



City of Greensboro

Melvin Municipal
Office Building
300 W. Washington Street
Greensboro, NC 27401

Agenda Report

File Number: 2024-645

Agenda Item# I.3.

Agenda Date: 9/24/2024. **Department:** Water Resources

Meeting Type: Council Meeting **Category:** General Business Agenda

Title: 2024 - 645 Resolution Authorizing and Approving Bond Anticipation Notes and the Amendment and Restatement of a Joint Governmental Agreement Regarding the Piedmont Triad Regional Water Authority

Council Priority: Place an 'x' in the box.

- | | |
|--|--|
| <input type="checkbox"/> Safest City | <input type="checkbox"/> Most Skilled Workforce |
| <input type="checkbox"/> Easiest Place to Do Business | <input type="checkbox"/> Most Connected City |
| <input type="checkbox"/> Youth Sports Capital | <input type="checkbox"/> Hub of Recreation and Entertainment |
| <input type="checkbox"/> Abundance of Attainable Housing | <input checked="" type="checkbox"/> Other/Admin <u>Infrastructure Improvements</u> |

Council District: All

Public Hearing: No

Advertising Date/By: N/A

Contact 1 and Phone: Mike Borchers, Ext. 2494

Contact 2 and Phone: Kristine Williams, Ext. 2556

PURPOSE:

The Piedmont Triad Regional Water Authority (PTRWA) is preparing to design and construct an upgrade and expansion to the PTRWA water treatment plant. PTRWA is seeking to finance construction activities through bond anticipation notes (BANs). All six PTRWA members must approve the BANs and a joint governmental agreement for their financing in order to proceed with construction activities.

BACKGROUND:

As part of the City's membership and joint ownership of the Piedmont Triad Regional Water Authority (PTRWA), the City participates in costs to upgrade and expand the PTRWA water treatment plant as needed. To meet new regulatory requirements tied to "forever chemicals", support future economic development, and meet regional growth demands, PTRWA is planning an upgrade to add treatment to remove emerging contaminants, such as PFAS, as well as increase the plant's capacity from 14.7 to 26.7 million gallons per day (MGD). These improvements are currently estimated at \$176 million. PTRWA has selected a design builder and plans to begin construction in early 2025, with completion projected in 2029. Greensboro will be receiving 89% of the expansion capacity to support the City's growth and economic development efforts, and owns 53% of PTRWA's existing capacity, so Greensboro's estimated

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allocation of the cost of the project is approximately \$125 million. At completion, Greensboro's PTRWA allocation is expected to be 18.52 MGD, up from 7.836 MGD.

BUDGET IMPACT:

The City is responsible for its share of interest-only payments during construction. These costs are budgeted in the Water and Sewer Operations Fund annually. The estimated interest over the life of the BAN is \$4,668,064, with an average annual cost of \$1,931,613.

ACCOUNT NUMBER:

501-70-7027001.5932

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council authorize and approve bond anticipation notes and the amendment and restatement of a joint governmental agreement to support upgrade and expansion at the Piedmont Triad Regional Water Authority.