



# MEMORANDUM

**To:** Mayor and Members of the City Council

**From:** Rich Olson, City Manager

**Date:** November 22, 2017

**Ref:** Consideration – Adoption of Resolution for Financing for Charles Creek Boardwalk

***BACKGROUND:***

During the City Council meeting of November 13, 2017, the City Council approved the construction of the Charles Creek Boardwalk. The construction-cost is \$125,000; and the project is to be financed by a five year installment purchase. The City requested financing proposals from six banks. The following proposals have been received:

	<u>Fixed rate</u>	<u>Fees</u>	<u>Total Payments Including Fees</u>
PNC Financial Services	No Bid	-----	-----
First Citizens Bank	No Bid	-----	-----
BB&T	No Bid	-----	-----
Southern Bank & Trust Co.	2.49%	\$0	\$132,910.34
Wells Fargo	No Bid	-----	-----
Bank of America	No Bid	-----	-----

***ANALYSIS:***

The City only received one proposal, which was from Southern Bank. The total interest to be paid over the five years will be \$7,910.34.

***FINANCIAL:***

The Finance Committee discussed this matter during their November 22, 2017 meeting. Upon motion made by Councilman Donnelly, seconded by Mayor Pro Tem Hummer, the majority of the Committee recommended approval by the City Council. Councilman Horton's vote was recorded as "nay."

***STAFF RECOMMENDATION:***

By motion, adopt a resolution authorizing financing with Southern Bank & Trust Co.



**RESOLUTION #2017-11-02**

**Resolution for Charles Creek Board Walk  
Funded by a Five Year Installment Purchase Financing**

**WHEREAS**, the city Council of Elizabeth City during its November 13, 2017 meeting approved the Charles Creek Boardwalk; and

**WHEREAS**, the total funding required for this purchase is \$125,000; and

**WHEREAS**, of the six banks approached for financing, the City only received one proposal from Southern Bank & Trust Co. with a fixed rate of 2.49%.

**NOW THEREFORE**, be it resolved by the City Council of the City of Elizabeth City that five-year financing for the Charles Creek Boardwalk be established with Southern Bank and Trust Co.

**ADOPTED**, this the 27<sup>th</sup> day of November 2017.

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Joseph W. Peel  
Mayor

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April D. Onley  
Interim City Clerk