

**Council Members**

Barry Kaufman, Mayor  
Jimmie Accardi, Vice Mayor  
Weidner Abernethy  
Kelly Melang  
Erin Gonyea



**Town Manager**

Bob Pudney

**Town Attorney**

Stacy C. Eggers IV

January 3, 2022

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

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

RE: Town of Beech Mountain  
State Reserve Project  
Proposed \$2,870,000 Loan  
2022 Sewer Main Improvements Project  
Project No. SRP-W-0185

To Whom It May Concern:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina as amended, the Town of Beech Mountain hereby notifies you of its intent to enter into a State Reserve Project Loan with the Division of Water Infrastructure in the North Carolina Department of Environmental Quality subject to the approval of the Local Government Commission, in the expected amount of \$2,870,000.

**Purpose of Project:** The purpose is to identify sewer deficiencies in seven identified areas and to complete improvements by means of rehabilitation, repair, or replacement.

**Scope of Project:** The project will rehabilitate or replace approximately 6,500 LF of 8" gravity sewer and 2,550 LF of 10" gravity sewer, complete 26 pipe spot repairs of various lengths, and rehab/repair of 194 manholes.

**Debt Requirement of the Project:** The projected capital cost of the 2022 Sewer Main Improvements Project is \$2,870,000, all of which is to be debt financed.

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**Means of Financing the Project:** The project is to be financed through a State Reserve Project (SRP) loan at a maximum interest rate of 1.10% over 20 years, subject to availability and conditions of the funding program.

**Sources of Repayment for the Project:** The SRP loan principal and interest will be repaid using funds collected by the Town 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).

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,

Robert Pudney, Town Manager

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

Shadi Eskaf, Director  
NC Division of Water Infrastructure  
1633 Mail Service Center  
Raleigh, NC 27699-1633