

**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 Safe Drinking Water Act Amendments of 1996 and the North Carolina Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of drinking water system improvements, and
- WHEREAS, The Public Works Commission of the City of Fayetteville, North Carolina (the "COMMISSION") has need for and intends to construct drinking water system projects listed in Exhibit A (the "PROJECTS") to address concerns with aging infrastructure that will provide long term compliance with established regulations as well as addressing projected customer demands, and
- WHEREAS, The COMMISSION intends to request state loan assistance in an amount not to exceed \$12,000,000 for the PROJECTS.

NOW THEREFORE BE IT RESOLVED, BY THE COMMISSION:

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

That the COMMISSION will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds 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.

That 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.

That the COMMISSION will provide for efficient operation and maintenance of the PROJECTS on completion of construction thereof.

That 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.

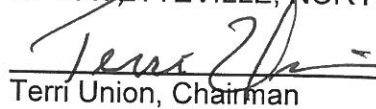
That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application for the PROJECTS, to make the assurances as contained above, and to execute such other documents as may be required in connection with the application.

That 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.

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


Adopted this the **8th** day of **September 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

Glenville Lake Dam Spillway Replacement	\$	3,972,200
12 MG Clearwell Rehabilitation/Ferric Sulfate Conversion		3,300,000
US 301 Water Main Replacement		982,000
Doc Bennett Road Transmission Main		<u>1,475,000</u>
Total	\$	<u><u>9,729,200</u></u>