

**RESOLUTION OF THE PUBLIC WORKS COMMISSION OF THE CITY OF
FAYETTEVILLE, NORTH CAROLINA ESTABLISHING AN ANNEXATION
PHASE V – AREAS 14 THROUGH 15 CAPITAL PROJECT FUND**

WHEREAS, the Public Works Commission of the City of Fayetteville, NC (COMMISSION) and the City of Fayetteville, NC (CITY) adopted an agreement on May 7, 2008 and May 12, 2008, respectively, for the funding of water and sewer installation for areas 6 through 34 that were annexed by the CITY and designated as Phase V; and

WHEREAS, the North Carolina Local Government Budget and Fiscal Control Act requires the use of a capital project fund for the proceeds of all bond issuances and debt instruments; and

WHEREAS, the COMMISSION intends to design and construct areas 14 through 15 (PROJECT) in fiscal years 2012 through 2014; and

WHEREAS, the PROJECT will be funded through a combination of funds from the Annexation Phase V Reserve Fund and proceeds from debt instruments. The COMMISSION may, at its option, fully fund the PROJECT with bond proceeds and reimburse the reserve fund; and

WHEREAS, the COMMISSION desires to establish a capital project fund to account for the financing and construction activity associated with the PROJECT; and

NOW, THEREFORE, be it resolved by the COMMISSION that:

Section 1. The COMMISSION hereby creates an Annexation Phase V- Areas 14 through 15 Capital Project Fund (CPF) for the purpose of accounting for the installation of water and sewer utilities in said areas.

Section 2. The CPF will remain operational until the project areas are complete and all accounting transactions are finalized. Any remaining funds may be transferred to another appropriate fund to finance other water and wastewater projects as provided for in the Bond Order.

Section 3. The COMMISSION will manage this fund to include the accounting and reporting, disbursements, and investment of funds. The COMMISSION also establishes and will maintain a budget for the expected sources and uses of funds (EXHIBIT A).

Section 4. The City Council of the CITY is hereby requested to adopt this resolution in the form presented above.

ADOPTED, this the 23rd day of May, 2012.

PUBLIC WORKS COMMISSION OF THE
CITY OF FAYETTEVILLE, NC


Michael G. Lallier, Chairman

Attest:


Terri Union, Secretary