

**RESOLUTION APPROVING AN APPLICATION FOR NORTH CAROLINA
DRINKING WATER STATE REVOLVING FUND LOANS ASSOCIATED WITH THE
NEILSON WATER TREATMENT PLANT MODERNIZATION PROJECT.**

WHEREAS, 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 drinking water treatment works projects; and

WHEREAS, the 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; and

WHEREAS, the City intends to request state loan assistance from North Carolina Drinking Water State Revolving Fund Program of \$60,000,000 with the loan term is set at twenty year term and a 2% administrative closing fee to provide financial assistant to eligible governmental agencies that submit applications for funding. Interest begins to accrue from the date of project completion and repayments begin between 6 to 12 months after project completion.

***NOW THEREFORE, BE IT RESOLVED BY MAYOR AND THE CITY COUNCIL OF
THE CITY OF WINSTON-SALEM, NORTH CAROLINA, AS FOLLOWS:***

Section 1. The City of Winston-Salem (the “Applicant”) will arrange financing for all remaining costs of the Projects, if approved for a State loan award.

Section 2. The Applicant will adopt and place into effect on or before completion of the Projects 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.

Section 3. The City Council of the Applicant agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the Applicant to make scheduled repayment of the loan, to withhold from the Applicant any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

Section 4. The Applicant will provide for efficient operation and maintenance of the Projects on completion of construction thereof.

Section 5. City Manager, (the “Authorized Official”), or designee so titled, is hereby authorized to execute and file an application on behalf of the Applicant with the State of North Carolina for a loan to aid in the construction of the Projects described above.

Section 6. The Authorized Official and designees 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.

Section 7. That the Applicant has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

CERTIFICATION BY RECORDING OFFICER

The undersigned duly qualified and acting City Secretary of the City of Winston-Salem does hereby certify. That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the City Council of the City of Winston-Salem duly held on the 18th day of September, 2017; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day
of _____, 20_____.

(SEAL)

MELANIE JOHNSON
City Secretary
City of Winston-Salem, North Carolina