

**RESOLUTION OF THE PUBLIC WORKS COMMISSION OF
THE CITY OF FAYETTEVILLE, NORTH CAROLINA
ESTABLISHING AN ANNEXATION PHASE IV-B CAPITAL
PROJECT FUND AND TO AMEND THE TITLE OF THE
PHASE IV CAPITAL PROJECT FUND**

WHEREAS, the City of Fayetteville (the "City") is extending the City's corporate limits through an extension of its fourth phase of its on-going annexation program to be effective June 1, 2003; and

WHEREAS, the Public Works Commission of the City of Fayetteville, NC (the "Commission") desires to establish a capital project fund to account for the construction activity associated with the water and sewer utility infrastructure installation; and

WHEREAS, the capital project fund will be funded by the Water and Sewer Utilities Annexation Reserve Fund (the "Reserve Fund"), City and Commission bonds, and any other sources deemed necessary through the budgeting process; and

WHEREAS, the City and the Commission, through a resolution dated February 5, 2001 and January 10, 2001, respectively, established a Phase IV Capital Project Fund, and

WHEREAS, the Commission desires to account for the construction activities of the Phase IV-A and Phase IV-B Annexation areas independently through separate Capital Project Funds, and

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

Section 1. The Commission hereby amends the title of the Annexation Phase IV Capital Project Fund to the Annexation Phase IV-A Capital Project Fund for the purpose of accounting for the construction of water and sewer utilities infrastructure in connection with the Phase IV-A annexation area.

Section 2. The Commission hereby creates an Annexation Phase IV-B Capital Project Fund (the "CPF") for the purpose of accounting for the construction of water and sewer utilities infrastructure in connection with the Phase IV-B annexation area.

Section 3. The CPF will remain operational until the Commission approved project areas are complete. Any remaining funds may be transferred to a capital project fund to finance the construction on water and/or sewer capital projects.

Section 4. The Commission will establish and maintain a budget for the CPF of the estimated construction costs and revenues that are anticipated to be available to complete the project (Exhibit A). The CPF budget ordinance will be amended as necessary to reflect the Commission's financing directives.

Section 5. The City Council of the City is hereby requested to adopt this resolution in the form presented above.

Section 6. This Resolution shall become effective upon its adoption.

ADOPTED, this the 28th day of August, 2002.

PUBLIC WORKS COMMISSION,

Vance B. Neal
Chairman

Attest:

Robert W. Sanders

Secretary

EXHIBIT A

PROJECT DESCRIPTION

In June of 2003, the City of Fayetteville will annex what is commonly referred to as the Phase IV-B Annexation area. Costs related to this phase of annexation allocated by the City to PWC include sewer line and related street construction, retro-fitting of water lines, engineering and construction management fees and easement acquisition.