

**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 and the North Carolina the Water Infrastructure Act of 2005 (NCGS159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of wastewater collection system projects, and

WHEREAS, The Public Works Commission of the City of Fayetteville, North Carolina (the "COMMISSION") has need for and intends to construct wastewater collection system projects listed in Exhibit A (the "PROJECTS"), and

WHEREAS, The COMMISSION intends to request state loan assistance in an amount not to exceed \$30,000,000 for the PROJECTS.

NOW THEREFORE BE IT RESOLVED, BY THE COMMISSION THAT:

The COMMISSION will arrange financing for all remaining costs of the PROJECTS, if approved for a State loan award.

The COMMISSION will adopt and place into effect on or before completion of the PROJECTS 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.

The 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.

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

Steven K. Blanchard, General Manager of the COMMISSION (the "AUTHORIZED OFFICIAL"), 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 PROJECTS described above.

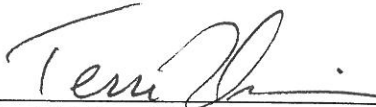
The AUTHORIZED OFFICIAL, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the PROJECTS, to make the assurances as contained above, and to execute such other documents as may be required in connection with the application.

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

The COMMISSION requests the City Council of the City of Fayetteville to adopt this Resolution in the form presented above.


Adopted this 11th day of August, 2010, at Fayetteville, North Carolina.

PUBLIC WORKS COMMISSION OF THE CITY
OF FAYETTEVILLE, NORTH CAROLINA



Terri Union, Chairman

ATTEST:



Michael G. Lallier, Secretary

Exhibit A

State Revolving Loan Projects

Edgewater/Northview Sewer Relocation	\$ 460,000
20" Force Main Across the Cape Fear River	1,448,000
North Fayetteville Lift Station Upgrades	11,808,000
Rockfish Creek Basin Peak Flow Facilities	9,455,400
Darnell Street Sewer Upgrades	1,216,900
Rehabilitate 48" Outfalls @ Hope Mills Road and Bramblegate	<u>4,120,000</u>
Total	<u>\$28,508,300</u>