

**RESOLUTION NO. 2015-01**

**A RESOLUTION AWARDING THE CONSTRUCTION WORK  
FOR THE CITY OF BREVARD  
SIX-INCH GRAVITY SEWER UPGRADE PROJECT**

WHEREAS, the City of Brevard has previously approved the City of Brevard 6-inch Gravity Sewer Upgrade Project, herein after; "The Project"; and

WHEREAS, the Project has received approval and permits from the NCDENR – DWQ state regulating agency; and

WHEREAS, the City of Brevard has secured funding for The Project through a secured loan from NCDENR - DWI in the amount of \$1,680,000 towards The Project; and

WHEREAS, the City of Brevard has received approval from the NC Department of State Treasurer, Local Government Commission to accept the loan; and

WHEREAS, the City of Brevard has placed The Project to public bid under state requirements, and has received bids that are within the established budget for The Project; and

WHEREAS, the City of Brevard, upon recommendation of the City's Consulting Engineers, Brown Consultants, PA, desires to accept the low bid, award and construct The Project; and

WHEREAS, in accordance with G.S. 143-129, the City of Brevard received formal proposals for the City Wide 6 Inch Gravity Sewer Upgrade Project at 11:00 A.M. on Thursday, January 22, 2015, at Brevard City Hall; and,

WHEREAS, after receiving the Bid Tabulation from this bid opening for the proposed project, the Brevard City Council now desires to approve an award of contract.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BREVARD, NORTH CAROLINA THAT:**

Section 1. A contract for the City Wide 6 Inch Gravity Sewer Upgrade Project (CWSRF Project No. CS3760676-04) is hereby awarded to Dillard Excavating Company, Incorporated, NC License #8893, 9411 August Road, Pelzer, SC 29669, for the bid price of \$1,148,215.00 as received at 11:00 A.M., on Thursday, January 22, 2015, in accordance with the City's bid documents for this Project.

Section 2. The City Manager upon award approval from the NCDENR DWQ, is authorized and directed to sign a contract with Dillard Excavating Co. Inc.

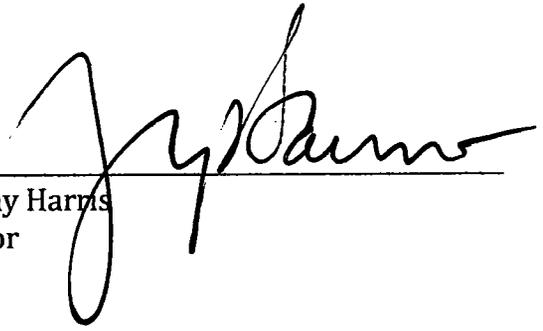
Section 3. The City Manager is authorized and directed to take all necessary actions required by the NCDENR DWQ to complete The Project, including all close out documents.

Section 4. The City Manager is authorized and directed to process and approve any required change orders up to The Project's budget limit that may be needed to complete The Project.

Section 5. The City Manager shall advise the Board periodically on the status of completion of The Project.

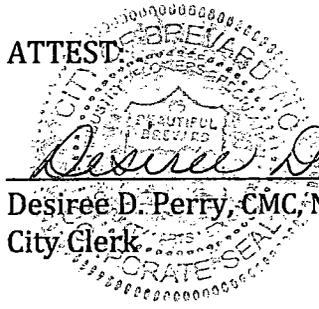
Section 6. This Resolution shall become effective upon its adoption and approval.

Adopted and approved this 2<sup>nd</sup> day of March, 2015.



Jimmy Harris  
Mayor

ATTEST

  
Desiree D. Perry, CMC, NCCMC  
City Clerk

PROMISSORY NOTE

For value received, the City of Brevard herein referred to as the "Unit," hereby promises to pay the State of North Carolina the principal sum of One Million Six Hundred Eighty Thousand Dollars (\$1,680,000) with interest on the unpaid principal sum, from the scheduled date of completion for a loan made to the Unit by the Department of Environment and Natural Resources for a Sanitary Sewer Project, herein referred to as the "Project," until said principal sum shall be paid.

Interest will accrue at the rate of 2.0 percent per annum on the unpaid principal sum from the Water Pollution Control Revolving Fund. The first payment is due not earlier than six months nor later than twelve months after the scheduled date of completion of the Project by The Department of Environment and Natural Resources - Division of Water Infrastructure. All payments will be made semi-annually, payable on or before May 1 and November 1. (see attached maturity schedule).

The principal sum shall be repaid in not more than 20 annual installments on May 1, the first principal payment is due not earlier than six months after the scheduled date of completion of the Project. The scheduled date of completion of the project is December 5, 2015.

The Unit may be required by the North Carolina Department of Environment and Natural Resources to prepay this note in whole and any further commitment of funds may be withdrawn if the Unit fails to: (i) adopt on or before completion of Project, place into effect, and agree to maintain until the principal sum is paid, a schedule of fees, charges, and other available funds, that will adequately provide for proper operation, maintenance, and administration of the project and for repayment of all principal of and interest on loans; (ii) arrange for necessary financing of the Project within one year of the date of acceptance of a revolving loan; (iii) award a contract for construction of the Project within one year of the date of acceptance of a revolving loan.

The principal sum will be used entirely within the intent of Water Pollution Control Revolving Fund for the purpose of acquiring, constructing and equipping the Project.

The Unit shall keep the Project continuously insured against such risks as are customarily insured against. In case of material damage to the Project, prompt notice shall be given to Department of Environment and Natural Resources. Proceeds from any insurance settlement shall either be used to reduce the unpaid principal amount or replace, repair, rebuild or restore the Project, in the discretion of the unit.

The Project will be made accessible for inspection by any duly authorized representative of the State.

This note is not secured by a pledge of the faith and credit of the State of North Carolina or of the Unit, but is payable solely from the revenues of the Project or benefited systems, or other available funds.

Payments of principal and interest on this Note shall be made directly to Department of Environment and Natural Resources. All obligations of the Unit hereunder shall terminate when all sums due and to become due pursuant to this Note have been paid. This Note shall be governed by, and construed in accordance with, the laws of the State of North Carolina.

The Unit agrees that any other monies due to the unit of local government from the State may be withheld by the State and applied to the payment of this obligation whenever the unit fails to pay any payment of principal or interest on this note when due.

The obligation of the Unit to make payments on this Note and observe all conditions herein stated shall be absolute and unconditional. The Unit shall not suspend or discontinue any such payment on this Note for any cause including, without limitation, failure to complete the Project, failure of title to all or any part of the Project, destruction or condemnation of all or any part of the Project.

In Witness Whereof, the City of Brevard caused this Note to be executed as of this date.

By [Signature]
Authorized Representative

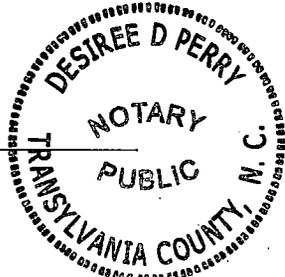
ACKNOWLEDGMENT OF EXECUTION

STATE OF North Carolina
COUNTY OF Transylvania

This 31st day of August, 2015, personally came before me James R. Fattland who, being by me duly sworn, says that he is the authorized representative of City of Brevard and that the said writing was signed by him, in behalf of said governmental unit by its authority duly given. And the said authorized representative acknowledged the said writing to be the act and deed of the said governmental unit.

[Signature]
Notary Public
Desiree D. Perry

My Commission Expires:
Aug. 05, 2017
(NOTARIAL SEAL)



**City of Brevard**  
**Amortization Schedule for Federal Revolving Loan**

Prepared by the Department of State Treasurer

Amount:	\$1,680,000	LGC Approval Date:	May 6, 2014
Term (Years):	20	Approval Amount:	\$1,680,000
Interest Rate:	2.00%	Loan Amount:	\$1,680,000
Est. Date of Completion:	December 5, 2015	Certified Completion Date:	
State Project Number:	CS370923-03		

Fiscal Year	Outstanding Balance	Interest Rate	Nov. 1 Interest Payment	May 1 Interest Payment	May 1 Principal Payment	Total Payment
11/01/16	\$ 1,680,000.00	2.00%	\$ 30,470.14	\$ -	\$ -	\$ 30,470.14
05/01/17	\$ 1,680,000.00	2.00%	\$ -	\$ 16,800.00	\$ 84,000.00	\$ 100,800.00
11/01/17	\$ 1,596,000.00	2.00%	\$ 15,960.00	\$ -	\$ -	\$ 15,960.00
05/01/18	\$ 1,596,000.00	2.00%	\$ -	\$ 15,960.00	\$ 84,000.00	\$ 99,960.00
11/01/18	\$ 1,512,000.00	2.00%	\$ 15,120.00	\$ -	\$ -	\$ 15,120.00
05/01/19	\$ 1,512,000.00	2.00%	\$ -	\$ 15,120.00	\$ 84,000.00	\$ 99,120.00
11/01/19	\$ 1,428,000.00	2.00%	\$ 14,280.00	\$ -	\$ -	\$ 14,280.00
05/01/20	\$ 1,428,000.00	2.00%	\$ -	\$ 14,280.00	\$ 84,000.00	\$ 98,280.00
11/01/20	\$ 1,344,000.00	2.00%	\$ 13,440.00	\$ -	\$ -	\$ 13,440.00
05/01/21	\$ 1,344,000.00	2.00%	\$ -	\$ 13,440.00	\$ 84,000.00	\$ 97,440.00
11/01/21	\$ 1,260,000.00	2.00%	\$ 12,600.00	\$ -	\$ -	\$ 12,600.00
05/01/22	\$ 1,260,000.00	2.00%	\$ -	\$ 12,600.00	\$ 84,000.00	\$ 96,600.00
11/01/22	\$ 1,176,000.00	2.00%	\$ 11,760.00	\$ -	\$ -	\$ 11,760.00
05/01/23	\$ 1,176,000.00	2.00%	\$ -	\$ 11,760.00	\$ 84,000.00	\$ 95,760.00
11/01/23	\$ 1,092,000.00	2.00%	\$ 10,920.00	\$ -	\$ -	\$ 10,920.00
05/01/24	\$ 1,092,000.00	2.00%	\$ -	\$ 10,920.00	\$ 84,000.00	\$ 94,920.00
11/01/24	\$ 1,008,000.00	2.00%	\$ 10,080.00	\$ -	\$ -	\$ 10,080.00
05/01/25	\$ 1,008,000.00	2.00%	\$ -	\$ 10,080.00	\$ 84,000.00	\$ 94,080.00
11/01/25	\$ 924,000.00	2.00%	\$ 9,240.00	\$ -	\$ -	\$ 9,240.00
05/01/26	\$ 924,000.00	2.00%	\$ -	\$ 9,240.00	\$ 84,000.00	\$ 93,240.00
11/01/26	\$ 840,000.00	2.00%	\$ 8,400.00	\$ -	\$ -	\$ 8,400.00
05/01/27	\$ 840,000.00	2.00%	\$ -	\$ 8,400.00	\$ 84,000.00	\$ 92,400.00
11/01/27	\$ 756,000.00	2.00%	\$ 7,560.00	\$ -	\$ -	\$ 7,560.00
05/01/28	\$ 756,000.00	2.00%	\$ -	\$ 7,560.00	\$ 84,000.00	\$ 91,560.00
11/01/28	\$ 672,000.00	2.00%	\$ 6,720.00	\$ -	\$ -	\$ 6,720.00
05/01/29	\$ 672,000.00	2.00%	\$ -	\$ 6,720.00	\$ 84,000.00	\$ 90,720.00
11/01/29	\$ 588,000.00	2.00%	\$ 5,880.00	\$ -	\$ -	\$ 5,880.00
05/01/30	\$ 588,000.00	2.00%	\$ -	\$ 5,880.00	\$ 84,000.00	\$ 89,880.00
11/01/30	\$ 504,000.00	2.00%	\$ 5,040.00	\$ -	\$ -	\$ 5,040.00
05/01/31	\$ 504,000.00	2.00%	\$ -	\$ 5,040.00	\$ 84,000.00	\$ 89,040.00
11/01/31	\$ 420,000.00	2.00%	\$ 4,200.00	\$ -	\$ -	\$ 4,200.00
05/01/32	\$ 420,000.00	2.00%	\$ -	\$ 4,200.00	\$ 84,000.00	\$ 88,200.00
11/01/32	\$ 336,000.00	2.00%	\$ 3,360.00	\$ -	\$ -	\$ 3,360.00
05/01/33	\$ 336,000.00	2.00%	\$ -	\$ 3,360.00	\$ 84,000.00	\$ 87,360.00
11/01/33	\$ 252,000.00	2.00%	\$ 2,520.00	\$ -	\$ -	\$ 2,520.00
05/01/34	\$ 252,000.00	2.00%	\$ -	\$ 2,520.00	\$ 84,000.00	\$ 86,520.00
11/01/34	\$ 168,000.00	2.00%	\$ 1,680.00	\$ -	\$ -	\$ 1,680.00
05/01/35	\$ 168,000.00	2.00%	\$ -	\$ 1,680.00	\$ 84,000.00	\$ 85,680.00
11/01/35	\$ 84,000.00	2.00%	\$ 840.00	\$ -	\$ -	\$ 840.00
05/01/36	\$ 84,000.00	2.00%	\$ -	\$ 840.00	\$ 84,000.00	\$ 84,840.00
			\$ 190,070.14	\$ 176,400.00	\$ 1,680,000.00	\$ 2,046,470.14

NOTE: The first interest payment is calculated for the period December 5, 2015 to November 1, 2016 on a 365-day basis (331 days). Subsequent interest payments are calculated on a six-month basis.



JANET COWELL  
TREASURER

NORTH CAROLINA  
DEPARTMENT OF STATE TREASURER  
STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

GREGORY C. GASKINS  
DEPUTY TREASURER

August 26, 2015

*6" Sewer Upgrade*

Mr. Joseph M. Moore, II, PE, City manager  
City of Brevard  
95 West Main Street  
Brevard, North Carolina 28712

Re: Maturity Schedule and Promissory Note  
\$1,680,000 Revolving Loan  
Federal Project #CS370476-04

Dear Mr. Moore,

Enclosed is a maturity schedule reflecting the principal and interest payments on the City's above-referenced revolving loan note.

Our office will notify you before each payment is due in the form of a "Notice of Bond Principal and Interest Due" statement. Your office should receive this statement approximately 30 days before each payment date.

Enclosed also, please find two (2) copies of the promissory note for your Revolving Loan. Please complete and notarize **both** copies and return **one** (1) to:

North Carolina Department of State Treasurer  
Attn: Dianne Kelly  
State and Local Government Finance Division  
3200 Atlantic Avenue  
Raleigh, NC 27604

If you have any questions, please feel free to contact me at 919-814-4282.

Sincerely,

*Dianne Kelly*  
Dianne Kelly  
Debt Management

Enclosures