



**Agenda Action Form Overview**

The Board is requested to adopt the attached final resolution approving the issuance of Limited Obligation Bonds and certain related documents pursuant to G.S. 160A-20 in an amount not to exceed \$60,000,000 secured by the Administration Building II (e.g., previously the judicial building).

**Background/Justification**

The Board is requested to adopt the attached final resolution.

The Board approved the preliminary resolution for this debt issuance at the June 25, 2018 Regular Session Board meeting. The next step is for the Board to approve the final resolution for this debt issuance of Limited Obligation Bonds in an amount not to exceed \$60,000,000 to be used for (a) refinancing a portion of the County's obligations pursuant to an Installment Financing Contract dated March 30, 2017 (e.g., the Judicial Building Renovations Project in the amount of \$43.5M) with PNC Bank, National Association and (b) financing for the Detention Center POD, County's share of Emergency Communications Center in the new Police Headquarters, Emergency Radio Communication Equipment, Detention Center Elevators, Renovation of the 7<sup>th</sup> Floor of the Administration Building II and Firefighting Vehicles (3) (collectively, the "Project"). The financing will be secured by the Administration Building II.

Also, please note that the funding source for the debt service for the financing of the firefighting vehicles will be the Durham County Fire and Rescue (DCFR) Service Tax Fund.

As previously state above, the Board approved the preliminary resolution for this debt issuance at the June 25, 2018 Regular Session Board meeting.

**Policy Impact**

There is no policy impact. The Board approval of this final resolution is consistent with past actions.

**Procurement Background**

N/A

**Fiscal Impact**

In order to capture historically low interest rates and given the near completion of the Administration II Building, County Finance believes it prudent to proceed with the refinancing of the \$43.5M for the Judicial Building Renovation Project while issuing new money for the financing of the Detention Center POD, County's share of the Emergency Communications Center in the new Police Department, Emergency Radio Communications Equipment, Detention



Center Elevators, Renovation of the 7<sup>th</sup> Floor of the Administration Building II and Firefighting Vehicles with the total amount of this debt issuance not to exceed \$60M.

If the Board does not approve this final resolution, the County cannot move forward with the issuance of this debt. Also, if the final resolution is not approved at the August 13, 2018 Commissioners' Regular Session Board meeting but instead at a later date, the sale date for this debt issuance will have to be moved.

**Recommendation**

The County Manager, CFO and Deputy CFO recommend that the Board approve and adopt the final resolution for the issuance of the Limited Obligation Bonds in an amount not to exceed \$60M.