

**RESOLUTION OF THE PUBLIC WORKS COMMISSION OF  
THE CITY OF FAYETTEVILLE, NORTH CAROLINA TO  
ESTABLISH A STATE REVOLVING LOAN CAPITAL  
PROJECT FUND**

**WHEREAS**, on September 25, 1998, the City of Fayetteville, North Carolina (the "City") acting through its Public Works Commission (the "Commission"), filed an application for state loan assistance with the North Carolina Department of Environment and Natural Resources to construct a wastewater treatment project described as the Rockfish Creek Wastewater Treatment Plant expansion (the "Project"), and

**WHEREAS**, on March 15, 1999, the City accepted the loan offer for construction of the Project in the amount of \$8,714,217 from the State of North Carolina Department of Environment and Natural Resources ("NCDENR"), and

**WHEREAS**, on October 19, 1999, the General Manager of the Commission executed a promissory note for the Project with the NCDENR in the amount of \$7,910,743, the amount determined eligible by NCDENR based on contract bids, and

**WHEREAS**, the Commission has budgeted and accounted for the Project in its Water & Sewer General Fund and has recently learned that the NCDENR prefers the accountability for state assistance projects be maintained and reported through a capital project fund ordinance, even though the requirement was omitted from the documents received by the City and the Commission, and

**WHEREAS**, the Commission intends to establish a capital project fund for the purpose of accounting and reporting of the Project, and

**NOW, THEREFORE**, be it resolved by the Commission that:

**Section 1.** The Commission hereby establishes a State Revolving Loan Capital Project Fund (the "CPF") and the related budget, as presented in Exhibit A of this Resolution, for the purpose of accounting and reporting of the Project.

**Section 2.** The Chief Financial Officer of the Commission is directed to maintain within the CPF sufficient specific detailed accounting records to satisfy the requirements of the NCDENR, the loan agreement, and federal regulations.

**Section 3.** The Project will be financed through a combination of state loan reimbursements and Water & Sewer General Fund appropriations. Funds may be advanced from the Water & Sewer General Fund for the purpose of making payments as due. Reimbursement requests will be made to the NCDENR in an orderly and timely manner.

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

**Section 5.** This Resolution shall become effective upon its adoption.

**ADOPTED**, this the 10th day of Jan., 2001.

PUBLIC WORKS COMMISSION,

Robert M. Saunders  
Chairman

Attest:

Matthew J. [Signature]  
Secretary

**CITY OF FAYETTEVILLE PUBLIC WORKS COMMISSION  
STATE REVOLVING LOAN CAPITAL PROJECT FUND  
For Fiscal Years 2001 - 2002**

**Initial Budget**

PROPOSED  
BUDGET

RECOMMENDED  
BY  
ADMINISTRATION

**Estimated Revenues and Other Funding Sources**

State Revolving Loan proceeds	\$7,910,743	\$7,910,743
Water & Sewer General Fund appropriations	\$400,130	\$400,130
<b>Total Revenues</b>	<b>\$8,310,873</b>	<b>\$8,310,873</b>

**Estimated Expenditures**

Construction costs	\$7,140,410	\$7,140,410
Engineering and technical services	\$644,350	\$644,350
Closing costs	\$155,113	\$155,113
Contingency	\$371,000	\$371,000
<b>Total Expenditures</b>	<b>\$8,310,873</b>	<b>\$8,310,873</b>

ADOPTED BY COMMISSION:  
ADOPTED BY CITY COUNCIL:

1-10-01