

STATE OF NORTH CAROLINA  
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES  
DIVISION OF WATER QUALITY

OFFER AND ACCEPTANCE FOR STATE LOAN FOR WASTEWATER TREATMENT WORKS  
PROJECTS UNDER THE NORTH CAROLINA CLEAN WATER REVOLVING  
LOAN & GRANT ACT OF 1987 AND THE  
FEDERAL CLEAN WATER ACT AMENDMENTS OF 1987 and AMERICAN RECOVERY AND  
REINVESTMENT ACT OF 2009

**SECTION I - OFFER**

Legal Name & Address of Applicant  <b>County of Pitt</b> <b>1717 W. 5th Street</b> <b>Greenville, North Carolina 27834-1696</b>	Federal Project No. <b>2W370878-01</b>  State Project No. <b>E-SRF-T-09-0222</b>  <b>RECEIVED</b>  JUL 15 2009  <b>CONSTRUCTION GRANTS &amp; LOAN SECTION</b>
Total Estimated Project Cost	<b>\$ 1,802,264.00</b>
Total ARRA Assistance Amount Offered	<b>\$ 1,802,264.00</b>

Description of Project: **GUC Pactolus & Stokes Elementary Schools Pump Station & Force Main Project**

Consideration having been given by the Department of Environment and Natural Resources to (a) the application submitted by the applicant in accordance with the Rules Governing State Loans for Wastewater Treatment Works Projects Pursuant to the North Carolina Clean Water Revolving Loan & Grant Act of 1987, the Federal Clean Water Act Amendments of 1987 and the American Recovery and Reinvestment Act of 2009, (b) the public benefits to be derived by the construction of this project, (c) the relation of public necessity for the system, and (d) the adequacy of the provisions made or proposed by the applicant for assuring proper and efficient operation and maintenance of the system after completion of the construction thereof, and it having been determined that (1) the applicant is an eligible unit of government, (2) the project meets the eligibility criteria for State loans, and (3) the project has been approved and certified by the Department of Environment and Natural Resources as being entitled to priority for State loan funds made available by the Federal Clean Water Act Amendments of 1987 and the American Recovery and Reinvestment Act of 2009.

The Department of Environment and Natural Resources, acting on behalf of the State of North Carolina, hereby offers:


To make an ARRA loan to the above named applicant subject to the conditions and assurances included in this document to aid in financing the construction of the project pursuant to the Rules Governing State Loans for Wastewater Treatment Works Projects. The amount of the State loan will not exceed the appropriate percentage, as established by the Act, of such dollar limitation as established herein.

In addition, this Offer is made subject to the following conditions:

1. **The maximum term of this loan shall not exceed 20 years at an interest rate of zero percent (0 %) per annum. The total loan to be repaid shall be ½ of the total project costs reimbursed. Principal forgiven shall be ½ of the total project costs reimbursed.**
2. **There is no closing fee for this loan.**
3. **This Offer must be accepted, if at all, within forty-five (45) days of receipt.**
4. **In addition to the assurances in Section II, the attached Standard Conditions for Federal SRF Loans are incorporated into this Loan Offer upon execution.**

For The State of North Carolina:

Dee Freeman, Secretary  
North Carolina Department of Environment and Natural Resources

Signature		Date <i>6/10/09</i>
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## SECTION II - ASSURANCES

The Applicant hereby gives assurance to the Department of Environment and Natural Resources:

- A. The final plans and specifications have or will be approved by the Division of Water Quality and the applicant so notified, prior to the project being advertised or placed on the market for bids.
- B. The construction contract(s) requires the contractor to furnish performance and payment bonds, each of which is in an amount of not less than one hundred percentum (100%) of the contract price; and to maintain during the life of the contract(s) adequate fire, extended coverage, workmen's compensation, public liability, and property damage insurance.
- C. The construction of the project, including the letting of contracts in connection therewith, conforms to the applicable requirements of State and local laws and ordinances.
- D. Any change or changes in the approved plans and specifications or contract(s) which (has/have) made or will make any major alteration in the work required by the plans and specifications, or which increases the cost of the project above the latest estimate approved by the Department of Environment and Natural Resources, was or will be submitted to the Division of Water Quality for approval.
- E. The construction contract(s) provides that any duly authorized representative of the State will have access to the work whenever it is in preparation or progress, and that the contractor will provide proper facilities for such access and inspection.

- R. Within thirty (30) days of the date of completion of the project, the applicant will make available to the Construction Grants Section staff all project costs, for the purpose of making final adjustments to the Revolving Loan and debt instrument. The final debt instrument for ARRA projects will reflect repayment of ½ of the total project's reimbursed costs.
- S. All principal payments will be made annually on or before May 1<sup>st</sup>. The first principal payment is due not earlier than six months after the original date of completion of the project.
- T. In accordance with G.S. 159-26(b)(6), a capital project fund is required to account for all debt instrument proceeds used to finance capital projects. It is required that a capital project ordinance, in accordance with G.S. 159-13.2, be adopted by the governing board authorizing all appropriations necessary for the completion of the project. A copy of the approved ordinance must be submitted to this office before submitting the first reimbursement request.
- U. The applicant will comply with all applicable Sections of the American Recovery and Reinvestment Act of 2009. Special attention is brought to Section 1605, Buy American provisions, and Section 1606, Davis-Bacon requirements, which must be incorporated into the contract documents for the project.

**Certification required by Section 1511 of the American Recovery and Reinvestment Act of 2009**

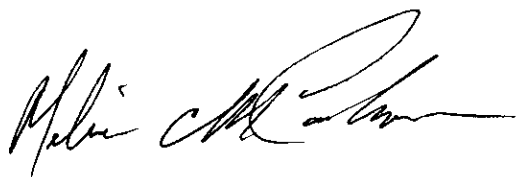
By signing this Loan Offer the Authorized Representative certifies that the project as described in this Loan Offer and in the approved Engineering Report and Plans and Specifications has received the full review and vetting required by law. Further, the Authorized Representative certifies that this project is an appropriate use of taxpayer dollars. The project will have an estimated total cost and receive ARRA funds estimated in the amount shown in Section I of this Loan Offer.

**SECTION III - ACCEPTANCE**

On Behalf of:

**County of Pitt**

I, the undersigned, being duly authorized to take such action, as evidenced by the attached CERTIFIED COPY OF AUTHORIZATION BY THE APPLICANT'S GOVERNING BODY, do hereby accept this Offer and make the assurances and accept the conditions contained therein.

Signature		Date	6/30/09
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Name of Representative in Resolution, Title (Type or Print)