

July 21, 2023

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

Fiscal Research Division
North Carolina General Assembly
Legislative Office Building - Suite
619 200 North Salisbury Street
Raleigh, NC 27603-5925

RE: Financing for City of Conover Wastewater Treatment Plant – Aeration Basin Project

Ladies and Gentlemen:

In accordance with Section 120-157.1 through 157.9 of the North Carolina General Statutes, as amended, the City of Conover, North Carolina (the "City") hereby notifies you of its intent to enter into an installment financing agreement to make major improvements to the City's wastewater treatment plant facilities (described below). The principal amount of approximately \$4,850,000 would be used to finance upgrades to the Northeast WWTP Aeration Basin systems.

The City of Conover Northeast Wastewater Treatment Plant is located about two miles North of Interstate 40 near Highway 16N. The physical address is 3680 Hillview Drive, Conover, NC 28613. The Northeast Plant has a capacity of 1.5 MGD and has a present average daily flow of 0.650 MGD. The plant has mechanical grit and rag removal. The biological treatment is accomplished with four sequencing batch reactor basins. The plant has shallow bed sand filters and has hypochlorite disinfection and bisufite de-chlorination. Eight personnel are based out of the Northeast Wastewater Treatment Plant. The plant discharges into Lyle Creek in the Catawba River Basin.



City of Conover

The plant was last upgraded in 1991 to its current configuration. Approximately 90% of the equipment at the plant today was installed in this upgrade. The original life expectancy of this equipment was 20-25 years. With the current surge in technology and understanding of wastewater treatment, this technology is far out of date and is no longer supported through equipment manufacturers. The city and employees are working tirelessly to keep the plant preforming at optimum levels. The time has come to start investing in the future of this plant.

This aeration upgrade will be one of the several upgrades that are recommended in our comprehensive study completed by WK Dickson. This project will bring our ICEAS aeration system up to date with technology and industry standards. It will include replacing blowers, piping, and aeration headers to create a fine bubble diffuser system. We will also be upgrading all controls and electronics, as well as adding D.O. sensors and TSS sensors. This will help us to fine tune the treatment process to get adequate treatment while also lowering our energy costs. While in the basins, the contractors will be replacing some of the hardware that has exceeded life expectancy. Some of the structural walls will be replaced with concrete walls, instead of the original block and mortar style. To protect all of this, we are going to coat the basins with a polyurea coating to extend the life of the structure.

The upgrade results in no increase in design or permitted capacity of the existing 1.5 MGD facility. The upgrade involves replacement of existing catenary bar screen and grit drag and conveyor system with one (1) 3.5 MGD chain and rack bar screen with washer compactor; installation of one (1) 3.5 MGD aerated grit chamber with one (1) 250 GPM grit pump, two (2) 119 SCFM centrifugal grit blowers, and one (1) grit classifier; installation of control panels and wiring for new headworks equipment.

The City anticipates that the North Carolina Local Government Commission will consider the approval of the issuance of this proposed debt at its meeting in September 2023.

CITY OF CONOVER, NORTH CAROLINA

Finance Officer

CC: Local Government Commission

City of Conover, City Manager Thomas C. Hart, Jr.