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BURKE COUNTY

January 8, 2018

Fiscal Research Division of General Assembly
Committee Chairs and Committee Assistant
NC General Assembly
16 W. Jones Street
Raleigh, NC 27601

RE: Burke County
Clean Water State Revolving Fund
Proposed \$1,666,680 Loan
Eckard Creek Pump Station and Force Main Rehabilitation
Project No. CWSRF No. CS370400-01

To Whom It May Concern:

Burke County plans to improve the Eckard Creek pump station and force main making this pump station more reliable by replacing the existing pumps, structure, bar screen, force main, standby generator and auto transfer switch, and rehabilitate the interior of the existing concrete wetwell. The following information is presented for your consideration:

Purpose of the Project: The purpose of this project is to replace critical equipment (buried steel structure, manual bar screen, standby generator, auto transfer switch), and approximately 7,600 LF of 12" force main, and to rehabilitate the interior of the existing concrete wet well. All equipment will be like-size replacements. The existing pump capacity is 1,000 GPM and the replacement pump station capacity will be 1,000 GPM. There will be no increase in the pump station's permitted capacity. No components of the project will increase in capacity.

Scope of the Project: The project includes the following work:

- Replace the buried steel structure and appurtenances (including pumps and valves) with new submersible pumps or above-ground suction lift pumps of equal size as existing pumps, enclosures, and appurtenances.
- Replace manual bar screen with new channel grinder.
- Replace standby generator set and auto-transfer switch with new system.
- Replace 7,600 LF of existing 12" force main (built around 1978) with a new 12" force main (when this pump station was built in 1986, it was connected to an existing 12" force main).
- Rehabilitate interior of existing concrete wetwell that is to be retained.

Debt Requirement of the Project: The projected construction costs of the Eckard Creek Pump Station and Force Main Rehabilitation is \$1,666,680, of which approximately 30% (\$500,000) would be funded through the CWSRF with principal forgiveness and the remaining \$1,166,680 funded through a CWSRF loan at zero percent interest for 20 years.

Means of Financing the Project: As stated above, the project will be financed by an SRF loan of up to \$1,666,680 which includes principal forgiveness of \$500,000, as subject to availability and conditions of these funding programs.

Sources of Repayment for the Project: The SRF loan principal will be repaid using funds collected by the County from its current customer base, through normal fees. Increases in these normal fees may be necessary in the near future but we anticipate such fees to remain below 4% of the Median Household Income for our service area (for those customers using 5,000 gallons per month or less). There will be no interest payments, according to the terms of the SRF loan program.

We understand that the Fiscal Research Division of the General Assembly needs to review this Project. If more specific information is needed, please do not hesitate to contact me at the address above or to contact our consulting engineer, Benjie Thomas of West Consultants, at:

West Consultants, PLLC
405 South Sterling Street
Morganton, NC 28655
Phone: (828) 522-4728
Fax: (828) 433-5662
Email: bthomas@west-consultants.com

Sincerely,



Kenneth B. Steen, County Manager

cc: Greg Gaskins
Local Government Commission
NC Department of State Treasurer
325 N. Salisbury Street
Raleigh, NC 27603-1385

Kim Colson, PE, Director
NC Division of Water Infrastructure
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