Mayor Sutton called the Workshop to order, which was called to discuss financing options for Veridin.

Town Manager Radford thanked all those in attendance. He stated a few weeks ago, representatives from the Hudson Group were met with and discussions have been ongoing about Veridin infrastructure needs. This would cost $60 million for water, sewer, roads, etc., which is unaffordable to the Town at this time. Therefore, the Town was to come up with an alternate plan, which would cost less money, and still do the things we do – water, sewer, electric. The Town determined the best place to participate would be with sewer at a cost of $17 million.

Paul Billow provided an overview of Veridin financing options. There has been no specific request from the developers for financing; they are taking a ‘how can you help us’ approach to achieving their goals. Billow outlined what he thought the Town’s objectives should be:

- Promote and incentivize desired economic development
- Develop policies that can be applied on a consistent basis in the future
- Insulate Town from inherent and unknown risks and costs
- Minimize administrative burdens
- Maintain legal and financial integrity
Council added that we also want a broad-based approach to this financing which can be used for subsequent requests.

Billow detailed the three available financing options and the benefits and potential risks of each. Tim Donnelly explained how capacity and acreage fees are collected. Billow stated that understanding the various aspects of the risks involved would allow for financing the cheapest way possible according to the case scenarios included in the packet he distributed (attached). Overviewed were alternative economic development incentives.

Ted Cole overviewed the Town’s existing supported debts – tax, water, wastewater, and electric. Also overviewed were potential funding options, revenue sources, and financing options. The Town would probably not be in a position for the special assessment bond by Spring when this bond is set to expire. Cole detailed the financial elements and key financial measures of the special assessment bond and the traditional revenue bond.

Responding to questions from Council, Radford stated we will be discussing this for a while. Briefly discussed was special assessments alone vs. special assessments coupled with traditional assessments; not wanting to see our rate payers pay for Veridia; which financing option seemed the most favorable; seeing what the grant situation looks like; and wanting more information on the special assessment bond.

Mayor Sutton called the meeting adjourned with no commitment from Council on a financing option.

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Donna B. Hosch, CMC, NCCMC
Town Clerk

ATTEST:

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William M. Sutton, Mayor