



*August 8, 2024*

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

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

RE: Southside WWTP Replacement and Capacity  
DWI Project No: CS370923-15


To Whom It May Concern:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, Cape Fear Public Utility Authority (CFPUA) located in New Hanover County, North Carolina hereby notifies you of its intent to accept Clean Water State Revolving Fund (CWSRF) Loans from the State Water Infrastructure Authority. The CWSRF loans are \$35,000,000 each, for a total of \$70,000,000 at a maximum interest rate of 1.76%, with a loan fee of 2%. CFPUA has applied for a third loan in the amount of \$35,000,000 but has not received a letter of intent to fund at this date. CFPUA expects the application to be approved.

The loan funds will be used for the upgrade and replacement of a wastewater treatment plant that was opened in 1972 and has undergone numerous upgrades and expansions over the past five decades. The project will replace the existing facility with new infrastructure and more modern treatment technology. The project also will expand Southside's treatment capacity from 12 MGD to 16 MGD. This capacity increase is needed to meet future demand as CFPUA's customer base continues to grow. More information on the project is available on CFPUA's website (<https://www.cfpua.org/834/Southside-Wastewater-Treatment-Plant-Rep>).

CFPUA is utilizing the Design Build procurement method for the project and expects to execute multiple gross maximum price (GMP) contracts for different phases of work. CFPUA expects to obtain approval of the CWSRF Loans from the North Carolina Local Government Commission for each GMP over the next 1-2 years up to a total of 105,000,000.

Cape Fear Public Utility Authority

By:   
John McLean, Deputy Executive Director and  
Chief Financial Officer