulfilled

Recommendation seeks to aid economic development and local connectivity.



Vision

In 2015 the City of Mebane created a vision of its future and how the physical approach. During the development of the Mebane Land Development Plan the growth should be encouraged inward towards developed areas, increasing density. The vision for public facilities and infrastructure should be fueled by sustainable initiatives enabled by external economic interest and strong corporate citizens. Industrial centers provide stable local jobs that provide family-supporting wages, making the City a vibrant area.

The city's specific transportation vision also developed in 2016 states that the city

A safe, cost-effective, reliable and integrated multimodal transportation system that will support sustainable economic development, regional and local connectivity, and healthy living – with the following goals;

- Goal: Provide cohesive connectivity to surrounding areas, cities, and counties.
- Goal: Improve connectivity and continuity of the transportation system and infrastructure to provide citizens with a variety of options for traveling.
- Goal: Develop and maintain the character of the transportation network that is consistent and exemplary of the City's overall development vision.

The Mebane 2040 CTP is the result of a multi-level partnership that brought local, regional and state partners to the table with local residents and other stakeholders. This is Mebane's first Comprehensive Transportation Plan and it converts the desires of all the stakeholders into actionable projects.

BICYCLE /PEDESTRIAN TRANSPORTATION PLAN

Benefits of a Walk- and Bicycle-Friendly Community

Increased Health and Physical Activity

Transportation Savings

Transportation Benefits

Property Values

Air Quality

Quality of Life

Vision Statement

The City of Mebane will be a clean, connected, healthy, and active community where residents and visitors can experience nature, enjoy exercising, and travel safely by foot or by bicycle to local businesses, services, and schools.

Health In All Policies

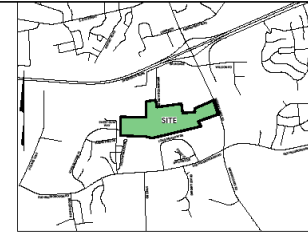
What is a Healthy Mebane?



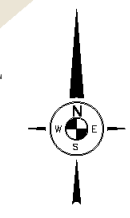
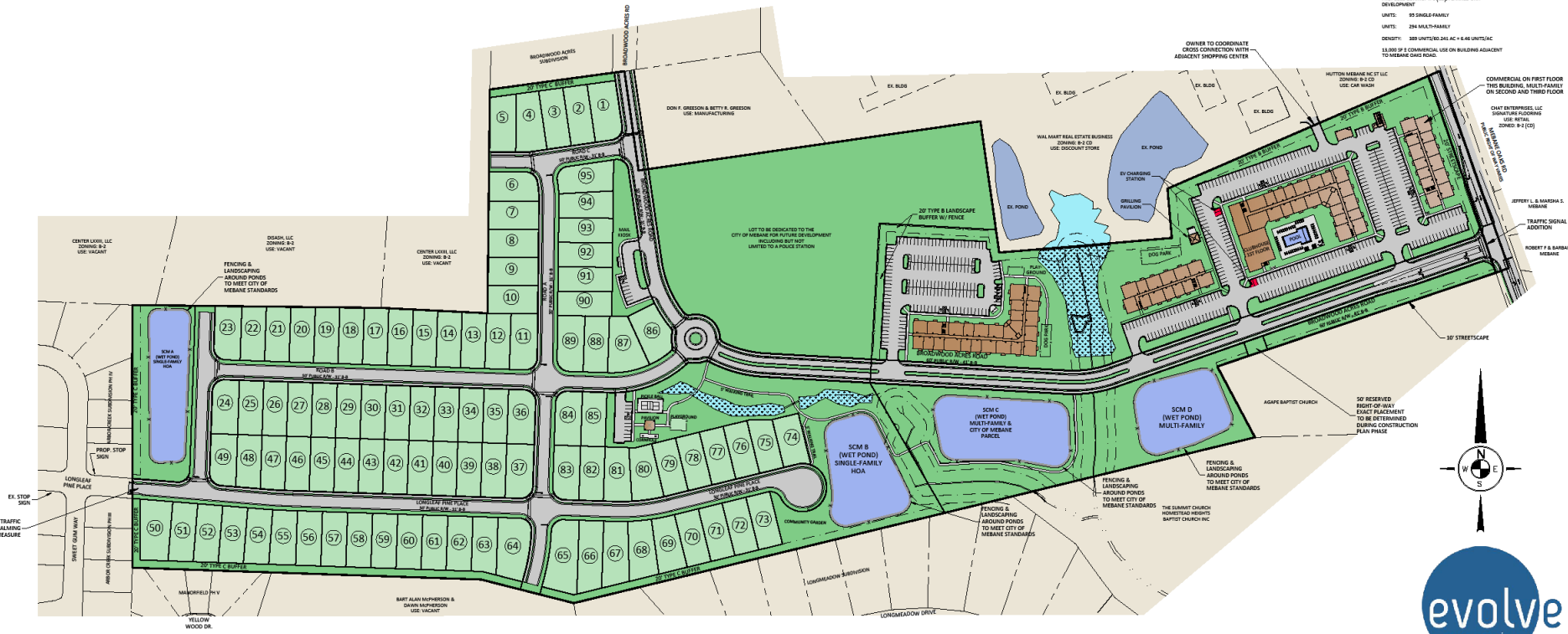
- Safe, sustainable, accessible, and affordable transportation options
- Affordable, accessible, and nutritious foods, and safe drinkable water
- Affordable, high quality, socially integrated, and location-efficient housing
- Affordable, accessible, and high quality health care
- Complete and livable communities including quality schools, parks and recreational facilities, child care, libraries, financial services and other daily needs
- Access to affordable and safe opportunities for physical activity
- Able to adapt to changing environments, resilient, and prepared for emergencies
- Opportunities for engagement with arts, music, and culture

EVOLVE AT MEBANE OAKS

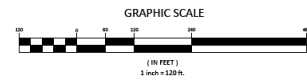
CITY OF MEBANE
ALAMANCE COUNTY, NORTH CAROLINA



SITE DATA:
TOTAL ACRES: 46.343 AC +/-
PROPOSED ZONING: R-4 (S) PLANNED UNIT DEVELOPMENT
UNITS: 97 SINGLE-FAMILY
UNITS: 294 MULTI-FAMILY
DENSITY: 389 UNITS/244 AC +/- 6.48 UNITS/AC
13,800 SF ± COMMERCIAL USE ON BUILDINGS ADJACENT TO MEBANE OAKS ROAD.



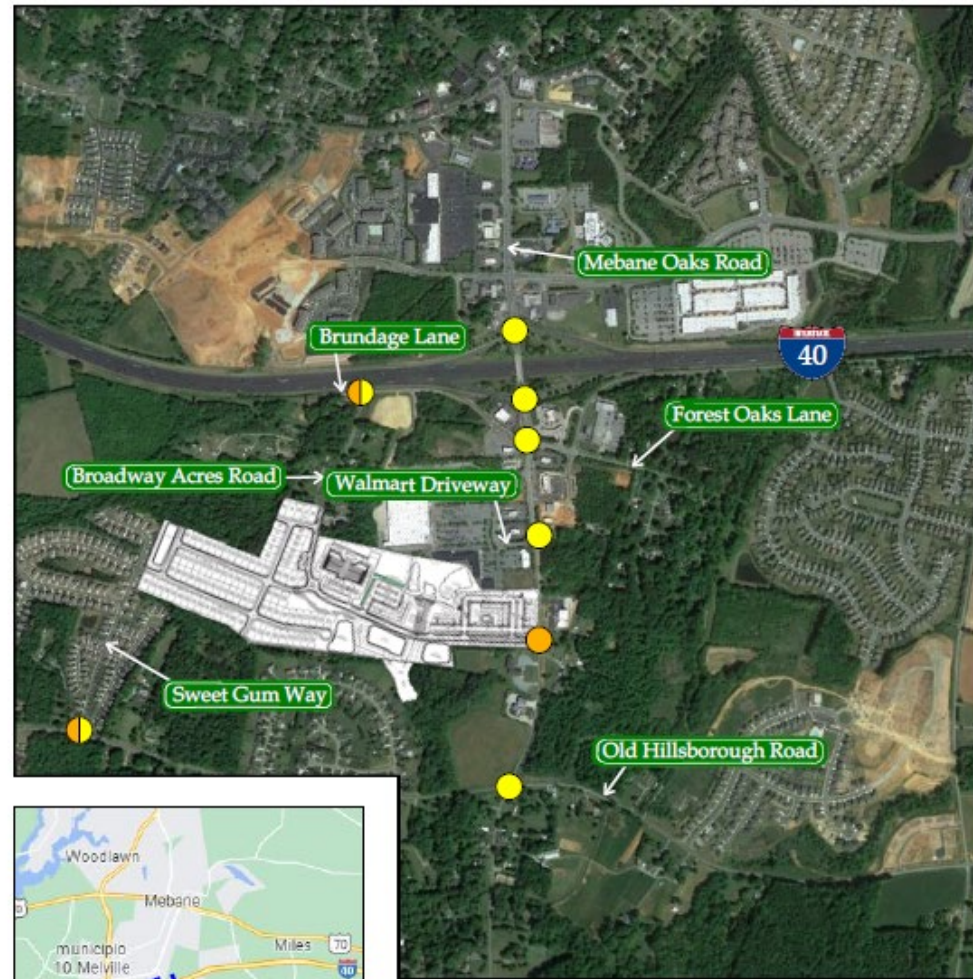
CONCEPTUAL PLAN
08/02/2023



REVISIONS SINCE PLANNING BOARD

Previous Plan	Current Revised Plan
320 Proposed Apartment Homes	294 Proposed Apartment Homes
All Four Story Multifamily Buildings	Reduction of Building 1 to Three Stories
96 Single Family Homes	95 Single Family Homes
No Commercial aspect proposed	Addition of Retail Space to Bottom Floor of Building 1 facing Mebane Oaks Road
No Traffic Calming Feature on Longleaf Pine Place	Addition of Traffic Calming Design on Longleaf Pine Place at transition point
Single Family Amenity of Playground and immediate area only	Increase to full Pocket Park with Playground, Pickle Ball Court, Pavilion, Walking Trails, Cornhole and Community Gardens
Proposed Condition Regarding Building Height	Proposed Condition Removed
Proposed Condition Regarding Open Space, Private Recreation and Public Recreation	Proposed Condition Removed via reduced density, increased community recreation area and payment in lieu

TRAFFIC IMPACT STUDY



LEGEND

- Study Intersection
- Proposed Site Access
- ▭ Study Area



Mebane Oaks Mixed Use
Mebane, NC

Site Location Map

Scale: Not to Scale

Figure 1

Improvements by NCDOT STIP I-5711 and SM-5707B

STIP I-5711 is expected to improve the on/off ramps for I-85/I-40 and provide additional through lanes along the northbound and southbound approaches along Mebane Oaks Road from Arrowhead Road to the signalized Walmart Driveway intersection. The SM-5707B project is expected to provide geometric improvements at the intersection of Old Hillsborough Road and Mebane Oaks Road.

Recommended Improvements by the Mebane Oaks Mixed Use Development

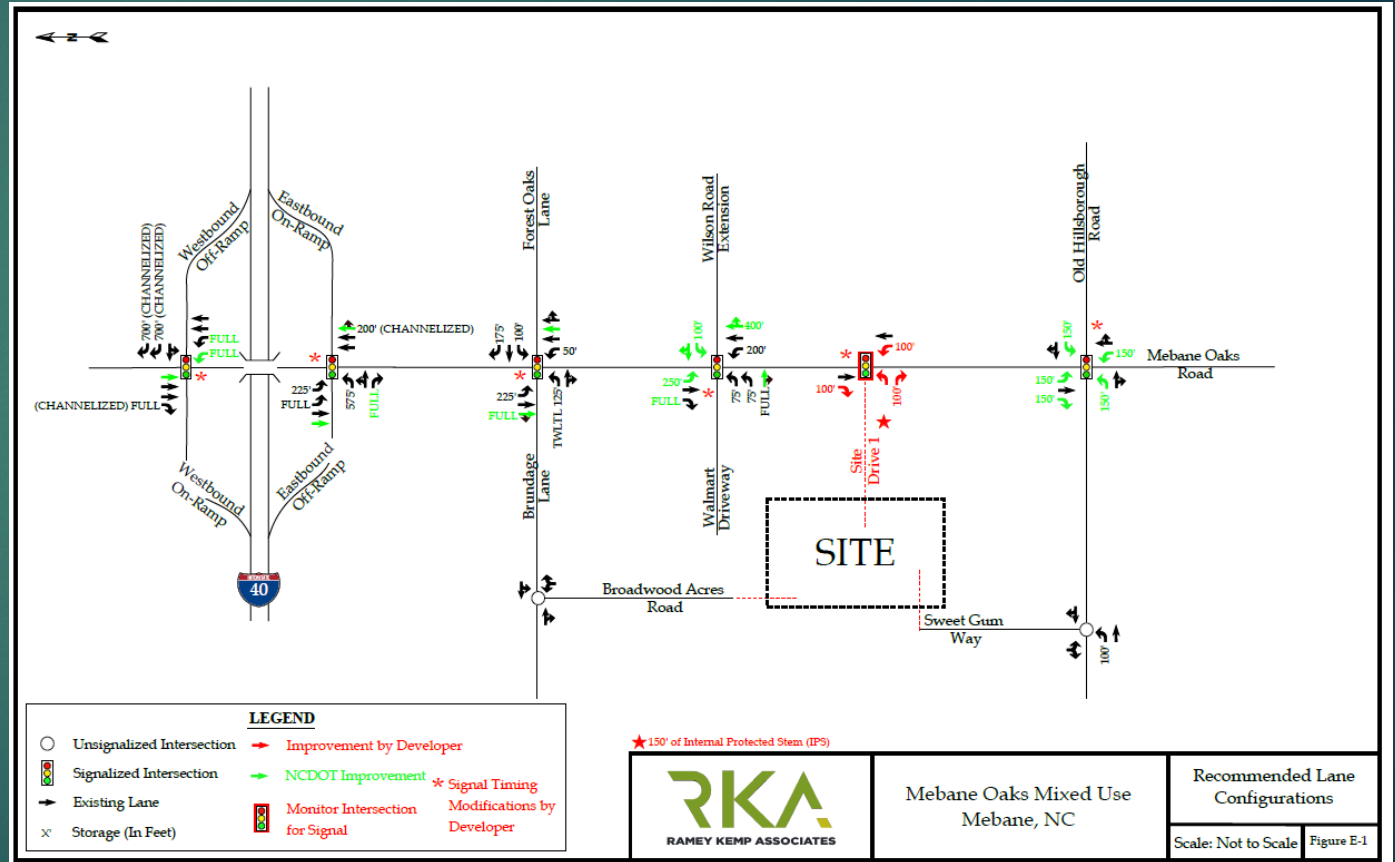
Mebane Oaks Road Corridor

- Coordinate with NCDOT to develop a coordination and timing plan for signals along Mebane Oaks Road.

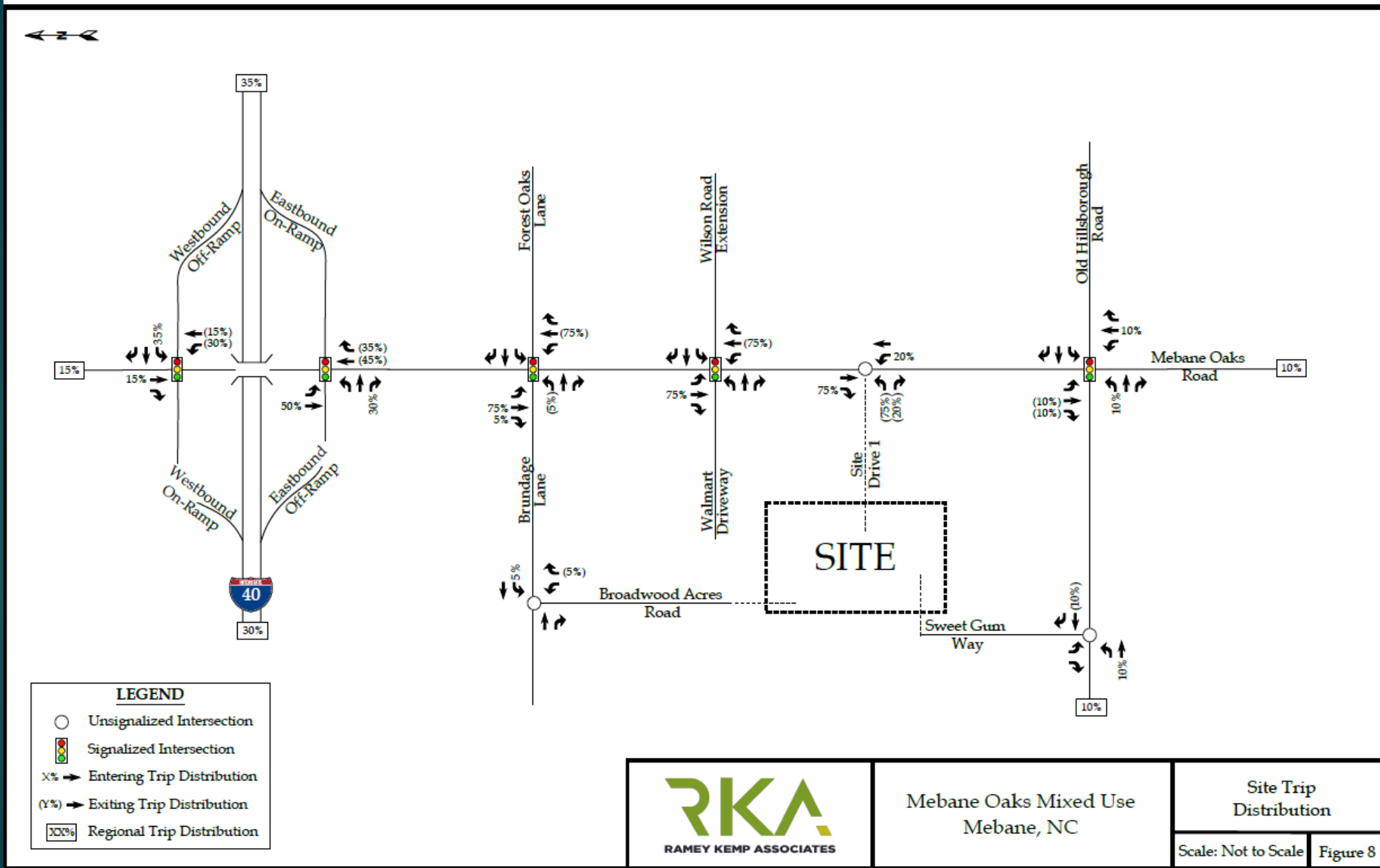
Mebane Oaks Road and Site Drive 1

- Construct Site Drive 1 with one ingress lane and two egress lanes striped as one left-turn lane and one right-turn lane with 100 feet of full width storage.
- Provide an exclusive northbound left-turn lane with at least 100 feet of full width storage with appropriate deceleration and taper.
- Provide an exclusive southbound right-turn lane with at least 100 feet of storage with appropriate deceleration and taper.
- Monitor the intersection in the future as the development is constructed to determine if a traffic signal is warranted at this intersection. A traffic signal must be approved by NCDOT for installation.
- Provide an internal protected stem (IPS) of at least 150 feet for the eastbound approach.

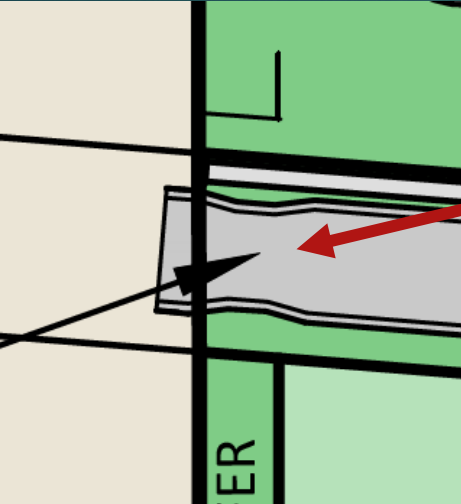
TRAFFIC IMPROVEMENTS



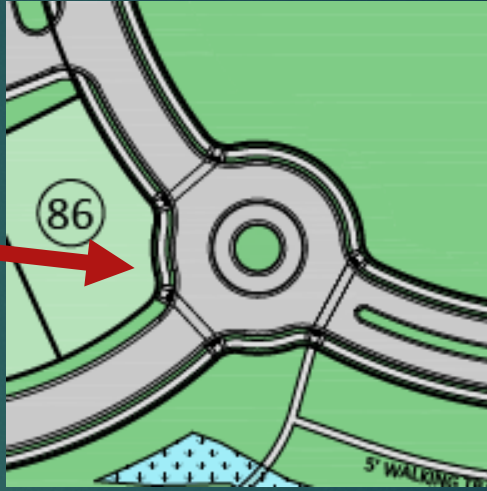
Trip Distribution



TRAFFIC CALMING DESIGN

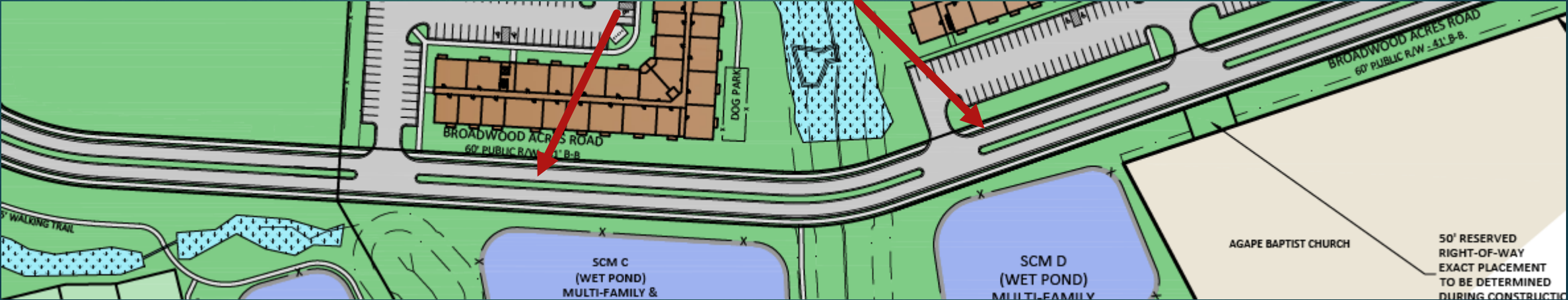


Lane Throttle / Choker



Round About

Planted Median



AGAPE BAPTIST CHURCH
50' RESERVED
RIGHT-OF-WAY
EXACT PLACEMENT
TO BE DETERMINED
DURING CONSTRUCTION



Evolve at Mebane Oaks Renderings: Building 2 with Clubhouse

Mebane, NC August 2, 2023

Conceptual View 1





Evolve at Mebane Oaks Renderings: Building 2 with Clubhouse
Mebane, NC August 2, 2023

Conceptual View 2





Evolve at Mebane Oaks Renderings: Building 2 with Clubhouse

Mebane, NC August 2, 2023

Conceptual View 4



Multifamily Community Features

Amenities:

Community Clubhouse with Complimentary Wi-fi
Complementary Starbucks Coffee
Business Center with complimentary printing
Game Room with billiard table/games (vary depending on the space—air hockey, ping pong, etc.)
24 hour state of the art fitness center with Precor equipment
24 hour Yoga Studio
Resort Style saltwater swimming pool with in pool loungers
Pool house with outdoor seating, fireplace and TV for entertainment
Grilling Pavilion
Playground with rubber turf
2 Pet Wash stations (one indoor, one outdoor)
2 Fenced Bark Parks with artificial turf and agility equipment
Bike storage
Luxer Package Room
Electric Car Charging Stations

Other Features:

On site professional management team
24 hour emergency maintenance services
Planned Resident Socials
Model Apartment
Pet Friendly Community with Petscreening.com registration
Renters Insurance Program
Rent Plus Program (reports on time credit to bureaus, budgeting tool and fraud protection program)
Valet Trash Services
Pest Control





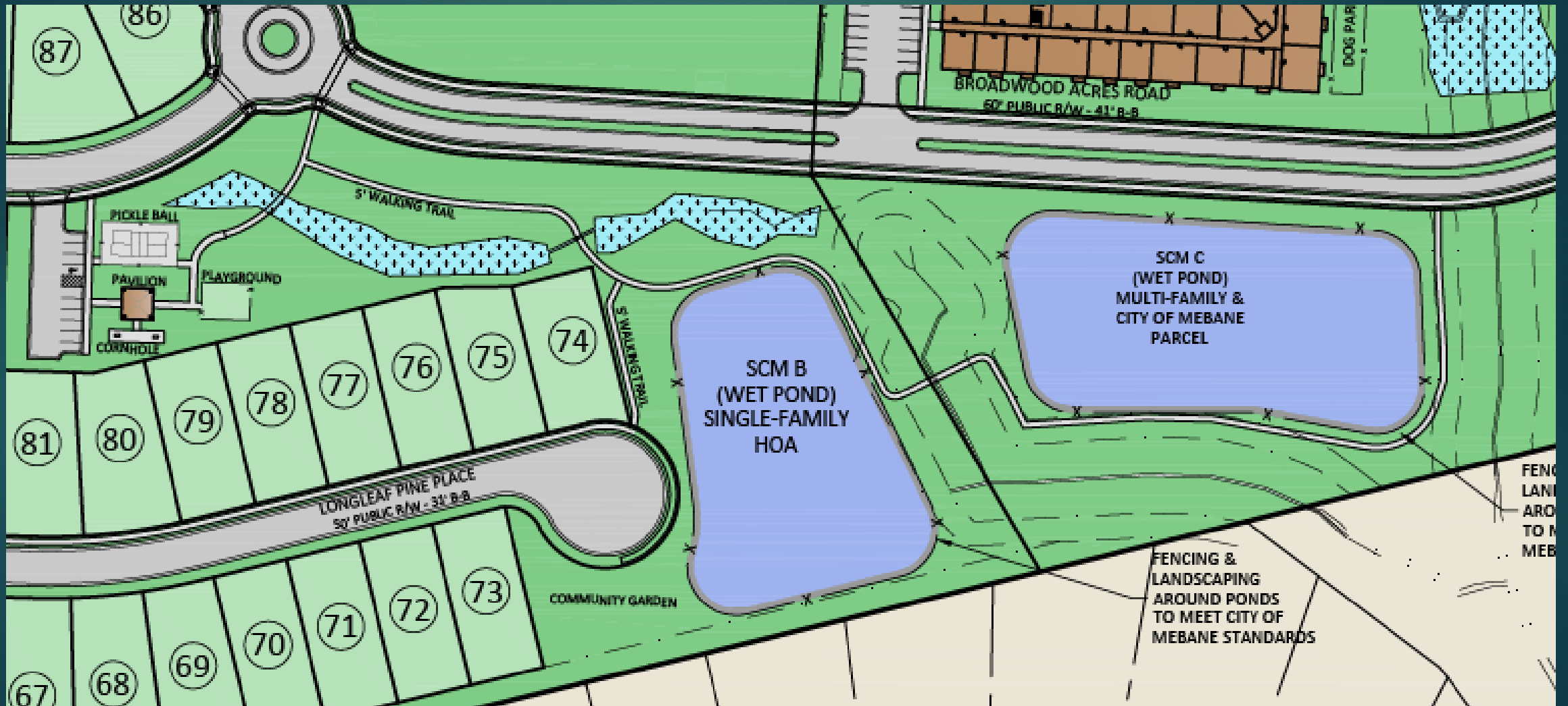








Additional Community Recreation Amenities



Pocket Park Features

- HOA Maintained but open to Public Use
- Modeled after City's Holt Street Park, First Street Park and Fifth Street Park
- Provides multi age recreation opportunity and promotes community



SINGLE FAMILY ILLUSTRATIVES



ELEVATION B
SHOWN WITH ADDITIONAL OPTIONS

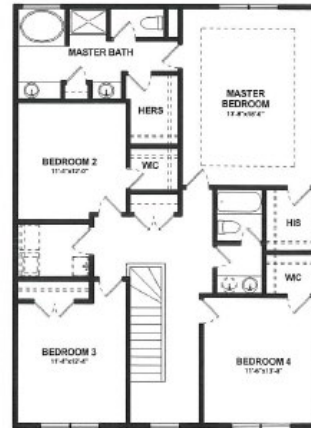


ELEVATION F

WREN
2308 square feet



FIRST FLOOR

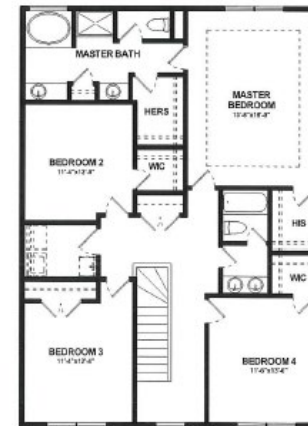


SECOND FLOOR

WREN
2308 square feet



FIRST FLOOR



SECOND FLOOR



ELEVATION C
SHOWN WITH ADDITIONAL OPTIONS

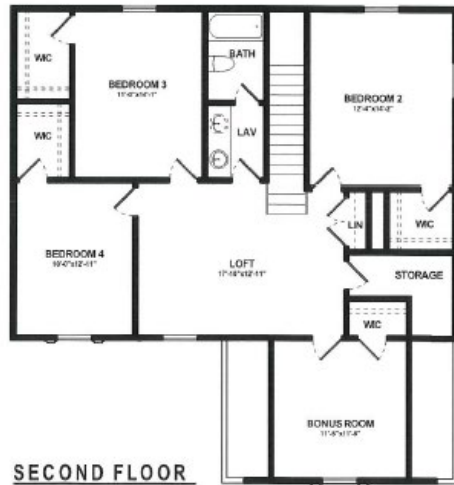


ELEVATION F
SHOWN WITH ADDITIONAL OPTIONS

AZALEA
2125 square feet

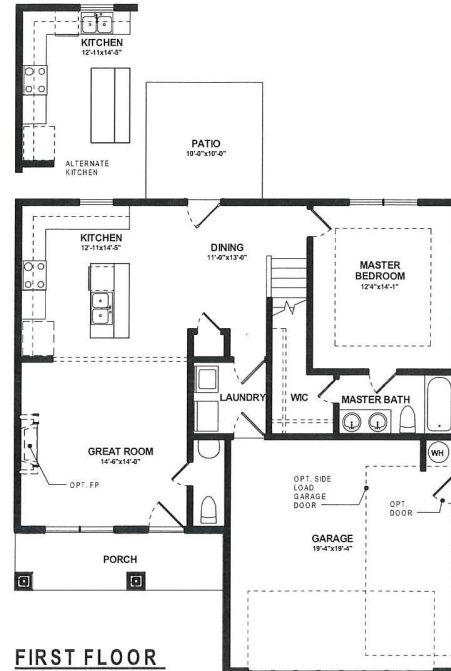


FIRST FLOOR

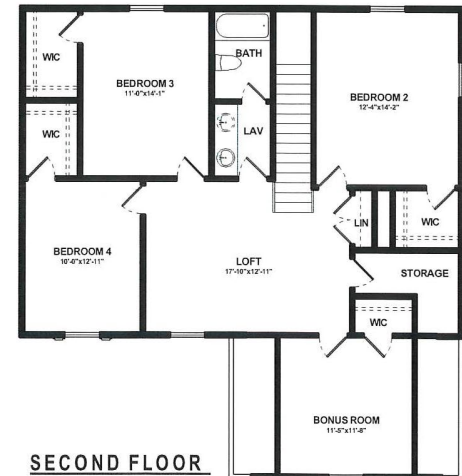


SECOND FLOOR

AZALEA
2125 square feet



FIRST FLOOR



SECOND FLOOR

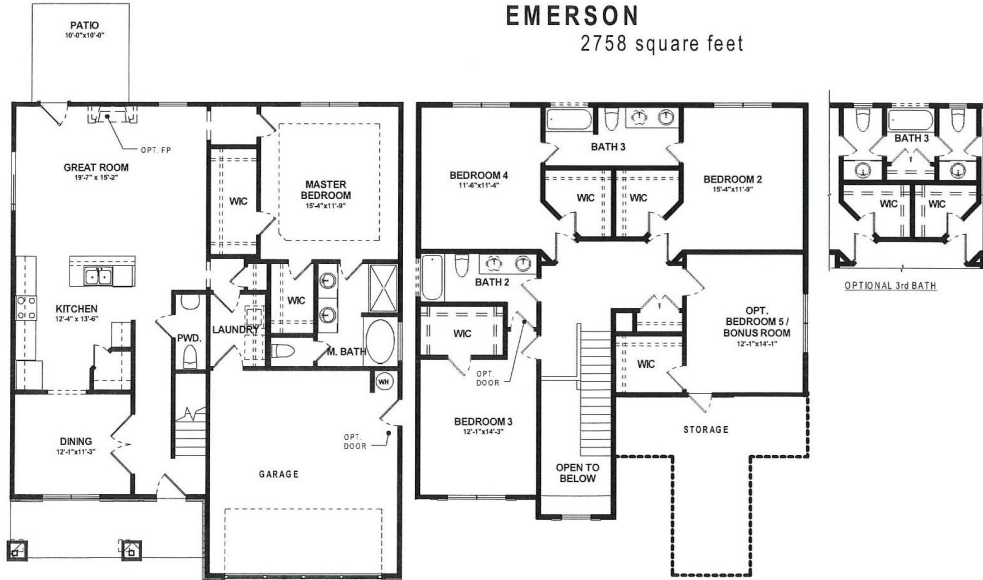


ELEVATION B
SHOWN WITH ADDITIONAL OPTIONS



ELEVATION A
SHOWN WITH ADDITIONAL OPTIONS

EMERSON
2758 square feet



FIRST FLOOR

SECOND FLOOR



FIRST FLOOR

SECOND FLOOR

NEIGHBORHOOD OUTREACH



April 6, 2023

Dear Neighbor:

Our company, Evolve Companies of Greensboro, owns the properties known as Alamance County PIN #s 9814-92-0726, 9814-82-3848, 9814-72-7217, 9814-82-4291, 9814-92-1385, 9824-02-0553 located on or near Mebane Oaks Road. We develop and own residential communities across North Carolina. Our plan for the above properties is to develop the site with a multifamily community at Mebane Oaks Road, dedicate acreage to the City for its use in the middle of the site, and develop the remaining western half of the site with single family homes.

We have worked with the City of Mebane to design an appealing and well-thought-out plan and are excited to share it with you. To facilitate this plan we have applied to the City of Mebane to rezone the property to R-8 Conditional Use, Planned Unit Development. We expect to be heard by the Planning Board in May or June of this year, but those dates have not yet been set.

The granting of our request will enable us to proceed with our plans for an attractive and desirable residential community at this location. We believe our request reflects a reasonable plan for growth and development in Mebane and will provide additional options for high quality homes for current and future citizens.

In order to provide information about our project and respond to any questions that you might have, we will host a neighborhood Zoom meeting on Monday, April 17 at 6:00 pm. The Zoom link is included in this envelope.

We look forward to hearing your thoughts and questions as we move through the rezoning process. Please feel free to contact our project representative, Amanda Hodieme, with any questions you have about this request. Her direct phone number is 336-609-5137, or you can email her at amanda@issacsosheridan.com.

Sincerely,


John McDonald
Development Manager

Enclosures

- Held via Zoom on April 17th
- Approximately 25 participants
- Updates since then on timing and plan changes
- Other inquiries via phone/email



Questions and Discussion



Mr. Brown

Cliff Ayscue, Chief Building Inspector

Public Hearing- Condemnation 608 Giles Street







Daphna Schwartz, Finance Director

Fund Balance Policy Revision



FUND BALANCE POLICY REVISION

August 7, 2023



BACKGROUND

A stack of silver coins is positioned in the center background, resting on a white reflective surface. In the foreground, two large blue arrows point towards each other, framing the central stack of coins. The left arrow points right, and the right arrow points left.

First policy adopted
March 6, 2017

Set the minimum
unrestricted fund
balance at 50% of
expenditures and
transfers



POLICY SUMMARY

Defines fund balance categories.

Describes how fund balance may be used.

Provides a fund balance percentage target.

Describes steps to be taken if fund balance falls below the target.

FUND BALANCE TARGETS

Municipality	Fund Balance % of expenditures minimum	FY 21-22 Population	FY 21-22 General Fund Budget
Holly Springs	20%	47,231	\$ 41,530,977
Knightdale	25%	19,674	\$ 21,417,771
Graham	30%	17,856	\$ 14,770,700
Burlington	33%	58,818	\$ 62,479,369
Hillsborough*	33%	7,809	\$ 10,531,950
Carrboro	35%	21,295	\$ 25,347,801
Harrisburg	40%	19,822	\$ 19,361,710
Mebane	50%	18,116	\$ 25,445,340
Mount Holly	N/A	18,170	\$ 15,789,108
Hendersonville	N/A	16,115	\$ 20,538,343

The table below shows the minimum fund balance threshold according to the Annual Comprehensive Financial Report of each municipality.

*FY20-21 data.



The average, not including the City of Mebane, is 31%.



The unrestricted fund balance percentage of expenditures and transfers for the General Fund and Utility Fund for FY21-22 was 76% and 98% respectively.



REVISION RECOMMENDATION

Lower fund balance target from 50% to 33%.

An unrestricted fund balance equal to 33% of operating expenses and transfers allows for the city to meet day-to-day obligations, maintain the City's credit rating, provide for emergencies and opportunities that may arise.

The Local Government Commission recommends a fund balance minimum of 8% or one month of operating expenditures.

A 33% minimum fund balance is equal to four months of operating expenditures and transfers



QUESTIONS?





Ms. Schwartz

Resolution- FY24 Rolling Stock Financing Approval



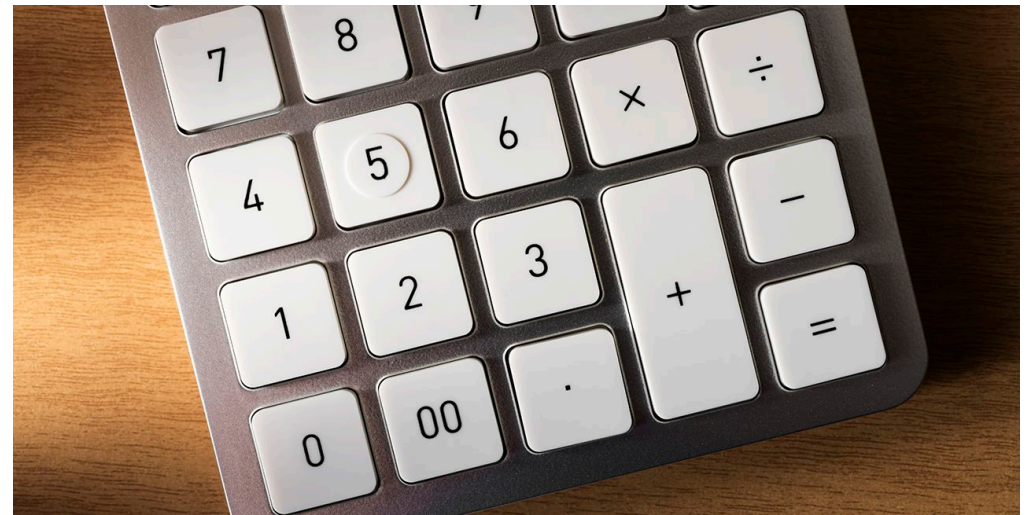
BACKGROUND

- On June 5, the FY23-24 Budget Ordinance approved the following to be financed with debt:
 - Fire engine (purchase order rolled over from FY22-23)
 - Fire prevention vehicle
 - ATV rescue vehicle
 - Mini-excavator
 - Six police vehicles
 - Two pick-up trucks
 - Gator
 - Sidearm garbage truck
 - Dump truck



FINANCING

- \$2,097,500 will be financed.
- Requests for financing proposals went out to eight banking institutions.
- Two institutions responded.



Lending Institution	Term	Rate	Prepayment Penalty
American National Bank & Trust	5 years	4.95%	no penalty
Truist	5 years	5.21%	no penalty

FINANCING

FINANCING

- American National Bank & Trust Company offered the lowest rate.
- Payments would begin in February 2024.
- One payment of \$262,817 occurs in FY23-24.
- Future payments start at \$509,195 per fiscal year and become less each year.
- The final payment in FY28-29 is \$214,999.



QUESTIONS?





Ms. Schwartz

Ted Cole, Sr. VP Davenport & Company, LLC

Resolution Supporting an Application to the Local Government
Commission and Selection of a Lending Institution for Revenue
Bonds for the Elevated Water Storage Tank





ELEVATED WATER STORAGE TANK REVENUE BONDS

August 7, 2023

BACKGROUND

- Current water tank meets regulatory requirements but is too small to equalize projected water demands and sustain fire flows.
- The City purchased property at 1500 S. Third Street to build a new water storage tank.
- On August 1, 2022, the City Council awarded Hazen & Sawyer the engineering contract for the project.
- Construction bids will be received on August 29, 2023.
- The current estimated cost of the project is \$7,025,000.
- The City was awarded \$2,652,990 in grant funding.
- The estimated amount to finance is \$4,372,000.



To City of Mebane, North Carolina
From Davenport & Company LLC
Date August 7, 2023
Subject 2023 Revenue Bond RFP Summary

Background

Davenport & Company LLC (“Davenport”), on behalf of the City of Mebane, NC (the “City”), distributed a Request for Proposals (“RFP”) to secure a commitment for a Direct Bank Loan evidenced by a Combined Utilities Revenue Bond to fund a new Elevated Water Tank and to pay related financing costs.

The RFP was distributed to over 50 National, Regional, and Local lending institutions. After the initial distribution, Davenport reached out to the potential bidders to assess their interest in the financing and address any questions they had.

As part of the RFP process, responding institutions were asked to provide Tax-Exempt interest rates with both 15-year and 20-year amortization terms. Based on discussion with City Staff / Bond Counsel, it was determined that the 20-year term was the preferred option.

RFP Responses

Through this process, the City was able to secure three responses to the RFP, including:

1. Capital One Public Funding, LLC (“Capital One”);
2. Truist Bank (“Truist”);
3. Webster Bank (“Webster”);

The following pages contain a summary of the key terms and conditions for the responses received.

Discussion Points

1. Interest Rate

A summary of the interest rates proposed by the three bidders is outlined in Table 1 below. All interest rates are fixed through final maturity, but only Capital One and Truist provided rates that could be locked in through closing. The Webster proposal would require a rate refresh 30 days prior to closing (i.e. mid-September).

Table 1: Summary of Interest Rates

A	B	C	D
Lender	Rate Lock	15-Year Option	20-Year Option
1 Capital One Public Funding, LLC	Rate is locked through a closing of October 17, 2023 if proposal is accepted by August 8, 2023.	4.42%	4.46%
2 Truist Bank ¹	Rate is locked through a closing of October 17, 2023.	A.) 4.88% B.) 4.97% C.) 5.26%	A.) 4.909% B.) 5.02% C.) 5.36%
3 Webster Bank	The interest rates quoted are valid through August 25, 2023, if accepted by August 8, 2023. The rates can be locked for a maximum of 30 days. For a mid-October closing, updated rates can be provided and locked in mid-September.	4.31%	4.55%

¹ Note, Truist provided interest rate options A, B and C, which are identified by different par amount ranges. Option A rates are quoted for a par amount of up to \$7,025,000, Option B rates are quoted for a par amount of up to \$4,372,010, and Option C rates are quoted for a par amount of up to \$2,000,000.

The remainder of the memo will focus on the Capital One proposal, which provided the lowest fixed interest rates that were able to be locked in through closing.

August 7, 2023

2. Prepayment Provisions – Prepayment provisions offered by Capital One are shown in Table 2 below.

Table 2: Summary of Prepayment Provisions

Lender	Prepayment Provisions
Capital One	<p>The loan will be prepayable in whole or in part on any date upon thirty (30) days prior written notice to the lender.</p> <p><u>15-Year Term</u>: Prepayable after 8/1/2031 at par.</p> <p><u>20-Year Term</u>: Prepayable after 8/1/2033 at par.</p> <p>Capital One will allow partial prepayment once per year from any source in an amount not exceeding \$1,000,000 to be applied in pro-rata or inverse order that can be made prior to the call dates listed above.</p>

3. Estimated Debt Service

A summary comparison of the estimated debt service payments (Principal & Interest) for the Capital One 15-year and 20-year term options, and the current Feasibility Projections, is shown in Table 3 below.

Table 3: Estimated Annual Debt Service (All options assume a \$4,548,000 borrowing amount)

	A	B	C	D
	Lender	Capital One	Capital One	Current
	Financing Description	15-Year Option	20-Year Option	Feasibility Projections
4	Call Provisions	8-Year Par Call	10-Year Par Call	
5	Interest Rate	4.42%	4.46%	5.00%
7	Fiscal Year	Debt Service*	Debt Service*	Debt Service*
8	2025	\$	\$	\$
9	2026	420,306	8,339	
10	2027	419,756	348,593	365,477
11	2028	420,303	348,613	365,225
12	2029	420,363	348,321	364,800
13	2030	419,938	347,717	365,000
14	2031	420,004	347,778	364,800
15	2032	420,517	348,460	365,175
16	2033	420,456	347,763	365,100
17	2034	419,820	348,665	364,575
18	2035	420,566	348,143	364,575
19	2036	419,670	348,197	365,050
20	2037	420,112	347,805	364,975
21	2038	419,846	347,945	365,325
22	2039	419,852	348,572	365,075
23	2040	420,083	347,686	365,200
24	2041	-	348,265	364,675
25	2042	-	348,264	365,450
26	2043	-	347,684	364,500
27	2044	-	348,478	364,800
28	Total	\$	\$	\$
	* Preliminary and subject to change.	1,592	6,30	6,963,894
				364,900
				\$
				7,29
				9,952

August 7, 2023

Recommendation

Based upon our review of the proposals, related analyses, and discussions with City Staff and Bond Counsel, Davenport recommends that the City select the Capital One proposal offering the 20-year amortization. The Capital One proposal provides the lowest interest rate that was able to be locked through anticipated closing.

Next Steps

August 7 th	City Council Meeting – City Council considers approval of winning lender and considers adopting a Preliminary Resolution.
October 2 nd	City Council Meeting – City Council considers adopting a Final Approving Resolution, considers adopting a Bond Order and considers adopting a Bond Resolution.
October 3 rd	LGC approves financing.
By October 17 th	Deadline to Close on Financing.

QUESTIONS?



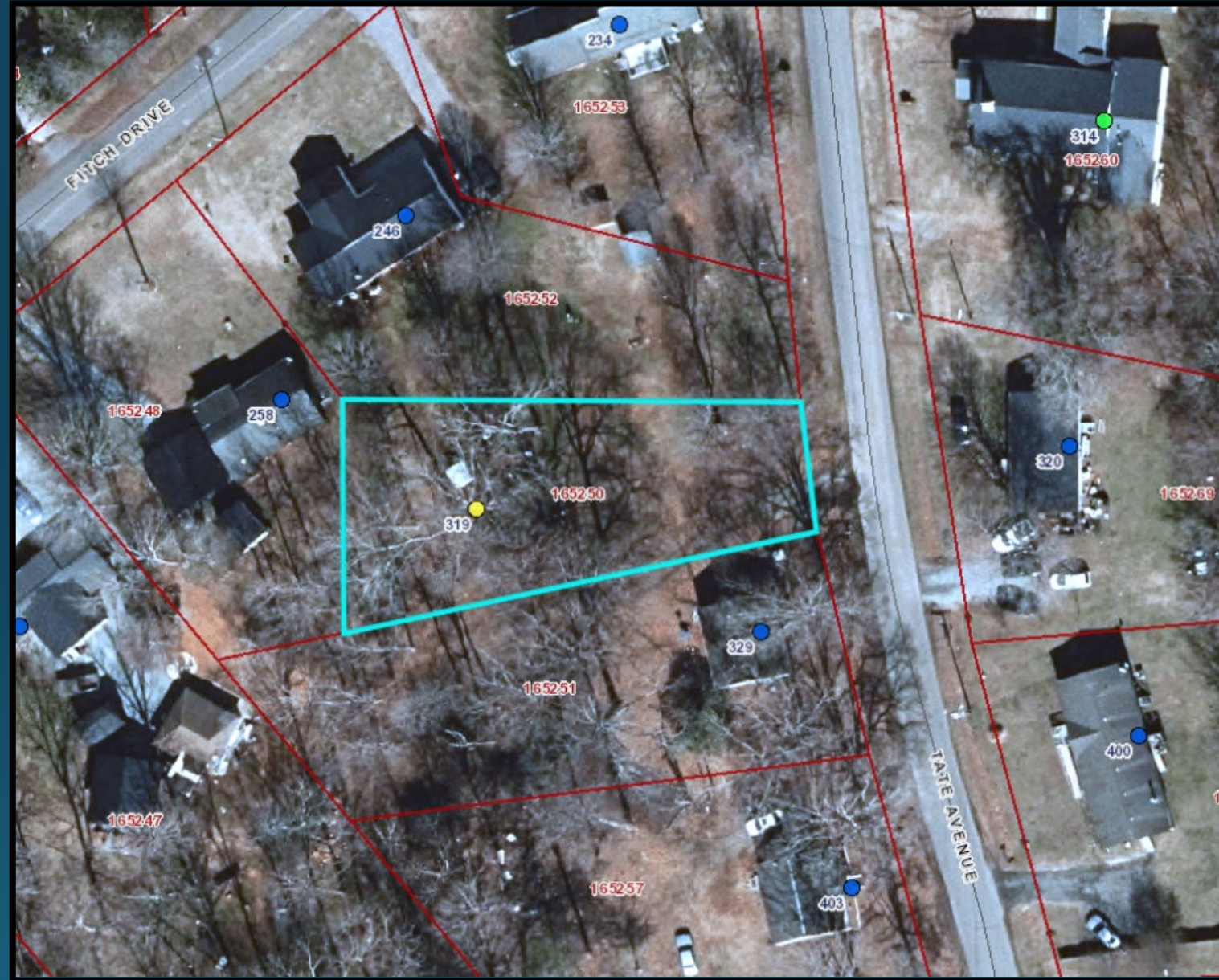


Mr. Brown

Voluntary Annexation Agreement- 319 Tate Avenue



Voluntary Annexation Agreement- 319 Tate Avenue





Ms. Ownbey

Resolution- New HOME Program Consortium



Update on Clay and Fourth Street Infrastructure Project-

Work on Clay Street is near completion:

- Slip lining work for sanitary sewer and stormwater pipes has been completed.
- Sanitary sewer manholes and stormwater drainage structures has been completed.
- Water mains have been lined, temporary water lines removed, and water service restored to all customers.
- High Density Polyurethane Structural Resin has been installed.
- One customer on Fourth Street has advised of low flow.
 - Staff and contractor has attempted several options to restore full flow to customer; however, we believe there is a blockage between water main and water meter.
 - Contractor plans to repair service this afternoon.
- Two water services on Clay St., in unoccupied buildings have indicated low flow.
 - Staff and contractor evaluating options to correct low flow issue.
 - Contractor will perform non-destructive options first.
 - If necessary, contractor will repair/replace services to provide normal flow.
- Staff plans to walk project in the morning to perform an assessment of pavement condition and discuss if additional pavement repairs are needed at this time and to evaluate whether road resurfacing should be performed this FY or if it would be better to wait until FY 24-25 to mill and resurface the pavement.

Announcements:

- Musical Chairs- Downtown Mebane- Friday, August 18th 7:00 p.m.
- Due to the Labor Day holiday, the September Council meeting will be held on Monday, September 11th
- Open Position Mebane Bicycle and Pedestrian Advisory Commission (BPAC)-
 - Information on how to apply is available at cityofmebanenc.gov/bpac
Applications are due by Friday, September 22nd
- Open Positions (2) Racial Equity Advisory Committee (REAC)-
 - Information on how to apply is available at cityofmebanenc.gov/reac
Applications are due by Friday, September 15th
- AutumnFest- Hosted by Destination Downtown- Saturday, October 7th 10:00 am



Mayor Hooks

Adjournment

