

City Council – Action Request Form

Date: September 18, 2017

To: The City Manager

From: Greg M. Turner, Assistant City Manager
Lisa M. Saunders, Chief Financial Officer

Council Action Requested:

Consideration of a Resolution Approving an Application for North Carolina Drinking Water State Revolving Fund Loans Associated with the Neilson Water Treatment Plant Modernization Project.

Strategic Focus Area: Service Excellence

Strategic Objective: Maintain City's Financial Strength

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

Approval of the attached resolution authorizes application for loan funds under the North Carolina Clean Drinking Water State Revolving Fund Program.

The Federal Clean Water Act Amendments of 1987 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 water treatment works projects.

The City CIP program includes drinking water treatment works project which is eligible for the state loan assistance. City of Winston-Salem has need for and intends to construct a drinking water treatment works project described under the Neilson Water Treatment Plant modernization project which consist of improvements to the plant hydraulics, process equipment, chemical feed and storage systems, operations building, wash water and residuals management facilities, power distribution systems, controls systems, and sitework to modernize the plant and ensure process reliability. The City intends to request state loan assistance of \$60,000,000.

The loan term is set at twenty year term and a 2% administrative closing fee. Interest begins to accrue from the date of project completion and repayments begin between 6 to 12 months after project completion.

Committee Action:

Committee	<u>Finance 9/11/17</u>	Action	<u>Approval</u>
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For	<u>Unanimous</u>	Against	<u></u>
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Remarks: