



***Town of Bryson City
Municipal Office
P.O. Box 726
Bryson City, NC 28713
Telephone (828) 488-3335
Fax (828) 488-9474***

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

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

Re: Financing of Wastewater Treatment Plant Improvements
Town of Bryson City, North Carolina
American Rescue Plan Act / State Revolving Fund
Project No. SRP-W-ARP-0150; CS370845-03

Ladies & Gentlemen:

Per the requirements of the attached Division of Water Infrastructure (DWI) Letter of Intent to Fund and in accordance with Section 120-157.2(a) of the General Statutes of the State of North Carolina, as amended, the Town of Bryson City (the "Town") hereby notifies the Joint Legislative Committee on Local Government and the Fiscal Research Division of the North Carolina General Assembly of its intent to enter into a Revolving Loan (the "Loan") with the North Carolina State Revolving Fund (SRF) in the expected amount of \$1,998,400. The Town anticipates principal forgiveness in the amount of \$500,000 from SRF and a grant of \$15,000,000 from the State Fiscal Recovery Fund via the American Rescue Plan Act. The proceeds of the Loan and grant package will be used to finance proposed Wastewater Treatment Plant Improvements. Please contact me if you have questions or need additional information.

Sincerely,
Town of Bryson City

Sam Pattillo
Town Manager

Enclosure

cc: Ali Ajami, PhD, DWI (via email)

ROY COOPER
Governor

ELIZABETH S. BISER
Secretary

SHADI ESKAF
Director



NORTH CAROLINA
Environmental Quality

August 24, 2022

Ms. Regina Mathis, Town Manager
Town of Bryson City
45 Everett Street
Bryson City, NC 28713

Subject: Letter of Intent to Fund
Town of Bryson City
Wastewater Treatment Plant Improvements
Project No.: SRP-W-ARP-0150;
CS370845-03

Dear Ms. Mathis:

The Division of Water Infrastructure (Division) has reviewed your application, and the State Water Infrastructure Authority has approved your project as eligible to receive a total funding amount of \$16,998,400 from the following funding:

American Rescue Plan Act (ARPA) funding from the State Fiscal Recovery Fund established in S.L. 2021-180. Projects funded from the State Fiscal Recovery Fund must meet applicable federal law and guidance for the ARPA funds. The ARPA Project Grant will be one hundred percent of eligible project costs up to a maximum of \$15,000,000.

State Revolving Fund (SRF) loan of \$1,998,400. Fifty percent of the loan (up to a maximum of \$500,000) will be forgiven, and the remainder will be repayable at 0.68% interest. 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:

Milestone*	Date
Engineering Report Submittal	December 1, 2022
Engineering Report Approval	May 1, 2023
Bid and Design Package Submittal	November 1, 2023
Bid and Design Package Approval	March 1, 2024
Advertise Project, Receive Bids, Submit Bid Information, and Receive Authority To Award	July 1, 2024
Execute Construction Contract(s)	August 1, 2024

*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 Mall Service Center | Raleigh, North Carolina 27699-1633
919.707.9160

All costs incurred prior to March 3, 2021 are not eligible for ARPA funds and the Division will make no reimbursements of ARPA funds after December 31, 2026.

The first milestone is the submittal of an Engineering Report on December 1, 2022. 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-reportenvironmental-information>). Failure to meet any milestone may result in the forfeiture of funding for the proposed project.

Upon detailed review of the project during the funding process, it may be determined that portions of your project are not eligible for funding and the total funding amount may be reduced. Additionally, changes in the scope or priority points awarded – based on additional information that becomes apparent during project review – may also result in changes to the total funding amount and loan terms.

Engineering Services Procurement

All projects must comply with North Carolina General Statute 143-64.31, Article 3D Procurement of Architectural, Engineering, and Surveying Services. Projects cannot be exempted from qualification-based selection of these services under N.C.G.S. 143-64.32. Any services provided that were not selected in compliance with federal requirements will be ineligible for reimbursement.

US Treasury Requirements

Projects with an expected total cost of ten million dollars or more must meet US Treasury requirements for prevailing wage rates, project labor agreements, and related requirements. Recipients can either certify meeting the requirements or provide plans and reports as the SLFRF Compliance and Reporting Guidance ([treasury.gov](https://www.treasury.gov)) specifies.

Davis-Bacon Requirements and American Iron and Steel Provisions

Projects funded through the State Revolving Fund (SRF) programs must comply with Davis-Bacon wage requirements and American Iron and Steel provisions. You can find standard specifications covering these requirements on our website.

Joint Legislative Committee on Local Government Notification Requirements

In accordance with G.S. 120-157.2, local government units with projects that require debt to be issued greater than \$1,000,000 **must** submit a letter to Committee Chairs, Committee Assistant, and the Fiscal Research Division of the General Assembly at least 45 days prior to presentation before the Local Government Commission. You are responsible for submitting that letter and providing a copy to the Division.

Extended Term Loan

Projects that qualify for a targeted interest rate and demonstrate in the Engineering Report a weighted average design life for the major components of the project greater than 20 years are eligible for an extended loan term up to the calculated weighted average design life, but not to exceed 30 years. Request an extended term on the Engineering Report Submittal Checklist (<https://deq.nc.gov/about/divisions/water-infrastructure/i-have-funding/engineering-reportenvironmental-information>) and provide the necessary calculation.

Upon receipt of your letter of intent to fund, please fill out the attached Federal ID & Unique Entity ID (UEI) form, attached and email it to Pam Whitley at pam.whitley@ncdenr.gov.

We are offering a free permit assistance service to address any questions you have about potential permitting requirements, pitfalls, fees, and timelines. If interested, please complete our online form at <https://deq.nc.gov/permits-rules/permit-assistance-and-guidance/permit-assistance-request-form> and a regional environmental coordinator will contact you. When applying for a permit; attach a copy of this letter to your permit application. We find this helpful to identify ARPA projects to get your permit to you faster to assist with meeting the federal expenditure deadline of December 31, 2026.

If you have any questions, please contact Ali Ajami, PhD, by phone at (919) 707-9183 or by email at ali.ajami@ncdenr.gov.

Sincerely,



Jon Risgaard, Chief
State Revolving Fund Section

CC: Alison Heim, PE, McGill Associates, Asheville
Ken Pohlig, PE, DWI (via email)
Mark Hubbard, PE, DWI (via email)
Ali Ajami, PhD, DWI (via email)
ARPA & SRF (COM_LOIF)