



401 E Broad St • PO Box 1065 • Dunn, North Carolina 28335  
(910) 230-3500 • CityofDunn.org

**Mayor**  
William P. Elmore Jr.  
**Mayor Pro Tem**  
Dr. David L. Bradham  
**Council Members**  
J. Wesley Sills  
April L. Gaulden  
Frank McLean  
Billy Tart  
Chuck Turnage  
**City Manager**  
Steven Neuschafer

July 12, 2022

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

Local Government Commission  
Attention: Secretary  
NC Department of State Treasurer  
325 N. Salisbury Street  
Raleigh, NC 27603-1385

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

RE: City of Dunn, North Carolina  
Installment Financing

In compliance with North Carolina General Statutes (NCGS) §120-157.1-157.9, the City of Dunn, North Carolina (the "City") hereby notified you of the City's intent to enter into an installment financing contract loan under NCGS Section 160A-20 (the "Contract") through the Clean Water State Revolving Fund (CWSRF), for the Wastewater Collection System Improvements (Project # CS370417-06), awarded by North Carolina Department of Environmental Quality (NCDEQ), Division of Water Infrastructure (DWI).

The loan amount and terms are expected to be approximately \$3,120,000, for a 30-year term with 0.13% interest rate, and up to \$500,000 amount principal forgiveness. The expected source of loan repayment will be any source of funds available to it in each year. The City's obligation to make payments under the Contract is a limited obligation of the City, subject to annual appropriation, and will not constitute a direct or indirect pledge of the faith and credit of the taxing power of the City.

*Where community begins!*

The City of Dunn anticipates receipt of Authority to Award ("ATA") from DWI in 05/2023. The City will request that the Local Government Commission (LGC, the "Commission") consider for approval the City's proposal to execute and deliver the Contract at the Commission's regularly scheduled meeting in 05/2023 or at such other meeting as the City and Commission may determine.

If you require any additional information about this proposed financing plan, you may contact me at 910-230-3500, [sneuschafer@dunn-nc.org](mailto:sneuschafer@dunn-nc.org).

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Neuschafer', with a long horizontal flourish extending to the right.

Steven Neuschafer  
City Manager

Enc: Letter of Intent to Fund, Project No. CS370417-06

ROY COOPER

Governor

ELIZABETH S. BISER

Secretary

JON RISGAARD

Acting Director



NORTH CAROLINA  
Environmental Quality

August 1, 2021

Mr. Steven Neuschafer, City Manager  
City of Dunn  
PO Box 1065  
Dunn, NC 28335

Subject: Letter of Intent to Fund  
Collection System Improvements  
Spring 2021 Application Cycle  
Project No.: CS370417-06

Dear Mr. Neuschafer:

The Division of Water Infrastructure has reviewed your application, and the State Water Infrastructure Authority has approved your project as eligible to receive a Clean Water State Revolving Fund (CWSRF) loan of \$2,000,000. Fifty percent of the loan (up to a maximum of \$500,000) will be forgiven, and the remainder will be repayable at a maximum interest rate of 0.13%. A loan fee of 2% will be invoiced after bids have been received.

Please note that this intent to fund is contingent on approval of the loan through the Local Government Commission and on meeting **all** of the following milestones:

<u>Milestone</u>	<u>Date</u>
Engineering Report Submittal	December 1, 2021
Engineering Report Approval	May 2, 2022
Bid and Design Package Submittal	November 3, 2022
Bid and Design Package Approval	March 1, 2023
Advertise Project, Receive Bids, Submit Bid Information, and Receive Authority To Award	July 3, 2023
Execute Construction Contract(s)	August 1, 2023

The first milestone is the submittal of an Engineering Report by close of business on December 1, 2021. The Engineering Report must be developed using the guidance found on our website (<https://deq.nc.gov/about/divisions/water-infrastructure/i-have-funding/engineering-report/environmental-information>). **Failure to meet any milestone may result in the forfeiture of funding for the proposed project.**



North Carolina Department of Environmental Quality | Division of Water Infrastructure  
512 N. Salisbury Street | 1633 Mail Service Center | Raleigh, North Carolina 27699-1633  
919.707.9160

Mr. Steven Neuschafer, City Manager  
August 1, 2021  
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If you have any questions, please contact Antonio V. Evans, PE by phone at (919) 707-9168 or by email at [tony.evans@ncdenr.gov](mailto:tony.evans@ncdenr.gov).

Sincerely,

A handwritten signature in cursive script that reads "Jon Risgaard".

Jon Risgaard, Chief  
State Revolving Fund Section

CC: Kenneth Orie, PE, Withers Ravenel, Cary  
Jessica Legget, WithersRavenel, Cary  
Ken Pohlig, PE  
Mark Hubbard, PE  
Project File (**COM\_LOIF**)



POST OFFICE BOX 1065 • DUNN, NORTH CAROLINA 28335

(910) 230-3500 • FAX (910) 230-3590

[www.dunn-nc.org](http://www.dunn-nc.org)

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**City Manager**  
Steven Neuschafer

November 29, 2021

NC Department of Environmental Quality  
Division of Water Infrastructure  
Attn: Jon Risgaard  
1633 Mail Service Center  
Raleigh, NC 27699-1633

Re: City of Dunn Collection System Improvements Project No: CS370417-06 Request for Higher Loan Terms

Dear Mr. Risgaard,

The City of Dunn is preparing the Preliminary Engineering Report for the Sewer Collection System Improvement Project and would like to formally request that the 20-year loan terms be increased to 30-year loan terms based on the weighted average calculated by WithersRavenel, the Engineer of Record for the project.

For the past several years, the Dunn City Council has approved Staff to move forward with planning and programming several water and sewer projects in order to address aging infrastructure with an end goal of rescinding a sewer moratorium that was placed upon the City in the Spring of 2021.

The City respectfully requests that this loan be extended by 10 years in order to lower the annual debt service payment so that the City can take on additional projects and debt, while keeping the necessary cash on hand reserves that is required by the NC Local Government Commission.

Thank you for your consideration of this request and if you have any questions or concerns, please do not hesitate to contact me at (910) 230-3500

Sincerely

Steven Neuschafer  
City Manager



*where community matters*