



MEMORANDUM

TO: Mayor and Board of Commissioners

FROM: Heather Meacham, Finance Director

SUBJECT: Resolution to Execute Promissory Note related to I&I Project

DATE: January 23, 2017

Background: The Town has secured a loan approval of up to \$494,500 at 0% interest from the North Carolina Department of Environment and Natural Resources, Division of Water Infrastructure (DWI). They approved the construction drawings, specifications and Bid Manual prepared by Hydrostructures for the Sanitary Sewer Infiltration and Inflow (I&I) project. DWI approved the project budget on August 9, 2016 and the awarding of the construction contract to Herring & Rivenbark, Inc. at a bid of \$382,293.00.

The contracts have been approved (see attached approval letter) and we are now ready to execute the promissory note (see attached) between the Town and the State of North Carolina.

The attached resolution allows for the Town Manager to execute the promissory note on behalf of the Town.

Action Requested: Approve the resolution to execute the promissory note with the State of North Carolina.

TOWN OF PITTSBORO
RESOLUTION SUPPORTING EXECUTION OF PROMISSORY NOTE FOR STATE
REVOLVING LOAN FUND PROJECT # CS370413-05 (I&I PROJECT)

WHEREAS, the State of North Carolina established the North Carolina Infrastructure Finance Section Revolving Fund; and,

WHEREAS, the Town of Pittsboro requested these funds for the Sanitary Sewer Infiltration and Inflow (I&I) Project; and,

WHEREAS, the Town of Pittsboro received contract approval for funding from NC/DEQ/DWI on November 29, 2016; and,

WHEREAS, the Town of Pittsboro will be required to repay the loan amount of \$494,500 at 0% interest in yearly payments of \$24,725 for 20 years starting no earlier than six months after completion of the project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Town of Pittsboro, the Town Manager is authorized to execute the Promissory Note with the State of North Carolina for Project No. CS370413-05.

Adopted this 12th day of December, 2016.

Cindy S. Perry, Mayor

ATTEST:

Alice F. Lloyd, CMC, NCCMC, Town Clerk