City Council – Action Request Form

Date:	February 14, 2022
To:	Mayor, Mayor Pro Tempore, and Members of the City Council
From:	Aaron King, Assistant City Manager Lisa M. Saunders, Chief Financial Officer Kelly Latham, Deputy Financial Officer

Council Action Requested:
Resolution Accepting North Carolina Drinking Water State Revolving Fund Loan for the Neilson Water Treatment Plant Modernization Project

Strategic Focus Area: Service Excellence
Strategic Objective: Maintain Financial Strength
Strategic Plan Action Item: No
Key Work Item: No

Summary of Information:

Approval of the attached resolution accepts a re-amended loan from North Carolina Drinking Water State Revolving Fund in the amount of $100,000,000.

On September 18, 2017, the City Council approved an application in the amount of $60,000,000 for a North Carolina Drinking Water State Revolving Fund Loan for the Neilson Water Treatment Modernization project. On October 21, 2019, the City Council approved a resolution accepting an amended loan for $40,000,000. On November 16, 2020 and June 21, 2021, the City Council approved resolutions accepting re-amended loans for $60,000,000 and $80,000,000, respectively. Since this time, the City has been approved for an additional $20,000,000.

The North Carolina Local Government Commission formally approved the City of Winston-Salem as eligible to receive a re-amended Revolving Fund Loan in the amount of $100,000,000 for a term of 20 years and 1.02% interest rate on December 7, 2021. Interest begins to accrue from the date of estimated project completion and repayments begin between 6 to 12 months later. The closing fee is 2% of the loan balance.

The Winston-Salem/Forsyth County Utilities Commission has approved appropriations in the amount of $121,870,000 in previous years. The re-amended loan amount of $100,000,000 will help bridge the gap between the project budget and loans received to date.

Committee Action:

Committee	Finance 2/14/22	**Action**	Approval
For	Unanimous	**Against**	
Remarks:			