

**RESOLUTION OF THE PUBLIC WORKS COMMISSION OF THE CITY OF
FAYETTEVILLE, NORTH CAROLINA TO DIRECT THE
FILING OF AN APPLICATION FOR A STATE LOAN UNDER THE NC
CLEAN WATER REVOLVING LOAN AND GRANT ACT OF 1987**

WHEREAS, The Federal Clean Water Act Amendments of 1987, Federal Safe Drinking Water Act Amendments of 1996, and the North Carolina Clean Water Revolving Loan and Grant Act of 1987 have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of wastewater treatment works, wastewater collection systems, and water supply systems, and

WHEREAS, The Public Works Commission of the City of Fayetteville, North Carolina, hereinafter referred to as the Commission, has need for and intends to construct a wastewater treatment works project described as the Rockfish Creek Water Reclamation Facility Phase 2 Expansion, and

WHEREAS, The Commission intends to request state loan assistance in an amount not to exceed \$18,000,000.00 for the project,

NOW THEREFORE BE IT RESOLVED, BY THE COMMISSION THAT:

Commission will arrange financing for all remaining costs of the project, if approved for a State loan award.

Commission will adopt and place into effect on or before completion of the project a schedule of fees and charges which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

Commission agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the Commission to make scheduled repayment of the loan, to withhold from the Commission any State funds that would otherwise be distributed to the Commission in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

Commission will provide for efficient operation and maintenance of the project on completion of construction thereof.

Steven K. Blanchard, General Manager of the Public Works Commission, and successors so titled, is hereby authorized to execute and file an application on behalf of the Commission with the State of North Carolina for a loan to aid in the construction of the project described above, furnish such information as the appropriate State agency may request in connection with such application or the project, to make the assurances as

contained above, and to execute such other documents as may be required in connection with the application or project.

Commission has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Commission requests the City Council of the City to adopt this Resolution in the form presented above.

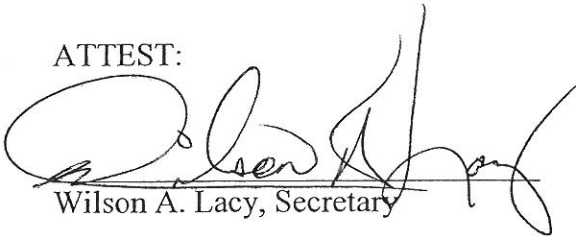
Adopted this 29th day of May, 2002, at Fayetteville, North Carolina.

PUBLIC WORKS COMMISSION OF THE CITY
OF FAYETTEVILLE, NORTH CAROLINA



Robert W. Saunders, Chairman

ATTEST:



Wilson A. Lacy, Secretary