



TOWN OF DAVIDSON
BOARD OF COMMISSIONERS
Public Hearing for the GO Bond Referendum - 6:00pm
Town Hall Board Room - 216 S. Main Street
July 24, 2018

I. CALL TO ORDER

II. PRESENTATION

- (a) **Information Regarding Proposed 2018 Public Facilities GO Bond Referendum**
Jamie Justice, Town Manager & Piet Swart, Finance Director
SUMMARY: Provides background information regarding proposed \$16,335,000 GO Bond referendum for public facilities.

III. PUBLIC HEARING

- (a) **Public Hearing on Proposed Public Facilities GO Bond Referendum**
SUMMARY: The Board of Commissioners has introduced a bond order to issue \$16,335,000 in General Obligation Bonds for Public Facilities. This public hearing meets the requirements of NCGS Local Government Bond Act.

IV. ADJOURN

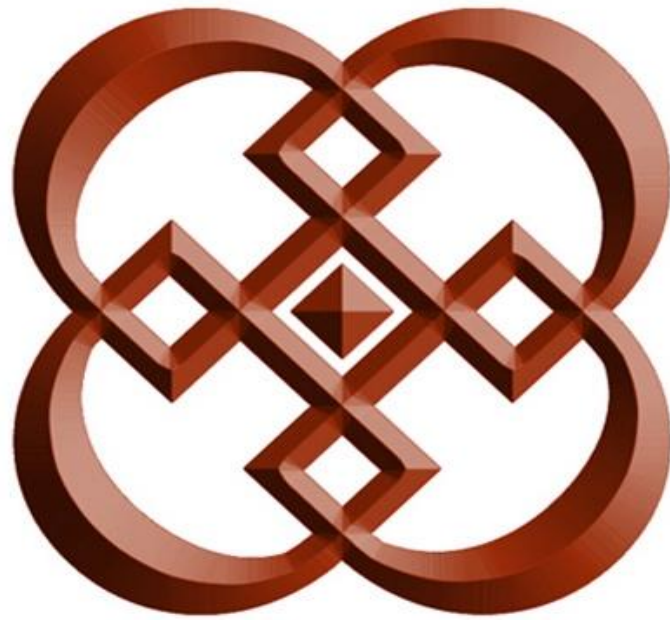


Agenda Title: **Information Regarding Proposed 2018 Public Facilities GO Bond Referendum**
Jamie Justice, Town Manager & Piet Swart, Finance Director
SUMMARY: Provides background information regarding proposed \$16,335,000 GO Bond referendum for public facilities.

Summary:

ATTACHMENTS:

Description	Upload Date	Type
❏ Presentation Public Facilities GO Bonds	7/24/2018	Cover Memo
❏ Introduction of Bond Order	7/20/2018	Cover Memo
❏ Resolution 2018-19 Setting Public Hearing	7/20/2018	Cover Memo
❏ GO Bond Schedule	7/20/2018	Cover Memo



The Town *of* Davidson

College Town. Lake Town. *Your Town.*

General Obligation Bond Order Public Hearing Information



College Town. Lake Town. *Your Town.*

General Obligation Bonds
July 24, 2018

Presentation Overview

- Public Facilities Project
- Cost of Project
- Cost to Taxpayers
- Next Steps
- Public Hearing



Public Facilities Project

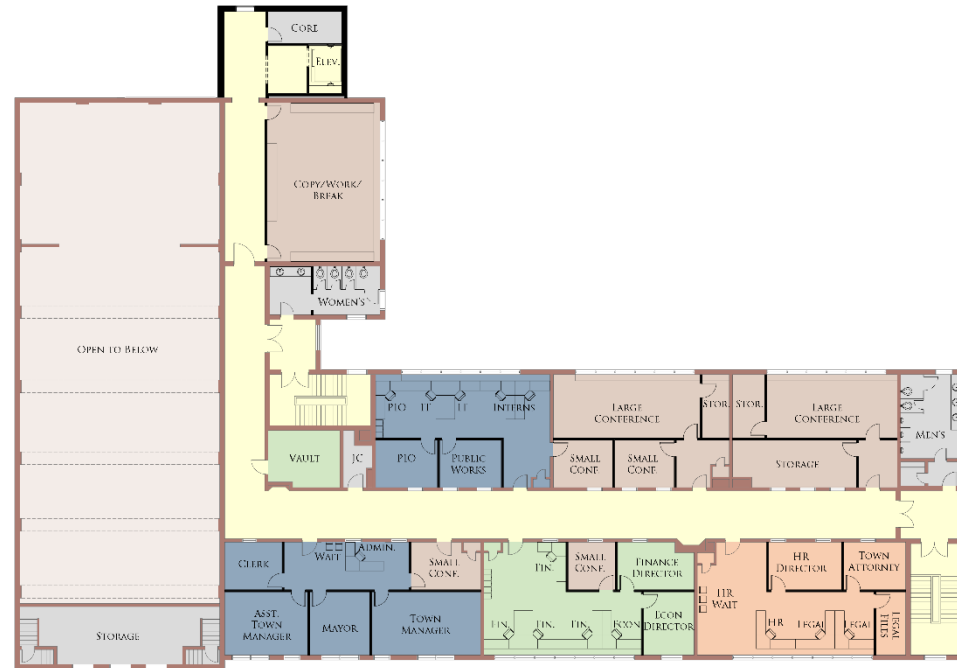
- Phase 1: Renovate 33,500 square foot historical building (Former IB school) into the new town hall.
 - Administration, Planning, Finance, Board
 - Board room and community meeting spaces for citizens
 - Parks & Recreation offices relocate to Town Hall with additional programming space for citizens
 - 5-acre site
- Phase 2: Renovate and expand existing town hall for Police and Fire Departments
 - PD square footage increased from 3K to 11K
 - FD square footage increased from 6K to 11.5K
- Detailed information:
www.townofdavidson.org/publicfacilities



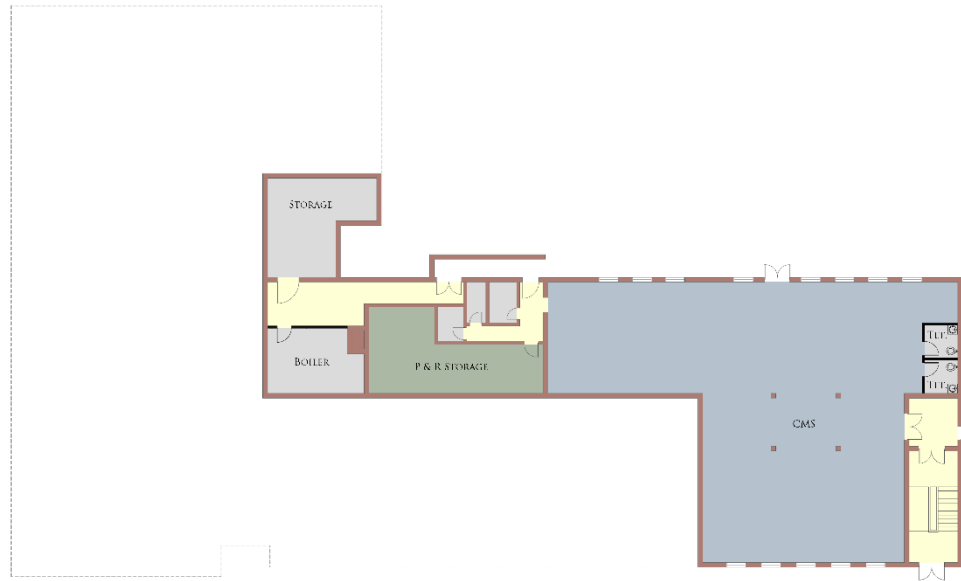
Public Facilities Project – First Floor



Public Facilities Project – Second Floor



Public Facilities Project – Ground Floor



2016 STAFF GROWTH PROJECTIONS

Police Department					
Forecast Data 2013-2017		2005	2017	Annual Change	
				Number	%
Historic Staff		18	21	0.23	1.10%
Forecast Model	Value	2022	2027	2032	2037
1: Historic Staff 13 yr Number Increase	0.23	22	23	24	26
2: Historic Staff 13 yr Percentage Increase	1.10%	22	23	25	26
3: OSBM 5 yr Percentage Increase	2.66%	24	27	31	36
4: U.S. Census 5 yr Percentage Increase	1.94%	23	25	28	31
5: U.S. Census 10 yr Percentage Increase	4.70%	26	33	42	53
6: Solid Waste 10 yr Percentage Increase	3.43%	25	29	35	41
7: Commercial Building Permits 1 yr Percentage Increase	-100.00%	0	0	0	0
8: Residential Building Permits 1 yr Percentage Increase	7.56%	30	44	63	90
9: Citizen Initiated Calls for Service 6 yr Percentage Increase	1.60%	23	25	27	29
10: Police Services Personnel: 24 per 10,000 population		37	43	50	57
11: Staff Projections		27	40	50	57
Average (Items 1-6 and 8-11)		26	31	37	44
Recommended Model: Average		26	31	37	44

METRICS

Existing Area	10,000 SF
Proposed Addition	800 SF
Total Proposed Area	10,800 SF
Proposed Covered Area	900 SF

CONCEPT DIAGRAM OF ADDITION



2016 PROGRAM SUMMARY WITH 20 YEAR GROWTH

Department	Current Existing Area (NUSF)	In-House Estimated Area (NUSF)	Current Projected Area (NUSF)	Future Projected Area (NUSF)
Law Enforcement				
Administration	501	-	1,648	1,934
Criminal Investigations	1,000	-	4,649	5,312
Field Operations Division	142	-	1,633	1,828
Building Support	219	-	3,895	3,895
Total Net Usable Square Feet (NUSF)	1,862	-	11,825	12,969
35% Core Service (Sqft)	-	-	4,139	4,539
TOTAL LAW ENFORCEMENT (GSF)	3,000	20,000-25,000	15,963	17,508
*additional 1,716 SF in shared spaces in town hall for training and fitness, totaling 19,224 SF of area for police use				
Additional Support Spaces	Current Existing Area (GSF)		Current Required Area (GSF)	Future Required Area (GSF)
Exterior Area				
Sally Port Bay	0	-	600	600
Shower	0	-	5	5

SUMMARY

- Confirmed estimated growth of department of 44
- Increase large evidence storage in Sally Port
- Partial open air cover over Sally Port

The PD feels comfortable they can function well for 20 years in this space

Fire Department 20 Year Plan

2016 STAFF GROWTH PROJECTIONS

Fire Department					
Forecast Data 2016-Current Planning		2017	2037	Annual Change	
				Number	%
Current Full-Time Staff (includes Fire Chief)		7	12	0.25	2.08%
Current Part-Time Staff		60	90	1.50	1.67%
Forecast Model	Value	2022	2027	2032	2037
1: Actual 10 yr Number Increase (Not Provided)	0.00	0	0	0	0
2: Actual 10 yr Percentage Increase (Not Provided)	0.00%	0	0	0	0
3: OSBM 5 yr Percentage Increase	2.66%	8	9	10	12
4: U.S. Census 5 yr Percentage Increase	1.94%	8	8	9	10
5: U.S. Census 10 yr Percentage Increase	4.70%	9	11	14	18
6: Solid Waste 10 yr Percentage Increase	3.43%	8	10	12	14
7: Commercial Building Permits 1 yr Percentage Increase	-100.00%	0	0	0	0
8: Residential Building Permits 1 yr Percentage Increase	7.56%	9	13	19	28
9: Calls for Service 1 yr Percentage Increase	3.19%	8	10	11	13
10: Staff Projections		8	9	10	12
Average (Items 3-6 and 8-10)		8	10	12	15
Recommended Model: Staff Projection		8	9	10	12

2016 PROGRAM SUMMARY WITH 20 YEAR GROWTH

Department	Current Existing Area (NUSF)	In-House Estimated Area (NUSF)	Current Needed Area (NUSF)	Modeled Area (NUSF)
Fire and Rescue				
Administration and Training	150	-	1,328	1,658
Residential and Living	1,007	-	3,483	3,483
Apparatus and Support	4,155	-	6,488	6,488
Total Net Usable Square Feet (NUSF)	5,312	-	11,299	11,629
30% Core Service (SF) (excludes apparatus bay)	-	-	1,950	2,029
TOTAL FIRE STATION 1 (GSF)	6,000	15,546	13,249	13,678

SUMMARY

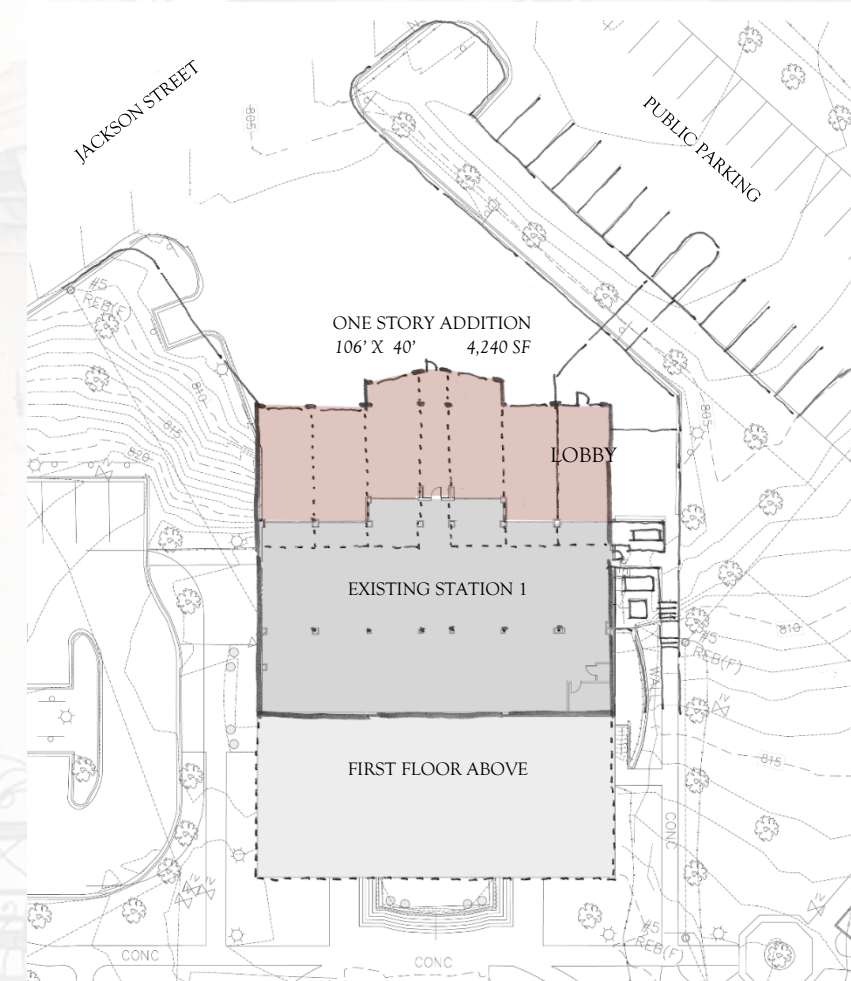
- Confirmed estimated full time staff growth to 12
- Confirmed growth to staffing two 4-person companies
- Confirmed 5 apparatus bays in service

METRICS

Existing Area	6,000 SF
Proposed Addition	4,240 SF
Total Proposed Area*	10,240 SF
Shared Space in PD	1,222 SF
Total Usable Area	11,462 SF

*Space was planned for a potential expansion of new Fire Station 2 that could be used for training functions to complete the 20 year space needs if required

CONCEPT DIAGRAM OF ADDITION



The FD feels comfortable they can function well for 20 years in this space

Estimated Cost of Project

June 12th Presentation:

Construction	\$16,098,586
Issuance	<u>\$ 200,000</u>
Total Project Cost	<u>\$16,298,586</u>

July 10th Presentation:

Existing Town Hall: Police and Fire Departments	\$ 3,870,000
IB School: Board, Admin, Planning, Finance, Parks and Recreation	\$ 7,456,912
Soft Costs (30%)	\$ 3,398,074
Add Security, AV	<u>\$ 342,000</u>
Construction Total Cost	\$15,066,986
GO Bond Issuance	<u>\$ 200,000</u>
Total Project Cost	<u>\$15,266,986</u>



Estimated Cost to Taxpayers

Scenario	2017 GO Bonds	Town Hall GO Bonds	Estimated Tax Rate Increase (Cents)	Tax Rate Increase Required Start
1	\$ -	\$ 16,335,000	2.59	2023
2	\$ 15,000,000	\$ 16,335,000	7.06	2022
3	\$ -	\$ 15,200,000	2.17	2023
4	\$ 15,000,000	\$ 15,200,000	6.69	2022
5	\$ 7,500,000	\$ 15,200,000	5.11	2023



Cost to Taxpayers

Scenario	Estimated Tax Rate Increase (Cents)	Home Assessed Value									
		\$150,000		\$300,000		\$500,000		\$750,000		\$1,000,000	
		Estimated Tax Increase									
		Per Year	Per Month	Per Year	Per Month	Per Year	Per Month	Per Year	Per Month	Per Year	Per Month
1	2.59	\$ 39	\$ 3	\$ 78	\$ 6	\$130	\$ 11	\$194	\$ 16	\$259	\$ 22
2	7.06	\$106	\$ 9	\$212	\$ 18	\$353	\$ 29	\$530	\$ 44	\$706	\$ 59
3	2.17	\$ 33	\$ 3	\$ 65	\$ 5	\$109	\$ 9	\$163	\$ 14	\$217	\$ 18
4	6.69	\$100	\$ 8	\$201	\$ 17	\$335	\$ 28	\$502	\$ 42	\$669	\$ 56
5	5.11	\$ 77	\$ 6	\$153	\$ 13	\$256	\$ 21	\$383	\$ 32	\$511	\$ 43



Next Steps

- July 24th Public Hearing
- August 7th Consider approval of bond order
- November 6th Citizens Vote



Public Hearing

BOND ORDER AUTHORIZING THE ISSUANCE OF \$16,335,000 GENERAL OBLIGATION PUBLIC FACILITIES BONDS OF THE TOWN OF DAVIDSON, NORTH CAROLINA



Commissioner Campbell introduced the following bond order, a summary of which had been provided to each Commissioner, a copy of which was available with the Town Clerk and which was read by title:

BOND ORDER AUTHORIZING THE ISSUANCE OF \$16,335,000 GENERAL OBLIGATION PUBLIC FACILITIES BONDS OF THE TOWN OF DAVIDSON, NORTH CAROLINA

WHEREAS, the Board of Commissioners of the Town of Davidson, North Carolina (the "*Board of Commissioners*") has ascertained and hereby determines that it is necessary to pay the capital costs of acquiring, constructing, expanding, renovating, equipping and furnishing public facilities to be used for municipal services, including town hall, police, firefighting and other administrative services, and the acquisition of land, rights-of-way and easements therefor; and

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the General Obligation Public Facilities Bonds hereinafter described as required by the Local Government Bond Act, and the Town Clerk has notified the Board of Commissioners that the application has been accepted for submission to the Local Government Commission.

NOW, THEREFORE, BE IT ORDERED by the Board of Commissioners of the Town of Davidson, North Carolina, as follows:

Section 1. In order to raise the money required for the purposes described above, in addition to any funds which may be made available for such purpose from any other source, General Obligation Public Facilities Bonds of the Town are hereby authorized and will be issued pursuant to the Local Government Finance Act of North Carolina. The maximum aggregate principal amount of such General Obligation Public Facilities Bonds authorized by this order will be \$16,335,000.

Section 2. Taxes will be levied in an amount sufficient to pay the principal and interest on said General Obligation Public Facilities Bonds.

Section 3. A sworn statement of the Town's debt has been filed with the Town Clerk and is open to public inspection.

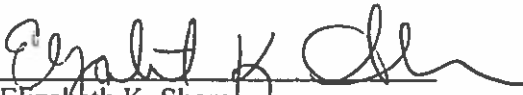
Section 4. This bond order will take effect when approved by the voters of the Town at a referendum scheduled for November 6, 2018.

STATE OF NORTH CAROLINA)
)
TOWN OF DAVIDSON)

I, Elizabeth K. Shores, Town Clerk of the Town of Davidson, North Carolina, *DO HEREBY CERTIFY* the attached to be a true and correct copy of the introduction of the bond order entitled “**BOND ORDER AUTHORIZING THE ISSUANCE OF \$16,335,000 GENERAL OBLIGATION PUBLIC FACILITIES BONDS OF THE TOWN OF DAVIDSON, NORTH CAROLINA,**” by the Board of Commissioners of the Town of Davidson, North Carolina, at the meeting held on July 10, 2018.

WITNESS my hand and the corporate seal of the Town of Davidson, North Carolina, this the 10 day of July, 2018.




Elizabeth K. Shores
Town Clerk
Town of Davidson, North Carolina



RESOLUTION 2018-19

RESOLUTION OF THE TOWN OF DAVIDSON, NORTH CAROLINA REGARDING A BOND ORDER AUTHORIZING THE ISSUANCE OF \$16,335,000 GENERAL OBLIGATION PUBLIC FACILITIES BONDS OF THE TOWN OF DAVIDSON, NORTH CAROLINA, SETTING A PUBLIC HEARING THEREON AND DIRECTING PUBLICATION OF A NOTICE OF SAID PUBLIC HEARING

WHEREAS, a bond order entitled:

“BOND ORDER AUTHORIZING THE ISSUANCE OF \$16,335,000 GENERAL OBLIGATION PUBLIC FACILITIES BONDS OF THE TOWN OF DAVIDSON, NORTH CAROLINA;”

has been introduced at a meeting of the Board of Commissioners (the “*Board of Commissioners*”) of the Town of Davidson, North Carolina this 10th day of July, 2018; and

WHEREAS, the Board of Commissioners desires to provide for the holding of a public hearing thereon on July 24, 2018 and the submission of a statement of debt in connection therewith as required by The Local Government Bond Act.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF DAVIDSON, NORTH CAROLINA that the public hearing on said bond order will be held on the 24th day of July, 2018 at 6:00 p.m. at 216 South Main Street, Davidson, North Carolina.

BE IT FURTHER RESOLVED that the Town 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 in the Town on or before the 16th day of July, 2018.

BE IT FURTHER RESOLVED that the finance officer is hereby directed to file with the Town Clerk, prior to publication of the bond order, along with the notice of such public hearing, a statement setting forth the debt incurred or to be incurred, the net debt of the Town, the assessed value of property subject to taxation by the Town and the percentage that net debt of the Town bears to the assessed value of property subject to taxation.

BE IT FURTHER RESOLVED that this Resolution ~~will become~~ effective on the date of its adoption. Read, approved and adopted this 10th day of July, 2018.

ATTEST:


Elizabeth K. Shores, Town Clerk


Rusty Knox, Mayor

TOWN OF DAVIDSON
SCHEDULE FOR GENERAL OBLIGATION BOND REFERENDUM
NOVEMBER 2018

- 6/12/18 Board adopts (1) Resolution directing publication of notice of intent to apply to the Local Government Commission (the “LGC”); (2) Resolution authorizing the Finance Officer to apply to the LGC; and (3) Resolution making certain findings of fact
- 6/15/18 Publish Notice of Intent in *Newspaper of General Circulation* [have to wait 10 days after publication of Notice of Intent before applying to the LGC]
- 6/25/18 File Application with LGC and prepare Sworn Statement of Debt [receive letter from LGC confirming receipt of Application which must occur before the Bond Order is introduced]
- 7/10/18 File Statement of Estimated Interest
- 7/10/18 Board (1) Introduces the Bond Order at the Board Meeting; (2) adopts the Resolution setting a public hearing on the Bond Order on 7/24/18
- 7/16/18 File Notice with Joint Legislative Commission
- 7/16/18 Publish Notice of Public Hearing on the Bond Order in *Newspaper of General Circulation* [at least 6 days before public hearing]
- 7/16/18 File Sworn Statement of Debt with the City Clerk [before public hearing]
- 7/24/18 Board holds public hearing on adoption of the Bond Order;
- 8/7/2018 Bond (1) adopts the Bond Order (2) adopts the Resolution setting a Special Bond Referendum
- 8/8/18 City Clerk delivers certified copy of the Resolution setting a Special Bond Referendum to the County Board of Elections (Mecklenburg and Iredell)
- 8/10/18 Town publishes Bond Order as adopted in *Newspaper of General Circulation*
- by 9/28/18 Publish first Notice of Special Bond Referendum in *Newspaper of General Circulation* [Not less than fourteen days before last day to register to vote for Bond Referendum]
- by 10/5/18 Publish second Notice of Special Bond Referendum in *Newspaper of General Circulation* [Not less than seven days before last day to register to vote for Bond Referendum]
- 11/06/18 Referendum
- After
11/06/18 Adoption of Certificate of Canvass by the County Board of Elections (Mecklenburg and Iredell)
- Board adopts Resolution Certifying and Declaring Results of Special Bond Referendum
- Publish Statement of Result in *Newspaper of General Circulation*

Prepared by:
Scott Leo, Esq.
Partner
Parker Poe Adams & Bernstein LLP



Agenda Title: **Public Hearing on Proposed Public Facilities GO Bond Referendum**
SUMMARY: The Board of Commissioners has introduced a bond order to issue \$16,335,000 in General Obligation Bonds for Public Facilities. This public hearing meets the requirements of NCGS Local Government Bond Act.

Summary:

ATTACHMENTS:

Description	Upload Date	Type
No Attachments Available		