

Resolution #21-0190
2021 Resolution Book, Page 79

**RESOLUTION APPROVING AN APPLICATION FOR NORTH CAROLINA
DRINKING WATER STATE REVOLVING FUND LOAN FOR 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 (N.C.G.S. 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 existing Neilson Water Treatment Plant (WTP) has a total capacity of 48 million gallons per day (MGD) and was originally constructed in three separate projects. The original Neilson plant was constructed in 1961 with a capacity of 24 MGD. The East 1 and East 2 additions were constructed in 1982 and 1988, respectively, each with a capacity of 12 MGD. The majority of the equipment and components in the plant have exceeded their expected life and are in need of modernization. A conceptual design phase was recently completed to evaluate alternatives and identify the scope of work for the modernization project. The Neilson WTP Modernization Project will include improvements to the plant hydraulics, process equipment, chemical feed and storage systems, operations building, wash water and residuals management facilities, power distribution systems, control systems, and general site work. The budget for this project is \$121,870,000; and

WHEREAS, the Local Government Commission approved a North Carolina Drinking Water State Revolving Loan in the amount for \$60,000,000 on September 1, 2020; and

WHEREAS, potential stimulus funds may be available from the Drinking Water Infrastructure program through the State Revolving Loan Fund for this project; and

WHEREAS, the City intends to submit an application for \$40,000,000 in State loan assistance for the project in order to receive stimulus money, with the option of accepting or rejecting any additional loan amounts.

NOW THEREFORE, BE IT RESOLVED, by the 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 Project, if approved for a State loan award.

Section 2. The Applicant 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.

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 Project 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 Project 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 Project; 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 Clerk 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 ____ day of _____, 20 ____; 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)

Sandra Keeney
City Clerk
City of Winston-Salem, North Carolina