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DANIEL L. HOLLOMAN PUBLIC WORKS DIRECTOR

March 7, 2018

Joint Legislative Committee on Local Government 16 West Jones Street Raleigh, NC 27601

North Carolina Local Government Commission 3200 Atlantic Avenue Longleaf Building Raleigh, NC 27604 Attention: Secretary

Fiscal Research Division
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, NC 27603-5925
Attention: Director

Re: Notice of Intent to Enter into a Contractual Agreement for State Reserve Project Loan St. Pauls Sewer System Refurbishment Project No. CS-3705-29-04

Greetings:

The Town is seeking funding of \$1,603,380 from the Clean Water State Revolving Fund for improvements to the Town's sewer collection system. The project includes the rehabilitation of approximately 11,077 linear feet of existing 8-inch and 12-inch sewer line, the replacement of approximately 3,228 linear feet of existing 6-inch sewer line with 8-inch sewer line, the replacement or rehabilitation of approximately 56 sewer manholes and the rehabilitation of wet wells at two lift stations. The project is needed to improve the condition of aging sewer lines that have resulted in significant infiltration and inflow into the sewer and have a significant potential to fail resulting in disruption of sewer service.

The project loan will be for a total of \$1,603,380. The award was a loan of \$1,103,380 million principal only for a 20 year term and a loan of \$500,000 to be forgiven over time. We anticipate submittal of the engineering design no later than June 2018. Our engineers expect to receive approval of the design by the end of August. A final Project Loan Contract will be presented to the LGC for approval at that time.

Thank you. If you have any further questions, please feel free to contact me at (910) 865-5164.

Sincerely,

J.R. Steigerwald

Town Administrator