

**Council Members**

Weidner Abernethy, Mayor  
Kelly Melang, Vice Mayor  
Art Beckmann  
Alan Villanora  
M.W. Stanford



**Town Manager**  
Bob Pudner

**Town Attorney**  
Stacy C. Eggers IV

September 20, 2024

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  
Proposed \$2,961,490 Loan  
2022 Sewer Main Improvements Project  
DWI Project No. CS370812-02

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 Revolving Fund 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 \$2,961,490.

**Purpose of Project:** The purpose of the proposed project is to improve a major portion of the collection system tributary to the Pond Creek WWTP. Improvements will involve repair, rehabilitation, and replacements as needed to restore original system function and reliability.

**Scope of Project:** The project consists of completing investigations and assessments to determine asset conditions and rehab/repair recommendations. This includes CCTV of approximately 23,100 LF of 8-inch and 3,800 LF of 12-inch gravity sewer; smoke test 12,620 LF of gravity sewer; rehabilitation of 6,000 LF of 8-inch, 800 LF of 12-inch gravity sewer and 150 manholes; replacement of 1,000 LF of 8-inch and 12-inch gravity sewer; raise 40 manholes; 40 point repairs; and 60 sewer services.

**Debt Requirement of the Project:** The projected capital cost of the 2023 Sewer Main Improvements Project is \$2,961,490, all of which is to be debt financed.

Means of Financing the Project: The project is to be financed through a State Revolving Fund (SRF) loan at a maximum interest rate of 1.76% 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,

A handwritten signature in black ink, appearing to read 'Robert Pudney', with a long, sweeping horizontal stroke extending to the right.

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