



Alexander County Administration

621 Liledoun Road, Taylorsville, NC 28681
Phone (828) 632-9332 ~ Fax (828) 632-0059

June 20, 2018

Joint Legislative Committee on Local Government
Committee Chair and Committee Assistant
N.C. General Assembly
16 W. Jones Street
Raleigh, NC 27601

Fiscal Research Division
N.C. General Assembly
Suite 619
Legislative Office Building
300 N. Salisbury Street
Raleigh, NC 27603-5925

RE: Debt Issuance Reporting
State Reserve Project Loan, Project No. E-SRP-W-17-0067
Alexander County Sewer Collection Line Extension and Pump Station Upgrade

Dear Committee Chair, Committee Assistant, and Fiscal Research Division:

Alexander County is providing this notice in accordance with N.C.G.S. 120-157.2 of a proposed local government capital project that requires approval of the North Carolina Local Government Commission (the "LGC") and requires debt to be issued in an amount exceeding \$1,000,000.

The County is seeking loan funds from the Wastewater Reserve through the Division of Water Infrastructure of the N.C. Department of Environmental Quality ("NCDEQ"). The loan is expected to be \$5,181,300 and will be used for the following.

- 1) Replacement of two 100 gpm pumps with two 250 gpm pumps, and forcemain with approximately 2,050 linear feet of 8-inch forcemain.
- 2) Replacement of two 200 gpm pumps with two 350 gpm pumps, and forcemain with approximately 4,875 linear feet of 8-inch forcemain.

- 3) Installation of a 400 gpm duplex pump station, approximately 5,275 linear feet of 8-inch forcemain, 6,350 linear feet of 12-inch gravity sewer, 1,900 linear feet of 15-inch gravity sewer, and 77 manholes.

Total project costs including the loan closing fee are estimated to be \$5,284,926. The County will seek LGC approval of the debt after hearing from NCDEQ regarding the status of the loan application.

The proposed term of the loan is 20 years with \$3,000,000 at zero interest and \$2,181,300 at an expected maximum interest rate of 1.91%. The County's obligations will be payable from receipts of sales tax - Article 44*524. The expected security for the loan is a pledge of Article 44*524 sales tax revenues, but this will not constitute a pledge of the County's taxing authority.

If additional information is needed, please contact this office by phone at (828) 632-9332, by email at rfrench@alexandercountync.gov, or by mail at 621 Liledown Road, Taylorsville, NC 28681.

Sincerely,
ALEXANDER COUNTY



Rick French, County Manager

cc: Local Government Commission
N.C. Dept. of State Treasurer
3200 Atlantic Avenue
Raleigh, NC 27604

Don Evans
Grant Management Unit
NCDEQ-Div. of Water Infrastructure
(via Email)