

## Legislation Details (With Text)

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<b>Type:</b>	Business Item	<b>Status:</b>		Approved	
<b>File created:</b>	7/19/2018	<b>In control:</b>		City Council Business Meeting	
<b>On agenda:</b>	9/10/2018	<b>Final action:</b>		9/10/2018	
<b>Title:</b>	North Carolina Clean Water State Revolving Fund Applications				
<b>Attachments:</b>	1. Map-North Carolina Clean Water State Revolving Fund Applications, 2. NCDENR Revolving Loan - Mallard Creek Ordinance, 3. New Resolution 1, 4. New Resolution 2				
Date	Ver.	Action By	Action		Result
9/10/2018	1	City Council Business Meeting	Approve		Pass

## North Carolina Clean Water State Revolving Fund Applications

### Action:

- A. Adopt a resolution authorizing Charlotte Water to apply for a Clean Water State Revolving Fund loan in an amount not to exceed \$5,540,000 for the Mallard Creek Wastewater Treatment Plant Reuse Line Extension,**
- B. Adopt a resolution authorizing Charlotte Water to apply for a Clean Water State Revolving Fund loan in an amount not to exceed \$24,877,892 for the Mallard Creek Wastewater Treatment Plant Reliability and Ultraviolet Disinfection Improvements Project,**
- C. Authorize the City Manager to take necessary actions to accept and complete the financing, including applying to the State of North Carolina Department of Environment and Natural Resources and obtaining Local Government Commission approval, and**
- D. Adopt a budget ordinance appropriating \$30,417,892 from the Clean Water State Revolving Fund Program.**

### **Staff Resource(s):**

Angela Lee, Charlotte Water  
Ron Hargrove, Charlotte Water  
Robert Campbell, Finance

### **Explanation**

- Charlotte Water desires to apply for and accept Clean Water State Revolving Fund loans for the construction of the Mallard Creek Wastewater Treatment Plant (WWTP) Reliability and Ultraviolet Disinfection Improvements Project and the Mallard Creek WWTP Reuse Line Extension. Both Projects are located in northeast Charlotte, along Highway 29 (Council District 4).
- The North Carolina Clean Water State Revolving Fund loan program offers interest free loans for projects that demonstrate a significant energy savings and low interest loans (1.9 percent) for other projects.
- Funding for these Projects is currently included in the Charlotte Water Community Investment Plan, which is financed through revenue bonds at approximately 3.56 percent interest. However, if selected for the loan program, the City will realize an estimated savings of approximately \$13,000,000 in interest over the 20-year term, compared to traditional financing.
- The loan provides for an interest free construction period with payments beginning after

completion of the project.

- These loans are available from a fund established by the State and administered by the Department of Environment and Natural Resources. The City would sign a promissory note to repay the funds, which would then be redistributed for other projects across the State as the City makes payments.
- On September 25, 2017, Council approved a design contract for the Mallard Creek WWTP Reuse Line Extension.
- On March 26, 2018, Council approved a design contract for the Mallard Creek WWTP Reliability and Ultraviolet Disinfection Improvements Project.
- Construction contracts for these projects will be presented to Council on future agendas.

**Fiscal Note**

Funding: Charlotte Water Debt Service Fund

**Attachment(s)**

Map

Budget Ordinance

Resolution Plant Reuse Line Extension

Resolution Plant Reliability and Ultraviolet Disinfection Improvements Project