



Post Office Box 207 • Shelby, NC 28151-0207

November 21, 2017

Joint Legislative Committee on Local Government
North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, NC 27601
Attention: Committee Chairs and Committee Assistant

Fiscal Research Division
North Carolina General Assembly
Legislative Office Building – Suite 619
200 North Salisbury Street
Raleigh, NC 27603- 5925

Re: Financing of the Water Treatment Plant Improvements Project by the City of Shelby, North Carolina

Ladies and Gentlemen,

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the City of Shelby, North Carolina (the "City") hereby notifies you of its intent to utilize an installment purchase contract under North Carolina General Statute 160A, Article 3, Section 20. The principle amount is not expected to exceed \$10,285,000 to make improvements to the Water Treatment Plant. This project has been included in the City's Water and Sewer Asset Management Plan and is needed in order to meet the current and future needs of the City's water customers. This project is expected to be funded by a North Carolina Clean Water State Revolving Fund loan with an interest rate not to exceed 1.53%.

The City anticipates that the North Carolina Local Government Commission will consider approval of the issuance of this proposed debt no later than its regularly scheduled meeting to be held on January 9, 2018.

Sincerely,



Justin S. Merritt
Director of Finance

Cc: Local Government Commission