



## TOWN COUNCIL AGENDA ITEM

**MEETING DATE: June 11, 2024**

Agenda Title/Category:	<b>Create Electric Substation Capital Project Fund / New Business</b>			
Staff Contact/Presenter:	<b>Christopher Tucker, Finance Director</b>			
Meets Strategic Initiative or Approved Plan:	<b>Yes</b>	<b>No</b>	If yes, list:	<b>N/A</b>
Background:	<p>The Town of Pineville desires to construct a new Electric Substation on the western portion of Town. Land Acquisition and Preliminary Engineering has begun on the project.</p> <p>The estimated project cost is \$10,000,000.</p>			
Discussion:	<p>To best segregate the project and allow it to cross multiple fiscal years, the creation of a capital project fund is the recommended accounting tool.</p>			
Fiscal impact:	<p>The Town will issue debt to complete the project. At this stage, the Electric Fund will front the early costs until further into construction phase.</p> <p>A resolution of intent to reimburse is a next step as we move towards debt issuance.</p>			
Attachments:	<b>Capital Project Ordinance</b>			
Recommended Motion to be made by Council:	<b>Approve as Presented</b>			

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE ESTABLISHING THE  
ELECTRIC OPERATIONS CENTER CAPITAL PROJECT FUND

WHEREAS, the Town of Pineville Electric department desires to construct a new substation to serve demand of the western side of Town and improve system redundancies, and

WHEREAS, the Town Council of the Town of Pineville desires to establish a capital project fund to segregate the project from the Electric Fund, and

WHEREAS, the scope and timeline of the project will cross multiple fiscal years, and

WHEREAS, North Carolina General Statutes §159-13.2 authorizes the adoption of a capital project budget ordinance, and

NOW, THEREFORE BE IT ORDAINED by the Town Council of the Town of Pineville that there is hereby adopted a Capital Project Budget Ordinance setting forth the following revenues and expenditures and initial appropriations:

REVENUES:

Loan Proceeds	\$9,500,000
Transfer from Electric Fund	\$500,000

EXPENDITURES:

Capital Project Expenditures	\$10,000,000
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Duly adopted this 11th day of June 2024.

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Mayor

ATTEST: \_\_\_\_\_  
Town Clerk