



## REQUEST FOR BOARD ACTION

ITEM NO. 19

**DATE OF MEETING:** October 6, 2014

**REQUESTED BY:** Michael G. Mack, Utilities Director

**SHORT TITLE:** Resolution by the Board of Directors of the Central Pender Water and Sewer District Adopting a Capital Project Budget Ordinance for the Design, Permitting, Bidding, and Construction of the Phase I Water Distribution System to serve the Central Pender Water and Sewer District.

**BACKGROUND:** On September 2, 2014, the Board of Directors of the Central Pender Water and Sewer District authorized the approval and acceptance of the USDA-RD Letter of Conditions for the permanent financing of the Central Pender Water Distribution System. Subsequently, on September 15, 2014, the Board of Directors approved a Professional Services Agreement Amendment with Highfill Infrastructure Engineering for the final design, permitting, bidding, and construction phase services for the Central Pender Water and Sewer District Phase 1 Water Distribution System.

Funding for the project will be provided by a USDA-RD loan in the amount of \$6,047,000, a USDA-RD grant in the amount of \$3,910,091, and District Tap Fees in the amount of \$81,700 for a project total of \$10,038,791.

**SPECIFIC ACTION REQUESTED:** The Board of Directors of the Central Pender Water and Sewer District is requested to approve the attached Capital Project Budget Ordinance to document the proposed project expenditures, funding, and revenues.

**COUNTY MANAGER'S RECOMMENDATION**

Respectfully recommend approval.

DM  
Initial

**RESOLUTION**

**NOW, THEREFORE BE IT RESOLVED** by the Board of Directors of the Central Pender Water and Sewer District:

the attached Capital Project Budget Ordinance to document the proposed project expenditures, funding, and revenues for the design, permitting, bidding, and construction of the Central Pender Water and Sewer District Phase 1 water distribution system is approved.

The Chairman/County Manager is authorized to execute any document necessary to implement this resolution.

**AMENDMENTS:**

MOVED \_\_\_\_\_ SECONDED \_\_\_\_\_

APPROVED \_\_\_\_\_ DENIED \_\_\_\_\_ UNANIMOUS \_\_\_\_\_

YEA VOTES: Brown \_\_\_ Tate \_\_\_ McCoy \_\_\_ Ward \_\_\_ Williams \_\_\_

\_\_\_\_\_  
J. David Williams, Jr. Chairman      10/06/14  
Date

\_\_\_\_\_  
ATTEST      10/06/14  
Date

**CAPITAL PROJECT BUDGET ORDINANCE  
CENTRAL PENDER WATER AND SEWER DISTRICT  
WATER DISTRIBUTION PHASE I PROJECT**

**WHEREAS**, the Board of Directors of the Central Pender Water and Sewer District desire to adopt a capital project budget ordinance pursuant to and as provided by NCGS 159- 13.2; and

**WHEREAS**, the Board of Directors of the Central Pender Water and Sewer District desire to construct a water distribution system to serve the properties within the District with public water supply;

**NOW, THEREFORE, BE IT ORDAINED**, by the Board of Directors of the Central Pender Water and Sewer District, as follows:

**SECTION 1:** The amounts herein set forth are hereby appropriated for the expenses related to the project:

Construction		\$ 7,175,720.00
Engineering Fees		\$ 729,100.00
PER	\$ 58,500.00	
Environmental Assessment	\$ 29,000.00	
Easement Survey/Mapping	\$ 30,000.00	
Geotechnical Services	\$ 7,500.00	
Basic Services	\$ 409,100.00	
Inspection Services	\$ 195,000.00	
Land/Easement Acquisition		\$ 35,000.00
Legal & Administration		\$ 44,400.00
Environmental Permits		\$ 6,500.00
Capitalized Interest		\$ 215,271.00
Pender County Capacity Fee		\$ 1,474,000.00
Project Contingency		\$ 358,800.00
<b>TOTAL PROJECT COST</b>		<b>\$10,038,791.00</b>

**SECTION 2:** The amounts herein set forth are hereby designated as the funding to be made available for the project to meet the foregoing appropriations:

USDA-RD GO Bond Loan	\$ 6,047,000.00
USDA-RD Grant	\$ 3,910,091.00
District Tap Fees	\$ 81,700.00
<b>TOTAL PROJECT FUNDING</b>	<b>\$10,038,791.00</b>

SECTION 3: The amounts herein set forth are hereby designated as the revenues to be collected by the District over the 40-year repayment term for the USDA-RD GO Bond Loan including interest at 3.25%:

Water User Fees	\$16,100,000.00
Capacity Fees	\$ 3,100,000.00
<b>TOTAL REVENUE</b>	<b>\$19,200,000.00</b>

SECTION 4: Authorized activities for the Central Pender Water & Sewer District Water Distribution Phase I Water Distribution Project include the expenditure of loan, grant and local funds for construction, engineering, site work, and contingency. The officials of Pender County are hereby directed to proceed with the project within the terms of the USDA-RD Letter of Conditions dated September 2, 2014, and the budget contained herein,

SECTION 5: The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to provide the accounting of the USDA-RD Loan and Grant, and federal, state and local regulations.

SECTION 6: Funds may be advanced from the general fund for the purpose of making payments as due. Reimbursement requests should be made to the appropriate grantor agency in an orderly and timely manner.

SECTION 6: Copies of this ordinance shall be filed with the Finance Director and the Clerk to the Board of Commissioners to be kept by them for their direction in carrying out this project.

This ordinance was introduced and passed at this meeting of the Board of Directors of the Central Pender Water and Sewer District, and was adopted this the 6th day of October, 2014.

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J. David Williams, Jr., Chairman

ATTEST:

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Bob Murphy, Clerk to the Board



**ITEMS FOR DISCUSSION**  
**October 6, 2014**

1. Items from County Attorney
2. Items from County Manager
3. Items from County Commissioners