

Goldston Gulf Sanitary District



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Finance Office

September 19, 2018

Joint Legislative Committee on Local Government
North Carolina General Assembly
Legislative Office Building
16 West Jones Street
Raleigh, NC 27601

Attention: Committee Chairs and Committee Assistants
Fiscal Research Division
North Carolina General Assembly
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, NC 27603-5925

Re: Project – Financing Water Storage Tank Replacement

Ladies and Gentlemen:

In accordance with Section 120-157.2 (a) of the North Carolina General Statutes, as amended, the Goldston-Gulf Sanitary District hereby notifies you of the following:

The Goldston-Gulf Sanitary District intends to issue a water system revenue bond pursuant to the State and Local Government Revenue Bond Act, Article 5 of Chapter 159 of the North Carolina General Statutes, to finance the cost of installing approximately 300 linear feet of 10-inch water line to connect the existing system to a repurposed 250,000 gallon elevated storage tank and installation of a new booster pump. The District anticipates that the USDA Rural Development RUS Loan will be issued in an amount not to exceed \$1,294,434; a RUS grant not to exceed \$516,224; and a total applicant contribution of \$30,000, for a total project cost of \$1,840,657. The District's obligations with respect to the Bond will be secured pursuant to an agreement between the District and USDA Rural Development. Obligations issued under the agreement are obligations to the District, payable from and secured by a pledge of Net Receipts from the District's water system customers.

The District anticipates that the Local Government Commission will consider approval of the issuance and sale of the Bond and entering into the Loan no later than its **December 2018** meeting.

Should you need any additional information, please feel free to contact me at 919-542-8087.

Sincerely,

A handwritten signature in cursive script that reads "Ricky Beal".

Ricky Beal, GGSD Board Chairman

cc: Local Government Commission