

## City Council – Action Request Form

**Date:** October 14, 2019

**To:** Mayor, Mayor Pro Tempore, and Members of the City Council

**From:** Damon C. Dequenne, Assistant City Manager  
Lisa M. Saunders, Chief Financial Officer

**Council Action Requested:**

Resolution Accepting a 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 an amended loan from North Carolina Drinking Water State Revolving Fund in the amount of \$40,000,000.

On September 18, 2017, the City Council approved an application for a North Carolina Drinking Water State Revolving Fund Loan for the Neilson Water Treatment Modernization project. The assistance requested was \$60,000,000. On February 18, 2019, the City Council approved a resolution accepting a loan for \$20,000,000. 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 an amended Revolving Loan in the amount of \$40,000,000 for a term of 20 years and 1.71% interest rate on August 6, 2019. Interest begins to accrue from the date of project completion and repayments begin between 6 to 12 months after project completion. The closing fee is 2% of the loan balance.

Staff recommends approval.

**Committee Action:**

|                  |                         |               |                 |
|------------------|-------------------------|---------------|-----------------|
| <b>Committee</b> | <u>Finance 10/14/19</u> | <b>Action</b> | <u>Approval</u> |
|------------------|-------------------------|---------------|-----------------|

|            |                  |                |         |
|------------|------------------|----------------|---------|
| <b>For</b> | <u>Unanimous</u> | <b>Against</b> | <u></u> |
|------------|------------------|----------------|---------|

**Remarks:**