

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
NOVEMBER 16, 2011**

1. Call to Order and Roll Call:

The regular monthly meeting of the Metropolitan Sewerage District Board was held in the Boardroom of MSD's Administration Building at 2:00 p.m., Wednesday, November 16, 2011. Chairman Aceto presided with the following members present: Bryson, Creighton, Haner, Kelly, Manheimer, Root, Russell, Stanley, VeHaun and Watts. Ms. Bellamy was absent.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill with McGill Associates, Inc., Marcus Jones with Henderson County, Stan Boyd, Jim Hemphill, Ed Bradford, Ken Stines, Mike Stamey, Scott Powell, Peter Weed, Angel Banks, Julie Willingham, Ben Reeves, Shaun Armistead, Gilbert Karn, Jason Brigmon, Jason Price, Mike Rice and Sondra Honeycutt, MSD.

2. Inquiry as to Conflict of Interest:

Mr. Aceto asked if there were any conflicts of interest with the agenda items. No conflicts were reported.

3. Approval of Minutes of the October 19, 2011 Meeting:

Mr. Aceto asked if there were any changes to the Minutes of the October 19, 2011 Board Meeting. With no changes, the Minutes were adopted by acclamation.

4. Discussion and Adjustment of Agenda:

None

5. Informal Discussion and Public Comment:

Mr. Aceto welcomed Mr. Jones.

6. Report of General Manager:

Mr. Hartye reported that staff just returned from the NC AWWA-WEA Conference in Concord, NC. He stated that the highlight of the conference was the Operations Challenge where MSD's "Flow Motion" team won the overall challenge and won two out of three competitions that go into the overall challenge. He congratulated and recognized team members, Jason Brigmon (Captain), Gilbert Karn, Jason Price, Shaun Armistead, Mike Rice (Alternate), and Ben Reeves (Coach). He further stated that the team will represent all of North Carolina in the National Competition at the Water Environment Federation's 2011 WEFTEC Conference next fall in New Orleans, Louisiana.

Mr. Hartye reported that MSD received an email regarding a call from Julia Capps regarding her praise for MSD and French Broad Paving crews.

Mr. Hartye called on Mr. McGill for an update on the Moffitt Study Bill. Mr. McGill reported that the Research Staff has contacted him regarding the twelve (12) items listed in the Study Bill. He stated that because the Research Staff is unclear as to exactly what they are looking for, they will seek internal clarification as to the kind of information they can manage in the time frame given. He further reported that the first meeting of the Study Committee is scheduled for January to consider the Asheville Water System history and future. A subsequent meeting will be held in February to hear from the public. Mr. McGill stated that the local Task Force is waiting for additional contact from the Research Staff to determine exactly what is needed. A meeting of the Task

Force is scheduled for November 22nd at 9:00 a.m. The location will be confirmed in the next few days.

Mr. Hartye reported that the next Right of Way Committee meeting is scheduled for December 7th at 9a.m and the next Regular Board Meeting will be held December 14th at 2p.m.

7. Consolidated Motion Agenda:

a. Consideration of Acceptance of Developer Constructed Sewer Systems - The Cottages on Liberty Green Sewer Extension and Indian Branch Sewer Extension Projects:

Mr. Hartye reported that the Cottages on Liberty Green included the installation of approximately 123 linear feet of 8" gravity sewer to serve a seven (7) unit residential development. The Indian Branch Sewer included the installation of approximately 703 linear feet of 8" gravity sewer to serve a twenty (20) unit residential subdivision. Staff recommends acceptance of the developer constructed sewer systems. All MSD requirements have been met.

b. Consideration of Bids for Three (3) 3500 Series 4x4 Cab/Chassis Trucks:

Mr. Hartye reported that it's the District's policy to annually evaluate the condition of fleet vehicles and purchase replacements when the estimated cost of repair and maintenance will exceed the cost of a new one. The Equipment Review Committee recommended the purchase of three (3) 3500 Series 4x4 Cab/Chassis Trucks. The following bids were received and opened on November 7, 2011: Ilderton Dodge; High Point, NC with a total bid of \$34,532.00/each; Buchanan and Young; Burnsville, NC with a total bid of \$33,894.00/each and Egolf of Hendersonville, NC with a total bid of \$33,616.00/each. Staff recommends award of the bid to Egolf of Hendersonville, NC in the amount of \$33,616.00/each. Mr. Watts asked if a bid package was sent to the Ford dealership in Spartanburg, SC, who has the State contract on Fords. Ms. Willingham said no, that the District has standardized on Dodge Trucks for compatibility of service and parts. Mr. Haner asked if MSD surpluses the trucks that are being replaced. Mr. Hartye explained that these trucks are rotated down then placed on Gov. Deals as surplus. He stated that a presentation will be given next month on the process for truck replacement.

c. First Quarter Budget to Actual Review:

Mr. Powell reported that Domestic User Fees are slightly below budgeted expectations. This is due to the impact of new software implementation at the City which has had impacts on billing cycles and cash receipts patterns. He stated that in a conversation with the City Water Department, those patterns have been addressed and MSD should start seeing a normal cash receipt trend starting in December. Facility and Tap Fees are slightly below budgeted expectations due to the unpredictable nature of collections and developments. Interest and miscellaneous income are at budgeted expectations. Mr. Powell further reported that on the expenditure side, O&M expenditures are at 30.4% of budget. They include encumbered amounts which has elevated the budget to actual ratio slightly above 25%. Bond Principal and Interest actually spent are less than budget due to actual variable interest rates averaging .16% basis points as well as timing of the debt service for principal and interest payments. Amounts budgeted for capital equipment and capital projects are rarely expended proportionately throughout the year, but as of the end of the year MSD will be at budgeted expectations.

d. Cash Commitment/Investment Report – Month Ended September 30, 2011:

Mr. Powell reported that Page 2 presents the makeup of the District's Investment Portfolio. There has been no change in the makeup of the portfolio from the prior month. Page 3 is the MSD Investment Manager Report as of the month of September. The weighted average maturity of the investment portfolio is 373 days. The yield to maturity is .83% and is exceeding MSD bench marks of the 6 month T-Bill and NCCMT cash portfolio. Page 6 is the MSD Variable Debt Service report. Both the 2008 A&B Series are performing better than budgeted expectations. As of the end of July, both issues have saved District customers approximately \$4.6 million dollars in debt service.

e. Series 2008 A&B Supplemental Resolution and Approval of New Remarketing Agent:

Mr. Powell presented three (3) resolutions; two supplemental resolutions for the Series 2008 A&B bonds and one for approval of a remarketing agent. He reported that at the October Board meeting, he communicated to the Board that the District's current remarketing agent, Banc of America Securities, LLC was not remarketing the bonds to their fullest potential. As a result, the Finance Committee recommended to the Board that the District change its remarketing agent to Wells Fargo, NA. He explained that in order to do this, it was necessary to broaden the language of both the 2008 Series A&B Resolutions to allow a National Association bank to be included as a remarketing agent, which are Exhibits 1 and 2. Exhibit 3 is a Resolution to have Wells Fargo, NA as the successor remarketing agent. He stated that Wells Fargo, NA has agreed to operate under the terms and conditions of the Remarketing Agreements dated March 1, 2008 between the District and Banc of America Securities, LLC, including the current annual remarketing fee of .10%. He added that Wells Fargo, NA is approved as a remarketing agent by the Local Government Commission. Mr. Clarke stated that under the existing language of the Series Resolutions, Wells Fargo, NA did not qualify as a remarketing agent which is the reason for the amendment. Mr. Powell stated that staff recommends approval of the proposed supplemental Series Resolutions (Exhibits 1 & 2) which broaden the language of qualified remarketing agents. Also, approval of the proposed resolution approving Wells Fargo, NA as successor remarketing agent for the Series 2008 A&B revenue bonds (Exhibit 3).

Mr. VeHaun moved that the Board approve the recommendations of staff. Mr. Stanley seconded the motion. With no discussion, Mr. Aceto called for the question. Roll call vote was as follows: 11 Ayes; 0 Nays.

8. Old Business:

Mr. Aceto reported that he attended the Asheville City Council meeting to present the joint MSD/City of Asheville letter drafted by the Planning Committee to Tim Moore, Chair of the Legislative Research Commission for Council's review and approval. Mr. Haner asked if the Research Staff said anything about another local subcommittee. Mr. McGill said no.

9. New Business:

None

10. Adjournment:

With no further business, Mr. Aceto called for adjournment at 2:20 p.m.

MSD

Regular Board Meeting

Metropolitan Sewerage District
of Buncombe County, NC

AGENDA FOR 11/16/11

✓	Agenda Item	Presenter	Time	
	Call to Order and Roll Call	Aceto	2:00	
	01. Inquiry as to Conflict of Interest	Aceto	2:05	
	02. Approval of Minutes of the October 19, 2011 Board Meeting.	Aceto	2:10	
	03. Discussion and Adjustment of Agenda	Aceto	2:15	
	04. Informal Discussion and Public Comment.	Aceto	2:20	
	05. Report of General Manager	Hartye	2:25	
	06. Consolidated Motion Agenda	Hartye	2:40	
	a. Consideration of Developer Constructed Sewer Systems: The Cottages on Liberty Green and Indian Branch Subdivision.	Hartye		
	b. Consideration of Bids for 3500 Series Trucks – Fleet Replacements.	Hartye		
	c. Consideration of First Quarter Budget to Actual Financial Statements	Powell		
	d. Cash/Commitment Investment Report Month Ending September 30, 2011	Powell		
	e. Consideration of 2008 A&B Series Resolution Amendment and New Remarketing Agent	Powell		
	07. Old Business	Aceto	2:55	
	08. New Business:	Aceto	3:00	
	09. Adjournment (Next Meeting December 14, 2011)	Aceto	3:05	

APPROVAL OF MINUTES

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
OCTOBER 19, 2011**

1. Call to Order and Roll Call:

The regular monthly meeting of the Metropolitan Sewerage District Board was held in the Boardroom of MSD's Administration Building at 2:00 p.m., Wednesday, October 19, 2011. Chairman Aceto presided with the following members present: Bellamy, Bryson, Creighton, Haner, Kelly, Manheimer, Root, Russell, Stanley, VeHaun and Watts.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill with McGill Associates, Inc., Joseph Martin with Woodfin Sanitary Water & Sewer District, Jerry Sternberg, Developer, Ed Bradford, Stan Boyd, Scott Powell, Mike Stamey, Ken Stines, John Kiviniemi, Jim Hemphill, Angel Banks, Wesley Banner, Julie Willingham, Matthew Walter, Sondra Honeycutt, MSD.

2. Inquiry as to Conflict of Interest:

Mr. Aceto asked if there were any conflicts of interest with the agenda items. No conflicts were reported.

3. Approval of Minutes of the September 21, 2011 Meeting:

Mr. Aceto asked if there were any changes to the Minutes of the September 21, 2011 Board Meeting. Mr. Clarke stated that the percentages reported in the Right of Way Committee Report, Page 4, Paragraph 2, Line 7, should read. "Mr. Clarke stated that only about 7.6% of cases are filed, and of those, about half contest initially and less than 3.8% actually go to mediation." With no further changes, Mr. Russell moved that the Minutes be adopted as changed. Ms. Bryson seconded the motion. Voice vote in favor of the motion was unanimous.

4. Discussion and Adjustment of Agenda:

None

5. Informal Discussion and Public:

Mr. Aceto welcomed Mr. Martin.

6. Report of General Manager:

Mr. Hartye reported that annually, MSD sends out a System Performance Annual Report (SPAR) to customers of the wastewater treatment works and/or collection system along with a press release. He stated that a detailed report can be found on MSD's website.

Mr. Hartye reported that MSD currently has an agreement to provide treatment services for the Cane Creek Water and Sewer District (CCWSD). He stated that CCWSD has a small staff and contract out much of the operation and maintenance of its collection system, which consists of 60 miles of sewers and 7 pump stations. The current agreement with MSD provides for 1.35 MGD while the current flow is only at approximately 700,000 gallons per day. He further reported that in 2009, CCWSD completed a Master Plan that identified a potential future need of 3 MGD. In 2010, following the study, officials of CCWSD, he and Gary McGill met several times to consider two (2) different options: (1. Amending the existing agreement (or drafting a new agreement) to commit to provide future needed treatment service to CCWSD and (2. Bringing CCWSD into MSD, for which a due diligence was done to determine what this would entail. He stated that he and Gary McGill looked at pump stations, maps, CIP, financials, etc. and presented this information to the MSD Planning Committee as an

information item. At that time, CCWSD hired a consultant to evaluate siting a new treatment plant, versus the aforementioned options. They are currently pursuing a new consultant to provide a similar study.

Mr. Hartye presented several articles for reading. He reported that the October 26th Right of Way Committee Meeting has been cancelled. The next meeting will be held December 7th. The next regular Board Meeting will be held November 16th at 2 p.m.

Mr. Aceto welcomed Mr. Sternberg who joined the meeting.

Mr. Sternberg stated that he is a resident of Buncombe County and writes a column for Mountain Express called "The Gospel According to Jerry". He noted his most recent article having to do with MSD vs. Morance and MSD vs. Riverside Partnership LLC. He stated that the right of Eminent Domain is one of the most powerful and necessary rights conferred upon any municipal body or private utility, and the basic intent of that right is fairness to property owners. The problem with putting this right in the hands of utilities or municipalities is the opportunity for abuse of the property owner; not necessarily intentional. Utilities have their own staff, attorneys, appraisers, engineers, etc., while property owners have none of these resources and typically do not fight, except for him. He further stated that when a property owner gets a letter that his property will be taken, he is faced with three (3) options: Take the offer, hire a lawyer and go to mediation, or go to court; his case was "empirical evidence" of what happens with appraisals. He went on to say that his land was appraised at \$152,000 an acre and 6/10 mile down the road within six months, a piece of land, the same size, near the freeway, on the river, etc. was appraised for \$1.2 million an acre. He stated that he is not sure if this is an exception, but believes there are many errors in the appraisal process, especially with commercial property, which is more difficult to appraise than residential. Mr. Sternberg cited NC General Statute 40A. This statute gives the option to the property owner to have a Commission appointed by the Clerk of Court to make an evaluation of the taking. He explained how the process works. He stated that because only 8 to 13% of condemnation cases are ever challenged, and although not mandated, he would like MSD to be proactive and consider using this method and err on the side of the owner. He further stated that MSD has a great legal team, but should have an informal group to review appraisals as an alternative to the present system. Mr. VeHaun asked Mr. Sternberg if he is aware of any utilities that use this method. Mr. Sternberg said it was done all the time. Mr. Haner asked if the Commission would be appointed by the Clerk of Court. Mr. Sternberg said he is not sure. With no further questions, Mr. Aceto thanked Mr. Sternberg for his time.

7. Report of Committees:

Right of Way Committee

Mr. Kelly reported that the Right of Way Committee met September 28, 2011 to hear a presentation by Ms. Banks on a review of CIP Right of Way procedures, including updates to the policy. Also, the Committee considered a Compensation Budget for Moore Circle PRP, and considered Condemnations on the Willowbrook Road Sanitary Sewer Rehabilitation Project. Mr. Aceto called on Ms. Banks for an overview of the presentation. Ms. Banks stated that the purpose of the presentation was to review the methodology used, what staff went through in negotiations with property owners and how MSD developed its standard of compensation, and some of the policies and procedures surrounding the whole process.

In reference to Mr. Sternberg's presentation, Mr. Haner asked if it would be appropriate for the Right of Way Committee to look at his suggestion in coordination with MSD's current policies to see if there is any merit for adjustment. Mr. Kelly stated that what Mr. Sternberg is suggesting is mandated with regard to private utilities as far as

appointing a Commission if both parties agree, and what he is suggesting for MSD is that it comply with that, although MSD is not obligated to do so. Mr. Aceto asked Mr. Clarke to check into this and report his findings to the Right of Way Committee at its next meeting.

Planning Committee

Mr. Root reported that the Planning Committee met October 17, 2011 to consider two (2) items; first, a draft letter. He stated that the MSD was led to understand the Legislative Research Commission (LRC) is moving forward with appointing a subcommittee. At the August 29th meeting of the Planning Committee Mr. Aceto and Mr. Clarke were directed to draft a letter to the Speaker of the N.C. House of Representatives regarding the passage of HB 925 concerning MSD and the City of Asheville. Although the bill has not passed, the (LRC) was given direction to conduct the study. At the September 17th meeting of the Planning Committee, it reviewed the letter drafted by Mr. Clarke and certain changes were made to the substance of the letter. Also, a number of additions were made as to whom the letter should go to.

Mr. Root further reported that the Committee then considered the local committee make-up. At that time, Representative Moffitt joined the meeting and a very open and useful discussion followed. Mr. Root stated that Mr. Moffitt talked about the fact that he understood that the process by which this came about was not the best way it could have been done. He stated that his interest in this comes from being a long-term citizen of Asheville and, the water issue like education, has always been prevalent and thought it would be useful to have some type of public discussion that would lead to a conclusion to the issue. He mentioned the five (5) Representatives appointed to the subcommittee and explained that under the rules, this committee can only meet a total of four (4) times. With that being the case, he is pressing to get the most value out of each of those meetings. He further stated that staff was allocated to the subcommittee, and as Chair, he will meet with them next week and go through all the issues so they can gather information to feed into the legislative subcommittee and that he is open to input from the MSD and the City of Asheville. Mr. Root stated that Mr. Moffitt went over the three options to be considered by the legislative subcommittee, 1.) No change in service providers, 2.) City of Asheville Water system will merge with the MSD, or 3.) Form a separate independent authority like the MSD. The subcommittee will also address the twelve (12) issues listed in the letter from the Speaker of the House to Representative Tim Moore, Chairman of the LRC.

Mr. Root reported that the Planning Committee recommends to the full MSD Board and the City Council that a local committee be formed (or Special Task Force) to assemble the information delineated in HB 925 along with other pertinent information in order to provide input to the LRC subcommittee. The local committee shall report all findings to the MSD Board and City Council. In addition, the committee shall consider the three models of providing service 1.) No change in service providers, 2.) City of Asheville Water system will merge with the MSD, or 3.) Form a separate independent authority like the MSD. The local committee shall be comprised of two (2) members from the MSD Board and two (2) members of City Council, with Gary McGill as consultant and facilitator. The Planning Committee voted to have Al Root and Bob Watts represent the MSD Board on the local Committee. Ms. Manheimer asked for a clarification on the action items. Mr. Root stated there are two action items; the letter and the Committee's recommendation regarding the make-up of a local committee. Mr. Haner asked when the local committee meets, will the rest of the Board be able to attend as an interested observer. Mr. Root said he envisions the meetings being open. Mr. Russell moved that the Board approve the letter as revised. Mr. Kelly stated that the logos of the City and MSD on the same page may appear as one and the same. Also, the wording in the second paragraph is not broad enough, since all the ratepayers of MSD

and the users of the City of Asheville water will be affected. Mr. Aceto asked what the thinking was behind writing a combined letter and whether it might be better to write two separate letters. Ms. Bellamy called for a second to Mr. Russell's motion before further discussion. Mr. Root seconded the motion. A discussion followed regarding the wording of the letter. Mr. Clarke suggested revising the sentence to read: "As the ratepayers and users of the Metropolitan Sewerage District of Buncombe County and the ratepayers and users of the City of Asheville water system could be affected substantially by the work of this subcommittee." Mr. Kelly agreed to the change. Mr. Russell amended his motion with the language change. Mr. Haner asked Mr. Aceto what his thoughts were on a separate letter. Mr. Aceto said he feels better about a separate letter and the two logos together make it appear as if we are talking about the same agency. Ms. Manheimer stated that in her opinion, maintaining separateness is ineffectual and that it's more powerful to say we talk to each other and would like to collectively provide input. With regard to the second paragraph of the letter, Mr. Haner suggested adding "and staff" after the word "subcommittee". Mr. McGill agreed with the change, but suggested further modification by adding, "each being currently separate and independent entities". Mr. Clarke re-read the paragraph and suggested the Legislature is aware the entities are separate. With no further discussion, Mr. Aceto called for the question to approve the letter with the modifications discussed and deliver to City Council for consideration. Voice vote in favor of the motion was unanimous.

Mr. VeHaun moved that the Board adopt the recommendation of the Planning Committee as presented. Mr. Watts seconded the motion. Ms. Manheimer stated the only thing she would add is that it was mentioned, not as members of the committee, but that the staff from both entities would support the Committee. With no further discussion, voice vote in favor of the motion was unanimous.

8. Consolidated Motion Agenda:

a. Consideration of Compensation Budget – Moore Circle PRP:

Mr. Hartye reported that the project consists of approximately 1600 linear feet of existing 8" clay pipe with 8" ductile iron pipe. The Right of Way Committee recommends approval of the Compensation Budget.

b. Consideration of Condemnations – Willowbrook Road Sanitary Sewer Rehabilitation:

Mr. Hartye reported that the Right of Way Committee recommends authority to obtain appraisal and proceed with condemnations.

c. Consideration of Bid for Water Reclamation Facility Electrical Improvements – Equipment Procurement:

Mr. Hartye reported that MSD is in the midst of a multi-year electrical system upgrade at the plant which will significantly enhance its reliability. He reported that there are three parts to the project with the first two complete and include: 1.) Addition of Automatic Transfer Switch for the Existing Generator, which provides the ability to test the existing 2 megawatt backup generator under a fully loaded state while the power is still on. 2.) Alternate Power Source from Substation, which will allow the automatic transfer of main plant power to the newly added "Division Street" circuit, should the plant's main Craggy circuit fail. The two banks of new transformers now supply these circuits and increases external reliability by over 90%. 3.) Improvements to Internal Distribution System and Additional Backup Generators, which is comprised of adding two 1MW generators to the existing 2MW backup system. The procurement contract was advertised and the following bid was

received on October 6, 2011: Carolina CAT, Charlotte, NC in the amount of \$934,812.93. The FY 11-12 budget for this project is \$1,000,000.00. Staff recommends that the District award the procurement contract to Carolina Caterpillar in the amount of \$934,812.93, subject to review and approval by District Counsel. Mr. Watts asked if MSD has looked at any modification to the fence to prevent either unintentional or intentional vehicular attack on the switchgear. Mr. McGill stated that it has been looked at, but will need to wait to get the other contracts to see what can be done to better protect that equipment.

d. Consideration of Bids for Pipe Rating Contract No. VI – Lining:

Mr. Hartye reported this project has been generated thru the District's Pipe Rating Program. He stated that not mentioned is the Flow Monitoring and Smoke Testing Programs that are in place to identify areas that bring infiltration/inflow (I&I). Lines in this contract are located in four sub-basins within the City and County and totals 10,988 LF. The following bids were received on October 6, 2011: Buckeye Construction Company with a total bid of \$926,000.00; Terry Brothers Contruction Company with a total bid of \$778,995.00, and Improved Technologies Group with a total bid of \$778,564.00. Staff recommends award of this contract to Improved Technologies Group in the amount of \$778,564.00, subject to review and approval by District Counsel.

e. Cash Commitment/Investment Report – Month Ended August 31, 2011:

Mr. Powell reported that Page 2 presents the makeup of the District's Investment Portfolio and there has been no change in the makeup of the portfolio from the prior month. Page 3 is the MSD Investment Manager Report as of the month of August. The weighted average maturity of the investment portfolio is 325 days and the yield to maturity is 1.02% and is exceeding bench marks of the 6 month T-Bill and NCCMT cash portfolio. Page 4 is an analysis of the District's Cash Receipts. Monthly domestic sewer revenue is considered reasonable based on timing of cash receipts in connection to the Munis Billing System implementation at the City of Asheville. Monthly YTD Industrial Sewer Revenue as well as Facility and Tap Fees are considered reasonable due to historical trends. Page 5 is an analysis of the District's Expenditures. Monthly and YTD expenditures are considered reasonable based on historical trends. Page 6 is MSD's Variable Debt Service Report as of the end of September. Both the 2008 A&B Series are performing better than budgeted expectations. As of the end of September, both issues have saved the District customers approximately \$4.3 million dollars in debt service.

Mr. Watts moved that the Board adopt the consolidated motion agenda as presented. Mr. VeHaun seconded the motion. With no discussion, Mr. Aceto called for the question. Roll call vote was as follows: 11 Ayes; 0 Nays. Ms. Bellamy was absent during the vote.

9. Old Business:

None

10. New Business:

Mr. Kelly reported that the Finance Committee met today to consider a Resolution for removal of the District's remarketing agent. He stated that this has to do with \$53,030,000 of variable rate revenue bonds of which \$33,095,000 has an interest rate swap where Banc of America Securities, LLC acts as the remarketing agent, and has not done a very good job of remarketing them. He further stated that the Finance Committee recommends to the Board that the proposed Resolution, authorizing the

General Manager and Director of Finance to begin the process of removing the remarketing agent for the Series 2008 A&B revenue bonds and appoint one or more successor remarketing agent(s) be adopted.

Mr. Powell reported that the District currently has its Liquidity Agreement with Bank of America, NA (BofA) in the event the bonds become tendered and there are no other individuals that will buy the bonds. He stated that as it stands, the downgrade has not affected the liquidity itself, but there is a potential of that impact. He explained that the reason why the District is replacing the current remarketing agent is because they are highly leveraged in (BofA) back paper. Taking that into consideration, the District is charged a premium for Banc of America Securities, LLC to place the paper in the market. He further stated that there are other remarketing agents that are placing the same type back paper, same credit quality utilities in a market right at market rate, which is the SIFMA Index and there are some that are being provided better than the SIFMA Index. He further reported that the District also has a banking relationship with (BofA) which is the Operating Account; a contingency of having a Liquidity Agreement with (BofA). He stated that this is fully collateralized under the Pooling Method with the State Treasurer's Office, therefore, if anything happens to (BofA), the District's monies are intact and there is no exposure to the District. With no discussion, Mr. Aceto called for the question on the Committee's recommendation as presented. Roll call vote was as follows: 11 Ayes; 0 Nays. Ms. Bellamy was absent during the vote.

11. Adjournment:

With no further business, Mr. Aceto called for adjournment at 3:03 p.m.

Jackie W. Bryson, Secretary/Treasurer

REPORT OF GENERAL MANAGER

MEMORANDUM

TO: MSD Board
FROM: Thomas E. Hartye, P.E., General Manager
DATE: November 10, 2011
SUBJECT: Report from the General Manager

- Kudos

See attached email regarding a call from Julia Capps regarding her praise for MSD and French Broad Paving crews.

- Update on Moffitt Study Bill

Please read the attached article. The task force will hopefully meet within the next 7-10 days to gather information to supply the LRC staffers. Gary McGill will update the Board as to what we know as far as process at the Board Meeting.

- Reading

- Article from Mountain Xpress regarding Moffitt Study Bill

- Board/Committee Meetings/Events

The next Right of Way Committee Meeting will be held at 9am on December 7th. The next Regular Board Meeting will be December 14th at 2 pm.

Subject: FW: Customer Appreciation of work done on Ruby Ave. Black Mountain
Date: Thursday, November 3, 2011 10:27:53 AM Eastern Daylight Time
From: Hemphill, Jim
To: Hartye, Tom

From: Tolley, Lisa
Sent: Thursday, November 03, 2011 10:22 AM
To: Hemphill, Jim; Thomas, Pam
Cc: Stines, Ken; Bryant, Eric; Gass, Keith; Meadows, Shane; Stamey, Mike
Subject: FW: Customer Appreciation of work done on Ruby Ave. Black Mountain

The crews that responded were as follows:

Robert Burnett
James Beaver
Furman Dean
Chris Johnson
Shane Meadows
Eric Dawson
Scott Graham
Marvin Felder

From: Phillips, Linda
Sent: Thursday, October 20, 2011 11:20 AM
To: Tolley, Lisa
Subject: Customer Appreciation of work done on Ruby Ave. Black Mountain

Julia Capps from Ruby Ave. in Black Mountain called and wanted to give praise to the crews that came and work on sewer line recently. She was very impressed with how they were taking care of the issue. She also was happy with French Broad Paving. All around just pleased with all aspects. House at #207 is her rental house, but she live on Ruby Ave. too. Her phone # is 669-8153

Linda
Dispatcher
System Services



ncmatters

Toe in the water

Legislators set to study water system's future

by Nelda Holder

With a third short session convening Nov. 7, the N.C. General Assembly's leadership has now announced a fourth, slated for Nov. 28-30. Meanwhile, January will bring the first meeting of the study committee considering the Asheville water system's sensitive history — and its future.

Rep. **Tim Moffitt**, the Buncombe County Republican who chairs the Legislative Research Commission's Metropolitan Sewage/Water System Committee, says it plans to hear from the public at its second meeting, in February.

Although the research staff has been assigned, "It's going to take them awhile ... to really get a handle on the issues that have been in dispute," Moffitt said Nov. 2. He expects an informational website to launch soon. "Everything we come up with will go on that," he noted, adding, "I want to be transparent through this entire process." The site, he said, will also take public comment.

Earlier this year, Moffitt sponsored HB 925 which, in its original form, required Asheville

to transfer its water system to the Metropolitan Sewerage District — an inflammatory move in a city and county with a contentious water history. But the final version of Moffitt's bill instead established the study committee, charged with exploring the idea of consolidating water and sewer services in "large cities located entirely within a metropolitan sewerage district," such as Asheville. The committee will also consider requiring the city to convey its water system to the larger district, as well as related issues affecting communities in other parts of the state, said Moffitt, noting that he has no predetermined objective but simply wants "what's best for ratepayers." And for Asheville, that means "The water system could remain in the city; it could become independent like MSD or become part of MSD."

Asked if a potential state-mandated transfer of a city-owned water system to an independent authority might be a step toward for-profit management of water resources, Moffitt answered: "Oh, no; privatization has never been even a consideration on my part. You're talking about a very important part of everyone's life.

"My goal is to really, once and for all, bring to the surface the true story about our [Asheville area] water system and make the best decision that's in the best interest of the ratepayers," Moffitt concluded.

The committee's other members are: **Chuck McGrady** (Henderson County), **Bill Brawley** (Mecklenburg County) and **Tom Murry** (Wake County), all Republicans, plus Democrat **William Brisson** (Bladen/Cumberland counties).

To learn more about the history of Asheville's water system, see "Water Torture" by Jonathan Barnard (March 23, 2005 Xpress). ☎

Nelda Holder can be reached at nfholder@gmail.com.

CONSOLIDATED MOTION AGENDA

Metropolitan Sewerage District of Buncombe County

Board Action Item

BOARD MEETING DATE: November 16, 2011

SUBMITTED BY: Thomas Hartye, P.E., General Manager

PREPARED BY: David Monteith, Kevin Johnson

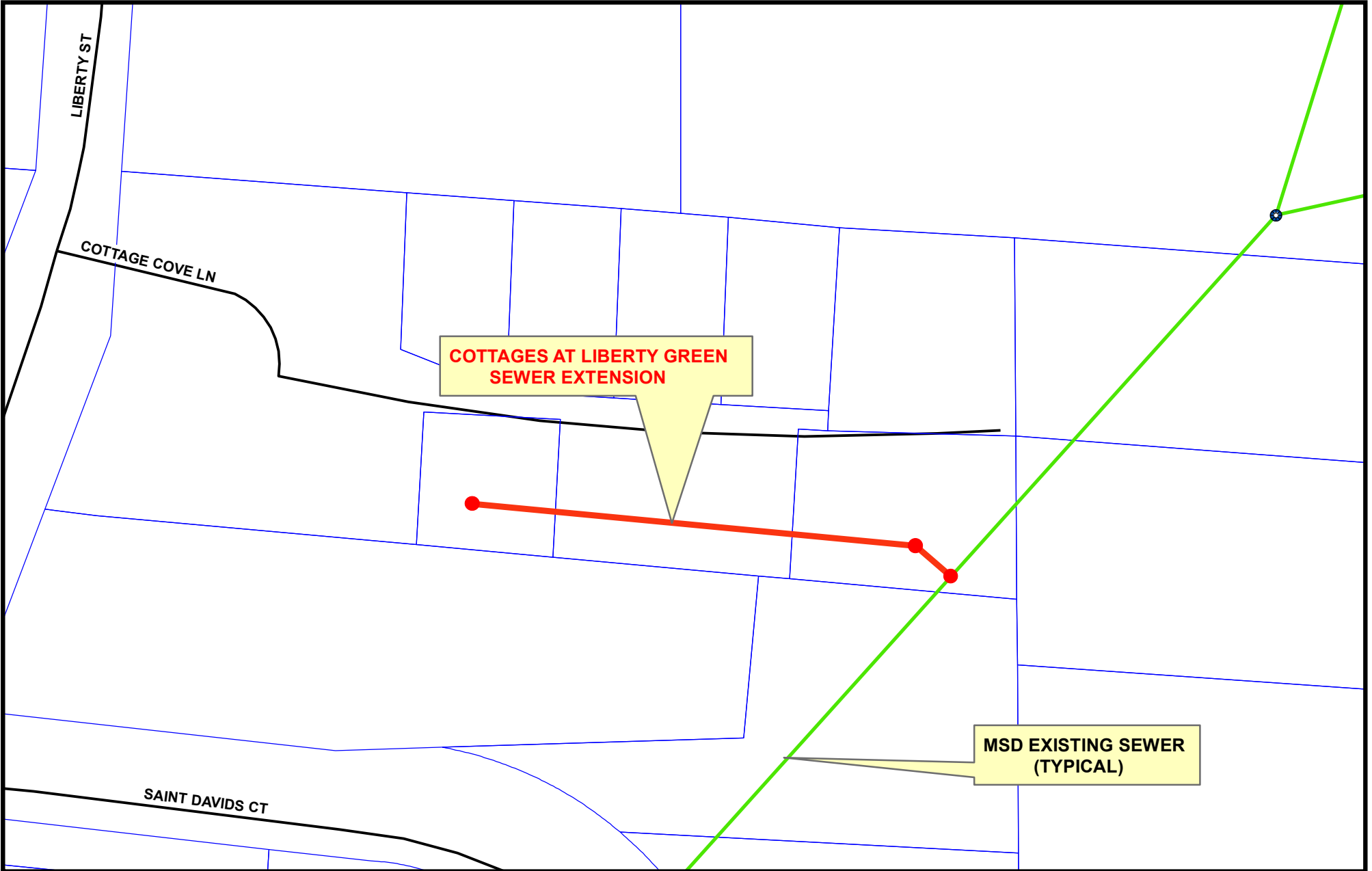
REVIEWED BY: Stan Boyd, PE, Engineering Director

SUBJECT: Acceptance of Developer Constructed Sewer System for the Cottages on Liberty Green Sewer Extension Project.

BACKGROUND: This project is located inside the District boundary off Liberty Street in the City of Asheville. The developer of the project is Jennifer Scott of First Troy SPE, LLC. The project included the installation of approximately 123 linear feet of 8" gravity sewer to serve a seven (7) unit residential development. A wastewater allocation was issued in the amount of 2,000 GPD for the project. The estimated cost of the sewer extension is \$22,000.00.

STAFF RECOMMENDATION: Acceptance of developer constructed sewer system.
(All MSD requirements have been met)

COMMITTEE ACTION TAKEN	
Motion by :	To: <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove
Second by:	<input type="checkbox"/> Table <input type="checkbox"/> Send back to staff
<input type="checkbox"/> Other:	
BOARD ACTION TAKEN	
Motion by	To: <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove
Second by:	<input type="checkbox"/> Table <input type="checkbox"/> Send back to staff
<input type="checkbox"/> Other:	



**COTTAGES AT LIBERTY GREEN
SEWER EXTENSION**

**MSD EXISTING SEWER
(TYPICAL)**



Project # 2007297

Not To Scale



METROPOLITAN SEWERAGE DISTRICT of BUNCOMBE COUNTY, NORTH CAROLINA
Cottages at Liberty Green Sewer Extension

Metropolitan Sewerage District of Buncombe County

Board Action Item

BOARD MEETING DATE: November 16, 2011

SUBMITTED BY: Thomas Hartye, P.E., General Manager

PREPARED BY: David Monteith, Kevin Johnson

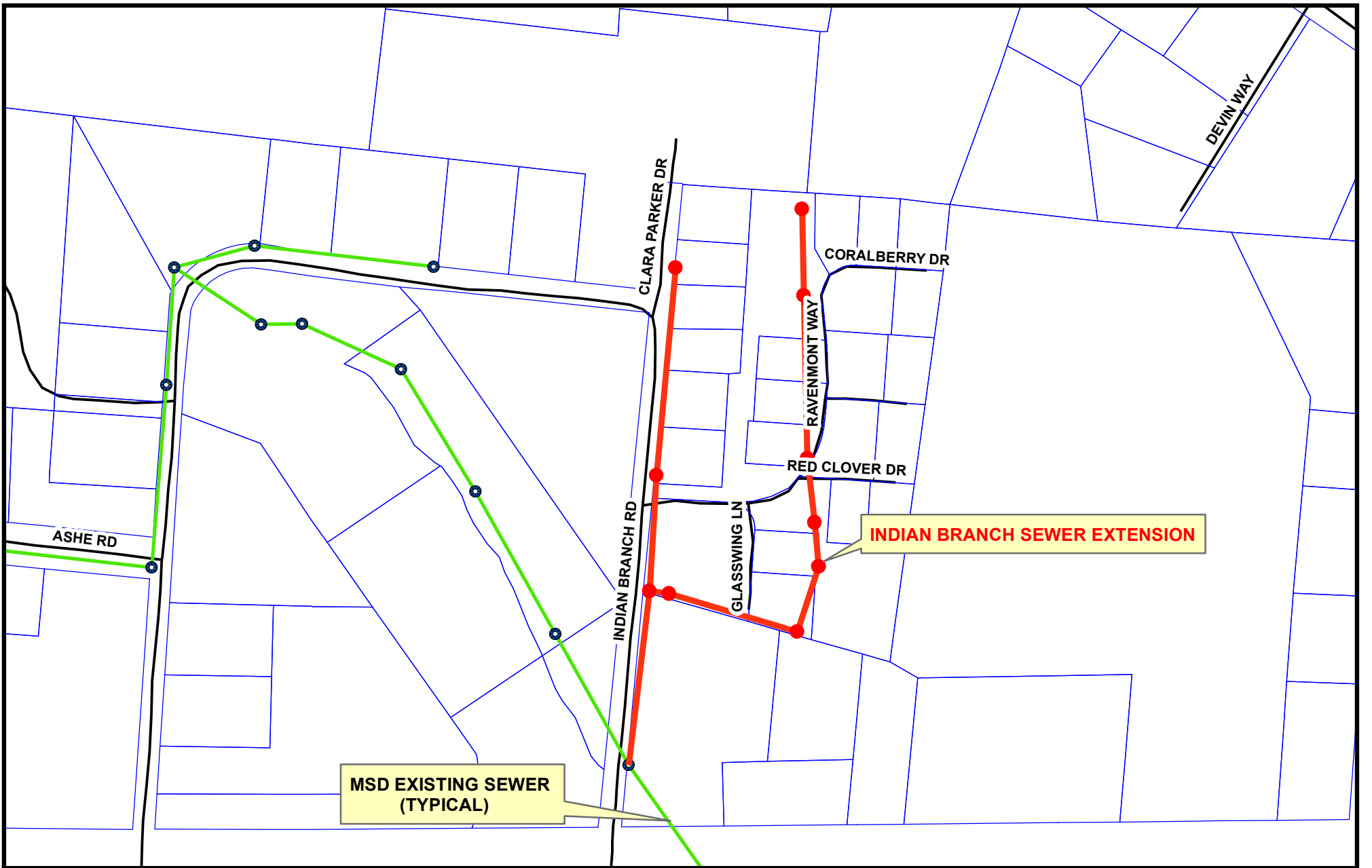
REVIEWED BY: Stan Boyd, PE, Engineering Director

SUBJECT: Acceptance of Developer Constructed Sewer System for the Indian Branch Sewer Extension Project.

BACKGROUND: This project is located inside the District boundary off Indian Branch Road in the Town of Candler. The developer of the project is Robbie Kirkpatrick. The project included the installation of approximately 703 linear feet of 8" gravity sewer to serve a twenty (20) unit residential subdivision. A wastewater allocation was issued in the amount of 12,000 GPD for the project. The estimated cost of the sewer extension is \$50,000.00. .

STAFF RECOMMENDATION: Acceptance of developer constructed sewer system.
(All MSD requirements have been met)

COMMITTEE ACTION TAKEN	
Motion by :	To: <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove
Second by:	<input type="checkbox"/> Table <input type="checkbox"/> Send back to staff
<input type="checkbox"/> Other:	
BOARD ACTION TAKEN	
Motion by	To: <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove
Second by:	<input type="checkbox"/> Table <input type="checkbox"/> Send back to staff
<input type="checkbox"/> Other:	



Project # 2005154

Not To Scale



METROPOLITAN SEWERAGE DISTRICT
of
BUNCOMBE COUNTY, NORTH CAROLINA

**Indian Branch
Sewer Extension**

Metropolitan Sewerage District of Buncombe County Board Action Item

Meeting Date: November 16, 2011

Subject: 3500 Series 4x4 Cab/Chassis Truck Replacement - Fleet Purchase

Prepared by: Peter Weed, Administration Division Director
Julie Willingham, CLGPO; Purchasing Supervisor
Neil Hall, Fleet Manager

Reviewed by: Billy Clarke, District Counsel
Scott Powell, CLGFO; Finance Director

Background: The District's policy is to annually evaluate the condition of fleet vehicles and purchase replacements when the estimated cost of repair and maintenance will exceed the cost of a new one. At the March 11, 2011, Equipment Review Committee meeting, the members recommended the purchase of three (3) 3500 Series 4x4 Cab/Chassis Trucks, as presented to this Board for approval. This purchase was included in the FY2012 Budget.

Discussion: Pursuant to North Carolina Purchasing Statutes and MSD Procedures, bids for the trucks were faxed to four vendors and an advertisement placed on the MSD web site. Three bid packages were received from three different vendors and opened on November 7, 2011 at 3:00 pm. Egolf of Hendersonville was the lowest responsive bidder to the MSD specifications. The bids are summarized below. Because the total cost of these trucks exceeds \$90,000.00, the contract must receive Board approval.

Fiscal Impact: The total cost of this contract will be \$100,848.00, and funds are budgeted in the Fleet Replacement Fund.

Staff Recommendation: Staff recommends that the bid from Egolf of Hendersonville be awarded.

Vendor	Cost each
Buchanan and Young; Burnsville, NC	\$33,894.00
Ilderton Dodge; High Point, NC	\$34,532.00
Egolf of Hendersonville; Hendersonville, NC	\$33,616.00

Metropolitan Sewerage District of Buncombe County

BOARD INFORMATIONAL ITEM

Meeting Date: November 16, 2011

Submitted By: Thomas E. Hartye, PE., General Manager

Prepared By: W. Scott Powell, CLGFO, Director of Finance

Subject: First Quarter Budget to Actual Review

Background

At the end of each quarter, actual revenue and expenditure amounts are compared with the budget to evaluate the District's financial performance. The attached schedule includes year-to-date actual amounts as of September 30, 2011 as well as the adopted budget for FY 11-12.

Discussion

There are several explanatory notes at the bottom of the page to assist in using this schedule as a management tool. Other considerations are as follows:

- ★ Domestic and Industrial User Fees are slightly below budget expectations. The City of Asheville's water department implemented a new billing system as of July 1, 2011. This has impacted billing cycles as well as cash receipts. As of November 4, 2011, the District has received all funds and revenues are at budgeted expectations. Staff will continue to monitor both the number of customers and consumption data as they both have a direct effect on the District's future budgets and business plan.
- ★ Facility and Tap Fees, also conservatively budgeted, can be significantly higher or lower than budget. Facility and Tap fees are slightly below budgeted expectations due to the unpredictable nature of collections.
- ★ Interest and miscellaneous income are at budgeted expectations.
- ★ Rental income reflects expected earnings.
- ★ O&M expenditures are at 30.36% of budget. The expenditures include encumbered amounts, which has elevated the budget to actual ratio slightly above 25%. The aforementioned encumbrances will be spent in the future.
- ★ Bond principal and interest actually spent is less than 25% of budget. This is due to the timing of the District's debt service payments. The District is required to make a semi-annual interest payment on December 1, 2011 and a principal and semi-annual interest payment on July 1, 2012.
- ★ Amounts budgeted for capital equipment and capital projects are rarely expended proportionately throughout the year and are expected to be fully spent prior to the end of the year.

Meeting Date: November 16, 2011

Subject: First Quarter Budget to Actual Review

Page 2

**Metropolitan Sewerage District
Budget to Actual Revenue and Expenditure Report
For the three months ending 09/30/2011
UNAUDITED--NON-GAAP**

	Budget	Actual to Date	% Budget to Actual
REVENUES			
Domestic User Fees ¹	\$ 25,030,400	\$ 6,027,631	24.08%
Industrial User Fees	1,602,660	431,589	26.93%
Facility Fees	1,250,000	271,604	21.73%
Tap Fees ²	105,000	58,400	55.62%
Billing and Collection	657,810	146,487	22.27%
Interest and Misc. Income	601,064	183,204	30.48%
Employee Contribution to Health Ins.	460,079	111,930	24.33%
City of Asheville (Enka Bonds) ³	37,000	-	0.00%
Rental Income	67,872	19,176	28.25%
Use of Available Funds ⁴	13,446,618	-	0.00%
Total Revenues⁵	\$ 43,258,503	\$ 7,250,021	16.76%
EXPENDITURES			
Operations and Maintenance ⁶	\$ 14,425,869	\$ 4,380,232	30.36%
Bond Principal and Interest ⁷	8,371,858	188,560	2.25%
Capital Equipment (Other than O&M) ⁶	773,000	340,429	44.04%
Capital Projects ⁶	18,687,776	8,309,244	42.21%
Contingency	1,000,000	-	0.00%
Total Expenditures	\$ 43,258,503	\$ 13,218,466	30.56%

Notes:

¹ Revenues are on the cash basis

² Increase in number of Taps requiring Bore Fees

³ Payment to be received in May

⁴ Pay-as-go funds to be used for CIP

⁵ Budget-to-Actual Ratio does not include use of available funds

⁶ Includes encumbered amounts as well as actual insurance expenditures

⁷ Below 25% because 100% of principal payments due on July 1, 2012 for the entire FY12

Staff Recommendation

None – Informational only.

Action Taken

Motion by: _____ to Approve _____ Disapprove _____
Second by: _____ Table _____ Send to Committee _____
Other: _____
Follow-up required: _____
Person responsible: _____ **Deadline:** _____

Metropolitan Sewerage District of Buncombe County

BOARD INFORMATIONAL ITEM

Meeting Date: November 16, 2011

Submitted By: Thomas E. Hartye, PE., General Manager

Prepared By: W. Scott Powell, CLGFO, Director of Finance

Subject: Cash Commitment/Investment Report-Month Ended September 30, 2011

Background

Each month, staff presents to the Board an investment report for all monies in bank accounts and specific investment instruments. The total investments as of September 30, 2011 were \$37,669,127. The detailed listing of accounts is available upon request. The average rate of return for all investments is 1.058%. These investments comply with North Carolina General Statutes, Board written investment policies, and the District's Bond Order.

The attached investment report represents cash and cash equivalents as of September 30, 2011 does not reflect contractual commitments or encumbrances against said funds. Shown below are the total investments as of September 30, 2011 reduced by contractual commitments, bond funds, and District reserve funds. The balance available for future capital outlay is (\$2,744,461).

Total Cash & Investments as of 09/30/2011	37,669,127
Less:	
Budgeted Commitments (Required to pay remaining FY12 budgeted expenditures from unrestricted cash)	
Construction Funds	(15,963,871)
Operations & Maintenance Fund	(11,146,559)
	(27,110,430)
Bond Restricted Funds	
Bond Service (Funds held by trustee):	
Funds in Principal & Interest Accounts	(11,038)
Debt Service Reserve	(2,666,139)
Remaining Principal & Interest Due	(7,218,026)
	(9,895,203)
District Reserve Funds	
Fleet Replacement	(551,205)
WWTP Replacement	(762,510)
Maintenance Reserve	(813,689)
	(2,127,404)
Post-Retirement Benefit	(683,733)
Self-Funded Employee Medical	(596,818)
Designated for Capital Outlay	(2,744,461)

Staff Recommendation

None. Information Only.

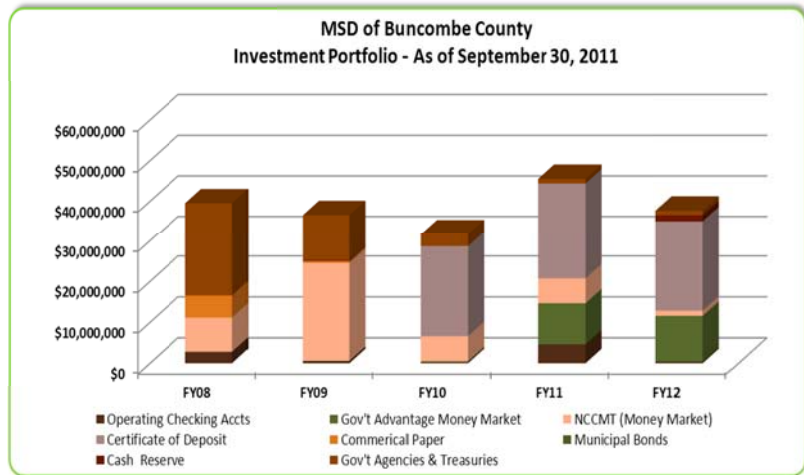
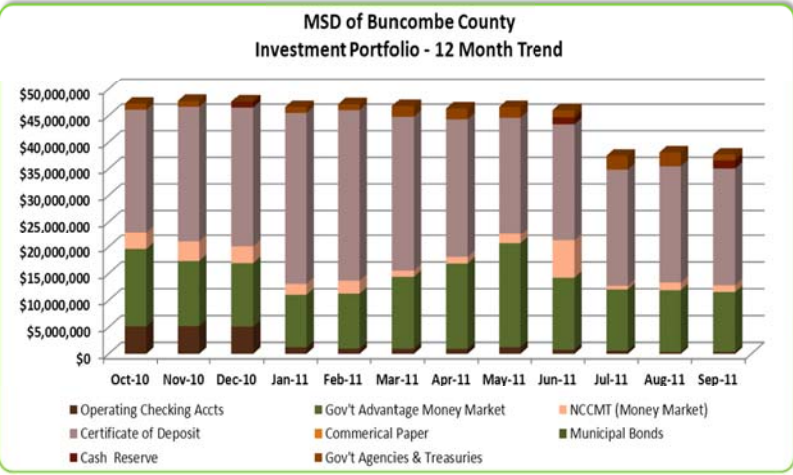
Action Taken

Motion by:	to	Approve	Disapprove
Second by:		Table	Send to Committee
Other:			
Follow-up required:			
Person responsible:			Deadline:

**Metropolitan Sewerage District of Buncombe County
Investment Portfolio**

	Operating Checking Accounts	Gov't Advantage Money Market	NCCMT (Money Market)	Certificate of Deposit	Commercial Paper	Municipal Bonds	Cash Reserve	Gov't Agencies & Treasuries	Total
Held with Bond Trustee	\$ -	\$ -	\$ 56,323	\$ -	\$ -	\$ -	\$ 1,504,688	\$ 1,116,166	\$ 2,677,177
Held by MSD	384,627	11,155,835	1,215,505	22,235,983	-	-	-	-	34,991,950
	<u>\$ 384,627</u>	<u>\$ 11,155,835</u>	<u>\$ 1,271,828</u>	<u>\$ 22,235,983</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,504,688</u>	<u>\$ 1,116,166</u>	<u>\$ 37,669,127</u>

<u>Investment Policy Asset Allocation</u>	<u>Maximum Percent</u>	<u>Actual Percent</u>	
U.S. Government Treasuries, Agencies and Instrumentalities	100%	6.96%	No significant changes in the investment portfolio as to makeup or total amount.
Bankers' Acceptances	20%	0.00%	
Certificates of Deposit	100%	59.02%	The District's YTM of .83% is exceeding the YTM benchmarks of the 6 month T-Bill and NCCMT Cash Portfolio.
Commercial Paper	20%	0.00%	
North Carolina Capital Management Trust	100%	3.38%	
Checking Accounts:	100%		All funds invested in CD's, operating checking accounts, Gov't Advantage money market are fully collateralized with the State Treasurer.
Operating Checking Accounts		1.02%	
Gov't Advantage Money Market		29.62%	



Board Meeting

November 16, 2011

Subject: Cash Commitment/Investment Report-Month Ended September 30, 2011

Page -3-

**METROPOLITAN SEWERAGE DISTRICT
INVESTMENT MANAGERS' REPORT
AT SEPTEMBER 30, 2011**

Summary of Asset Transactions

	Original		Interest
	Cost	Market	Receivable
Beginning Balance	\$ 34,637,496	\$ 34,637,496	\$ 285,586
Capital Contributed (Withdrawn)	(595,159)	(595,159)	
Realized Income	101,459	101,459	(99,131)
Unrealized/Accrued Income	-	-	24,162
Ending Balance	<u>\$ 34,143,796</u>	<u>\$ 34,143,796</u>	<u>\$ 210,617</u>

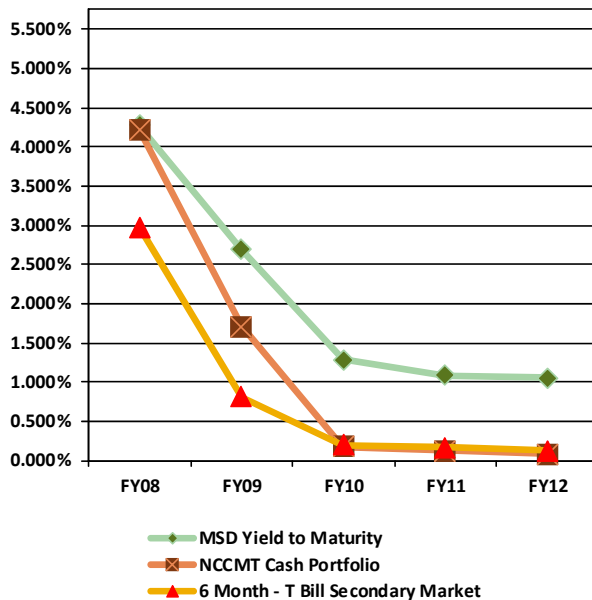
Value and Income by Maturity

	Original Cost		Income
Cash Equivalents <91 Days	\$ 11,907,813	\$ 9,239	
Securities/CD's 91 to 365 Days	22,235,983	\$ 17,252	
Securities/CD's > 1 Year	-	\$ -	
	<u>\$ 34,143,796</u>	<u>\$ 26,490</u>	

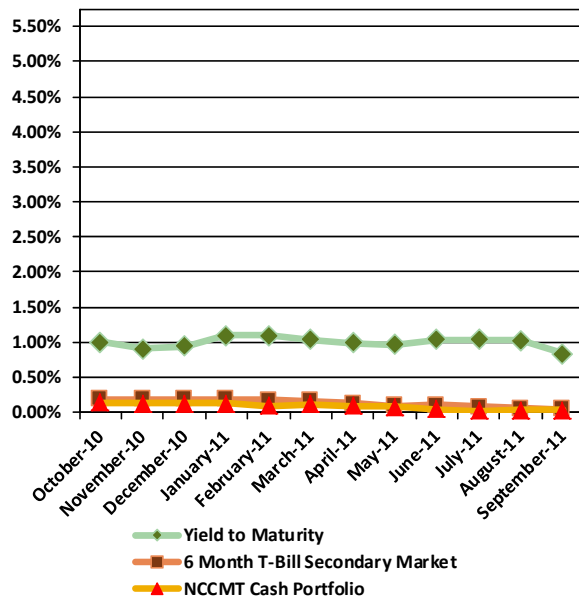
Month End Portfolio Information

Weighted Average Maturity	373 Days
Yield to Maturity	0.83%
6 Month T-Bill Secondary Market	0.04%
NCCMT Cash Portfolio	0.03%

**Metropolitan Sewerage District
Annual Yield Comparison**



**Metropolitan Sewerage District
Yield Comparison - September 30, 2011**



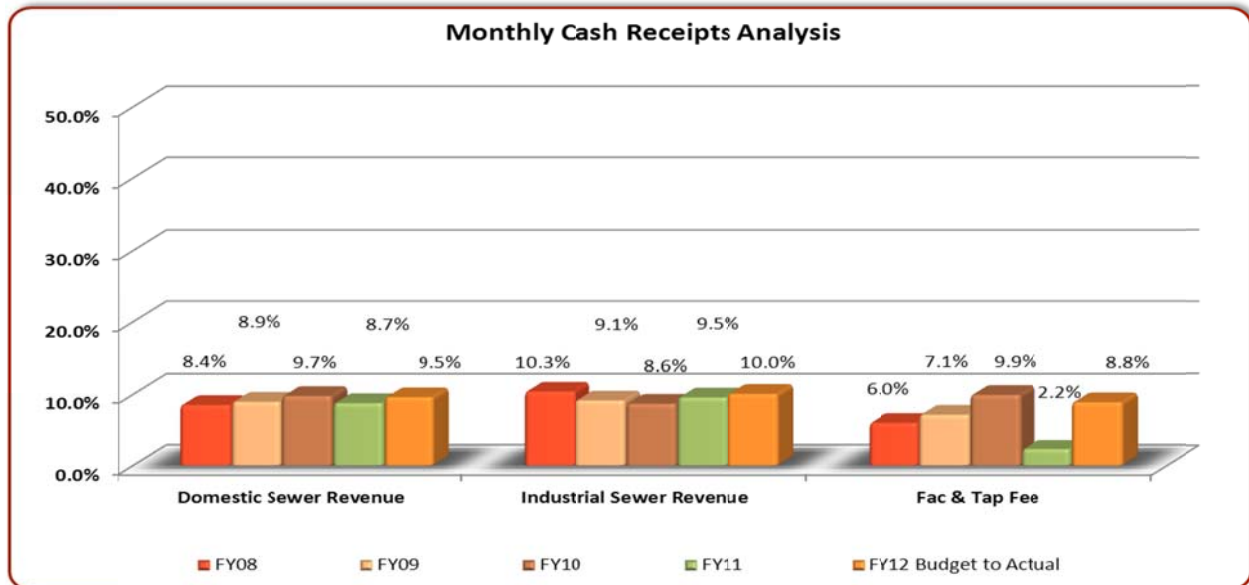
Board Meeting

November 16, 2011

Subject: Cash Commitment/Investment Report-Month Ended September 30, 2011

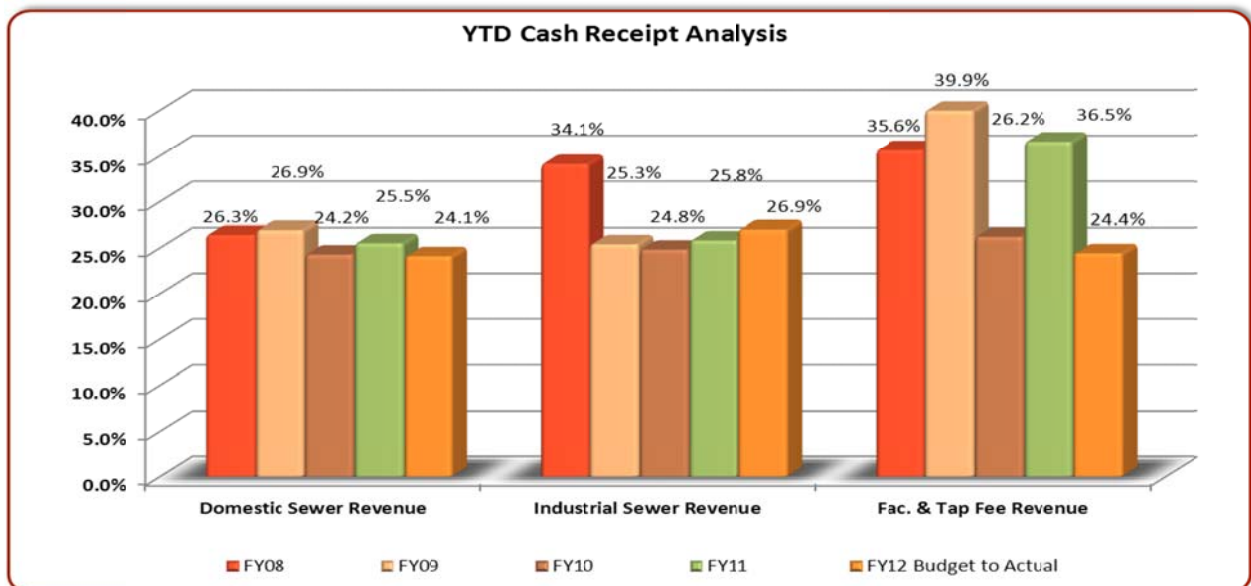
Page -4-

**METROPOLITAN SEWERAGE DISTRICT
ANALYSIS OF CASH RECEIPTS
AS OF SEPTEMBER 30, 2011**



Monthly Cash Receipts Analysis:

- ✦ Due to the City of Asheville’s implementation of their Munis Billing System, cash receipts were delayed. This impacted July receipts and will be resolved in the following month.
- ✦ Monthly industrial sewer revenue is considered reasonable based on historical trends.
- ✦ Due to the unpredictable nature of facility and tap fee revenue, staff considers facility and tap fee revenue reasonable.



YTD Actual Revenue Analysis:

- ✦ Due to the City of Asheville’s implementation of their Munis Billing System, cash receipts were delayed. This impacted July receipts and will be resolved in the following month.
- ✦ YTD industrial sewer revenue is considered reasonable based on historical trends.
- ✦ Due to the unpredictable nature of facility and tap fee revenue, staff considers facility and tap fee revenue reasonable.

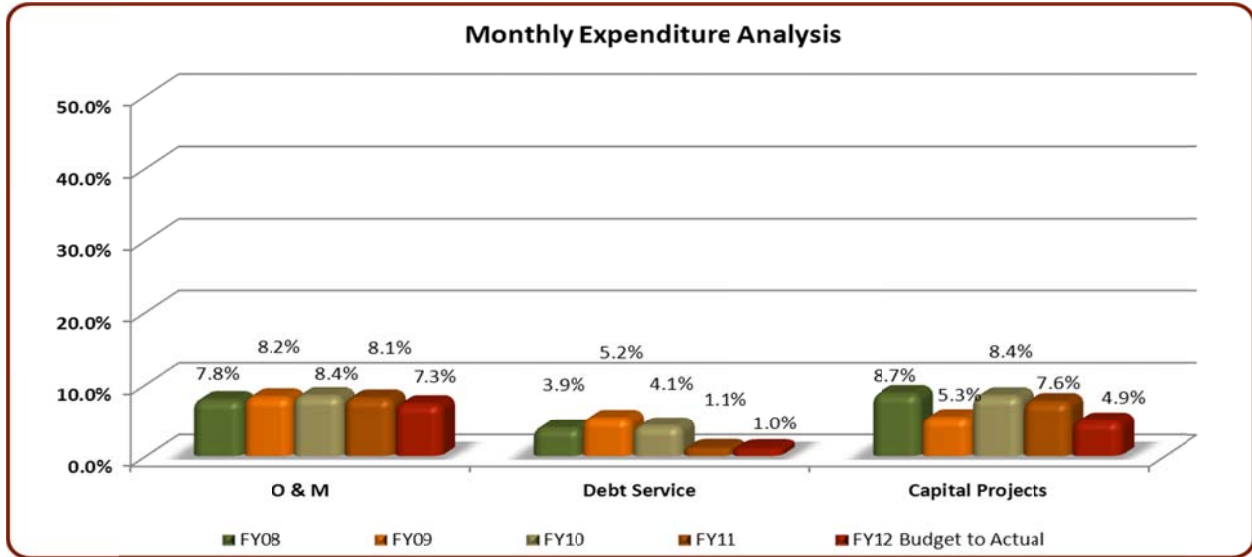
Board Meeting

November 16, 2011

Subject: Cash Commitment/Investment Report-Month Ended September 30, 2011

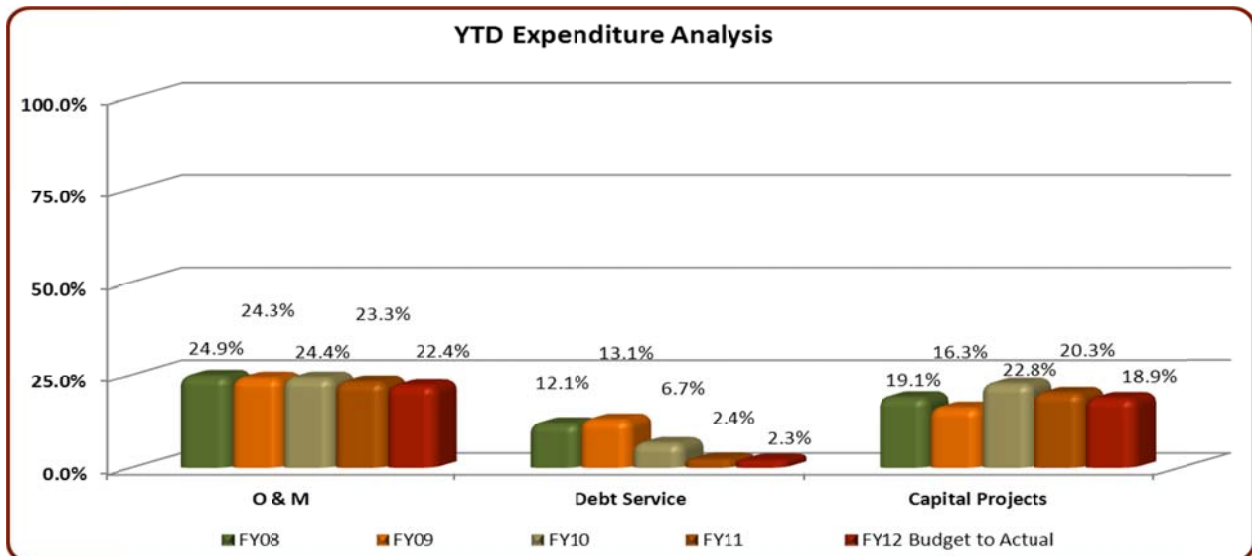
Page -5-

**METROPOLITAN SEWERAGE DISTRICT
ANALYSIS OF EXPENDITURES
AS OF SEPTEMBER 30, 2011**



Monthly Expenditure Analysis:

- ◆ Monthly O&M expenditures are considered reasonable based on historical trends and timing of expenditures in the current year.
- ◆ Due to the nature of the variable rate bond market, monthly expenditures can vary year to year. Based on current variable interest rates, monthly debt service expenditures are considered reasonable.
- ◆ Due to nature and timing of capital projects, monthly expenditures can vary from year to year. Based on the current outstanding capital projects, monthly capital project expenditures are considered reasonable.



YTD Expenditure Analysis:

- ◆ YTD O&M expenditures are considered reasonable based on historical trends.
- ◆ Due to the nature of the variable rate bond market, YTD expenditures can vary year to year. Based on current variable interest rates, YTD debt service expenditures are considered reasonable.
- ◆ Due to nature and timing of capital projects, YTD expenditures can vary from year to year. Based on the current outstanding capital projects, YTD capital project expenditures are considered reasonable.

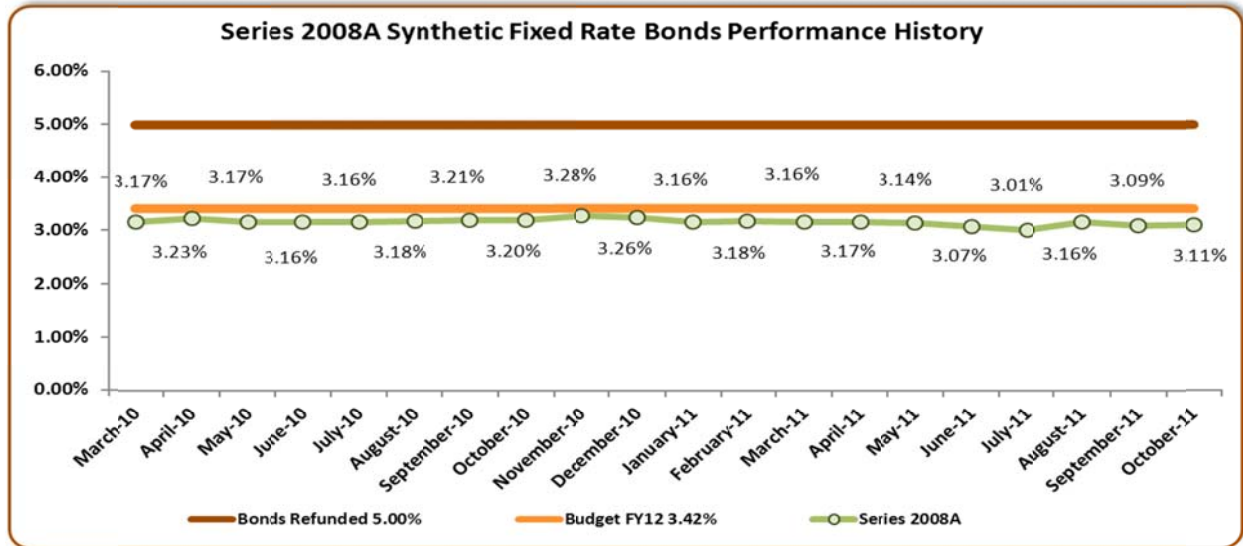
Board Meeting

November 16, 2011

Subject: Cash Commitment/Investment Report-Month Ended September 30, 2011

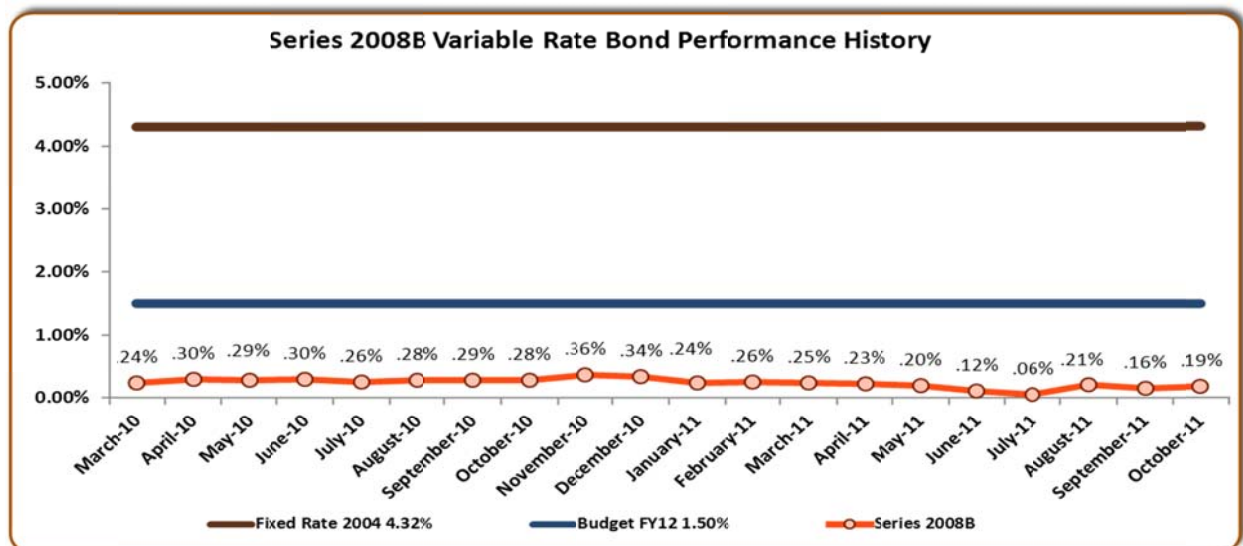
Page -6-

**METROPOLITAN SEWERAGE DISTRICT
Variable Debt Service Report
As of September 30, 2011**



Series 2008A:

- * Savings to date on the Series 2008A Synthetic Fixed Rate Bonds is \$1,860,527 as compared to 4/1 fixed rate of 4.83%.
- * Assuming that the rate on the Series 2008A Bonds continues at the current all-in rate of 4.0675%, MSD will achieve cash savings of \$3,503,702 over the life of the bonds.
- * MSD would pay \$5,850,000 to terminate the existing Bank of America Swap Agreement.



Series 2008B:

- * Savings to date on the 2008B Variable Rate Bonds is \$2,693,356 as compared to 5/1 fixed rate of 4.32%.
- * Since May 1, 2008, the Series 2008B Bonds average variable rate has been 0.65%.
- * MSD will achieve \$8,660,000 in cash savings over the life of the bonds at the current average variable rate.

Metropolitan Sewerage District of Buncombe County

BOARD ACTION ITEM

Meeting Date: November 16, 2011

Submitted By: Thomas E. Hartye, PE., General Manager

Prepared By: W. Scott Powell, CLGFO, Director of Finance

Subject: Series 2008 A&B supplemental resolution and approval of new remarketing agent

Background

The District has Series 2008 A&B revenue bonds. The Series are variable rate debt with an outstanding balance of \$53,030,000 as of October 19, 2011. Due to their variable nature, both series require a remarketing agent. As of September 21, 2011, the District's Variable Rate Demand Notes (VRDN) have reset above market trend. This is directly due to our remarketing agent's exposure to Bank of America, NA backed debt. The current remarketing agent states the market fluctuation should continue for an extended period of time.

Discussion

At the October 19, 2011 Finance Committee and Board meetings, staff gave a PowerPoint presentation which outlined the duties of a remarketing agent. Additionally, staff presented current performance data of the District's remarketing agent Banc of America Securities LLC. Based on current negative performance and the remarketing agents uncertainty as to the length of performance, staff recommended the removal of Banc of America Securities LLC as its current remarketing agent. Staff also recommended entering into negotiations with Wells Fargo, NA as the new remarketing agent based on its standing relationship as the District's underwriter. The Board passed the resolution authorizing the General Manager and Director of Finance to begin the process of removing the Districts' remarketing agent.

In negotiations with Wells Fargo, NA, they agreed to operate under the terms and conditions of the Remarketing Agreements dated March 1, 2008 between the District and Banc of America Securities LLC including the current annual remarketing fee of .10%. Additionally, they will accept the appointment and accept the duties imposed on the Remarketing Agent under the legal documents relating to both Series 2008 A&B.

Staff Recommendation

Staff recommends to the Board that the attached proposed supplemental Series Resolutions (Exhibits 1 & 2) which broaden the language of qualified remarketing agents. Staff also recommends to the Board the proposed resolution approving Wells Fargo, NA as successor remarketing agent for the Series 2008 A&B revenue bonds (Exhibit 3).

Action Taken

Motion by:	to	Approve	Disapprove
Second by:		Table	Send to Committee
Other:			
Follow-up required:			
Person responsible:			Deadline:

EXHIBIT 1

The District Board of the Metropolitan Sewerage District of Buncombe County met in a regular session in the Boardroom at the District’s office in Woodfin, North Carolina, the regular place of meeting, at 2:00 P.M. on November __, 2011.

Present: Chairperson Steven T. Aceto, presiding, and Boardmembers _____

Absent: _____

* * * * *

Chairperson Aceto introduced the following supplemental series resolution, which was read by title and summarized by the General Manager of the District:

SUPPLEMENTAL SERIES RESOLUTION AMENDING THE SERIES RESOLUTION ADOPTED ON MARCH 25, 2008 AUTHORIZING AND SECURING NOT EXCEEDING \$35,000,000 METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE REFUNDING BONDS, SERIES 2008A AND RELATED ACTIONS

WHEREAS, the Metropolitan Sewerage District of Buncombe County (the “District”), acting by and through its District Board (the “Board”), pursuant to the North Carolina Metropolitan Sewerage Districts Act, being Article 5 of Chapter 162A of the North Carolina General Statutes, as amended, and The State and Local Government Revenue Bond Act of North Carolina, being Article 5 of Chapter 159 of the North Carolina General Statutes, as amended (the “Act”), and the District’s Amended and Restated Bond Order adopted April 21, 1999 (the “Bond Order”), adopted a Series Resolution Adopted March 25, 2008 Authorizing and Securing Not Exceeding \$35,000,000 District Sewerage System Revenue Refunding Bonds, Series 2008A (the “Series Resolution”);

EXHIBIT 1

WHEREAS, on April 1, 2008, pursuant to the Act, the Bond Order and the Series Resolution, the District issued its \$33,635,000 Sewerage System Revenue Refunding Bonds, Series 2008A (the “Series 2008A Bonds”);

WHEREAS, the Series 2008A Bonds were issued as variable rate demand bonds initially bearing interest at a weekly rate, and continue to bear interest at a weekly rate;

WHEREAS, the Series Resolution sets forth qualifications of the remarketing agent with respect to the Series 2008A Bonds, including a provision that the remarketing agent shall be a member of the National Association of Securities Dealers;

WHEREAS, the District has determined that it would be in the best interest of the District to allow a national banking association or a member of the Financial Industry Regulatory Authority, Inc. (the successor to the National Association of Securities Dealers) to serve as remarketing agent for the Series 2008A Bonds and that such change does not materially affect the Holders of the Series 2008A Bonds;

WHEREAS, pursuant to a Standby Bond Purchase Agreement, dated as of April 1, 2008, by and between the District and Bank of America, N.A. (the “Bank”), the Bank has provided a Credit Facility (as such term is defined in the Bond Order) with respect to the Series 2008A Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY:

Section 1. Clause (i) of Section 15(B) of the Series Resolution is hereby amended to read as follows:

The Remarketing Agent shall be a member of the Financial Industry Regulatory Authority, Inc. or a national banking association having a combined capital stock, surplus, and undivided profits of at least \$75,000,000 and authorized by law to perform all the duties imposed upon it by this Series

Resolution. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Series Resolution by giving notice to the District, the Trustee, the Bond Registrar, the Tender Agent, the Local Government Commission and the Bank. Such resignation shall take effect on the 45th day after receipt by the District and the Trustee of the notice of resignation. The Remarketing Agent may be removed at any time on forty-five (45) days' prior written notice, by an instrument signed by the District and filed with the Remarketing Agent, the Trustee, the Bond Registrar, the Tender Agent, the Local Government Commission, and the Bank.

Section 2. This supplemental series resolution shall take effect on the later of (i) the date that the District files with the Trustee this supplemental series resolution, together with an instrument executed by the Bank evidencing the Bank's consent to this supplemental resolution, and (ii) December 16, 2011.

Thereupon, upon motion of Boardmember _____,
seconded by Boardmember _____, the resolution entitled
"SUPPLEMENTAL SERIES RESOLUTION AMENDING THE SERIES
RESOLUTION ADOPTED ON MARCH 25, 2008 AUTHORIZING AND SECURING
NOT EXCEEDING \$35,000,000 METROPOLITAN SEWERAGE DISTRICT OF
BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE
REFUNDING BONDS, SERIES 2008A AND RELATED ACTIONS" was adopted by
the following vote:

Ayes: Boardmembers _____

Noes: _____

The Chairperson then announced that the resolution entitled: "SUPPLEMENTAL
SERIES RESOLUTION AMENDING THE SERIES RESOLUTION ADOPTED ON MARCH
25, 2008 AUTHORIZING AND SECURING NOT EXCEEDING \$35,000,000

EXHIBIT 1

METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE REFUNDING BONDS, SERIES 2008A AND RELATED ACTIONS” had been adopted.

Bank of America, N.A., as the Credit Facility Provider (as such term is defined in the Amended and Restated Bond Order adopted April 21, 1999 by the District Board of the Metropolitan Sewerage District of Buncombe County) pursuant to a Standby Bond Purchase Agreement, dated as of April 1, 2008, by and between the Metropolitan Sewerage District of Buncombe County (the “District”) and Bank of America, N.A., relating to the District’s Sewerage System Revenue Refunding Bonds, Series 2008A (the “Series 2008A bonds”) hereby consents to the adoption by the District of the attached Supplemental Series Resolution, dated November __, 2011, relating to the Series 2008A Bonds.

By: _____

Name: _____

Title: _____

The District Board of the Metropolitan Sewerage District of Buncombe County met in a regular session in the Boardroom at the District’s office in Woodfin, North Carolina, the regular place of meeting, at 2:00 P.M. on November __, 2011.

Present: Chairperson Steven T. Aceto, presiding, and Boardmembers _____

Absent: _____

* * * * *

Chairperson Aceto introduced the following supplemental series resolution, which was read by title and summarized by the General Manager of the District:

SUPPLEMENTAL SERIES RESOLUTION AMENDING THE SERIES RESOLUTION ADOPTED ON MARCH 25, 2008 AUTHORIZING AND SECURING NOT EXCEEDING \$24,000,000 METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE REFUNDING BONDS, SERIES 2008B AND RELATED ACTIONS

WHEREAS, the Metropolitan Sewerage District of Buncombe County (the “District”), acting by and through its District Board (the “Board”), pursuant to the North Carolina Metropolitan Sewerage Districts Act, being Article 5 of Chapter 162A of the North Carolina General Statutes, as amended, and The State and Local Government Revenue Bond Act of North Carolina, being Article 5 of Chapter 159 of the North Carolina General Statutes, as amended (the “Act”), and the District’s Amended and Restated Bond Order adopted April 21, 1999 (the “Bond Order”), adopted a Series Resolution Adopted March 25, 2008 Authorizing and Securing Not Exceeding \$24,000,000 District Sewerage System Revenue Refunding Bonds, Series 2008B (the “Series Resolution”);

WHEREAS, on May 1, 2008, pursuant to the Act, the Bond Order and the Series Resolution, the District issued its \$22,165,000 Sewerage System Revenue Refunding Bonds, Series 2008B (the “Series 2008B Bonds”);

WHEREAS, the Series 2008B Bonds were issued as variable rate demand bonds initially bearing interest at a weekly rate, and continue to bear interest at a weekly rate;

WHEREAS, the Series Resolution sets forth qualifications of the remarketing agent with respect to the Series 2008B Bonds, including a provision that the remarketing agent shall be a member of the National Association of Securities Dealers;

WHEREAS, the District has determined that it would be in the best interest of the District to allow a national banking association or a member of the Financial Industry Regulatory Authority, Inc. (the successor to the National Association of Securities Dealers) to serve as remarketing agent for the Series 2008B Bonds and that such change does not materially affect the Holders of the Series 2008B Bonds;

WHEREAS, pursuant to a Standby Bond Purchase Agreement, dated as of May 1, 2008, by and between the District and Bank of America, N.A. (the “Bank”), the Bank has provided a Credit Facility (as such term is defined in the Bond Order) with respect to the Series 2008B Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY:

Section 1. Clause (i) of Section 15(B) of the Series Resolution is hereby amended to read as follows:

The Remarketing Agent shall be a member of the Financial Industry Regulatory Authority, Inc. or a national banking association having a combined capital stock, surplus, and undivided profits of at least \$75,000,000 and authorized by law to perform all the duties imposed upon it by this Series

Resolution. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Series Resolution by giving notice to the District, the Trustee, the Bond Registrar, the Tender Agent, the Local Government Commission and the Bank. Such resignation shall take effect on the 45th day after receipt by the District and the Trustee of the notice of resignation. The Remarketing Agent may be removed at any time on forty-five (45) days' prior written notice, by an instrument signed by the District and filed with the Remarketing Agent, the Trustee, the Bond Registrar, the Tender Agent, the Local Government Commission, and the Bank.

Section 2. This supplemental series resolution shall take effect on the later of (i) the date that the District files with the Trustee this supplemental series resolution, together with an instrument executed by the Bank evidencing the Bank's consent to this supplemental resolution, and (ii) December 16, 2011.

Thereupon, upon motion of Boardmember _____,
seconded by Boardmember _____, the resolution entitled
"SUPPLEMENTAL SERIES RESOLUTION AMENDING THE SERIES
RESOLUTION ADOPTED ON MARCH 25, 2008 AUTHORIZING AND SECURING
NOT EXCEEDING \$24,000,000 METROPOLITAN SEWERAGE DISTRICT OF
BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE
REFUNDING BONDS, SERIES 2008B AND RELATED ACTIONS" was adopted by
the following vote:

Ayes: Boardmembers _____

Noes: _____

The Chairperson then announced that the resolution entitled: "SUPPLEMENTAL
SERIES RESOLUTION AMENDING THE SERIES RESOLUTION ADOPTED ON MARCH
25, 2008 AUTHORIZING AND SECURING NOT EXCEEDING \$24,000,000

METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE REFUNDING BONDS, SERIES 2008B AND RELATED ACTIONS” had been adopted.

Bank of America, N.A., as the Credit Facility Provider (as such term is defined in the Amended and Restated Bond Order adopted April 21, 1999 by the District Board of the Metropolitan Sewerage District of Buncombe County) pursuant to a Standby Bond Purchase Agreement, dated as of May 1, 2008, by and between the Metropolitan Sewerage District of Buncombe County (the “District”) and Bank of America, N.A. relating to the District’s Sewerage System Revenue Refunding Bonds, Series 2008B (the “Series 2008B Bonds”) hereby consents to the adoption by the District of the attached Supplemental Series Resolution, dated November __, 2011 relating to the Series 2008B Bonds.

By: _____

Name: _____

Title: _____

The District Board of the Metropolitan Sewerage District of Buncombe County met in a regular session in the Boardroom at the District’s office in Woodfin, North Carolina, the regular place of meeting, at 2:00 P.M. on November __, 2011.

Present: Chairperson Steven T. Aceto, presiding, and Boardmembers _____

Absent: _____

* * * * *

Chairperson Aceto introduced the following resolution, which was read by title and summarized by the General Manager of the District:

RESOLUTION DIRECTING TRUSTEE FOR THE METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE REFUNDING BONDS, SERIES 2008A AND SERIES 2008B TO PROVIDE NOTICE OF ADOPTION OF SUPPLEMENTAL SERIES RESOLUTIONS, APPROVING APPOINTMENT OF SUCCESSOR REMARKETING AGENT WITH RESPECT TO SAID BONDS AND RELATED ACTIONS

WHEREAS, the Metropolitan Sewerage District of Buncombe County (the “District”), acting by and through its District Board (the “Board”), pursuant to the North Carolina Metropolitan Sewerage Districts Act, being Article 5 of Chapter 162A of the North Carolina General Statutes, as amended, and The State and Local Government Revenue Bond Act of North Carolina, being Article 5 of Chapter 159 of the North Carolina General Statutes, as amended, the District’s Amended and Restated Bond Order adopted April 21, 1999 (the “Bond Order”), a Series Resolution Adopted March 25, 2008 Authorizing and Securing Not Exceeding \$35,000,000 District Sewerage System Revenue Refunding Bonds, Series 2008A (the “Series 2008A Resolution”) and a Series Resolution Adopted March 25, 2008 Authorizing and Securing

Not Exceeding \$25,000,000 District Sewerage System Revenue Refunding Bonds, Series 2008B (the “Series 2008B Resolution” and together with the Series 2008A Resolution, the “Series Resolutions”) issued on April 1, 2008, \$33,635,000 Sewerage System Revenue Refunding Bonds, Series 2008A (the “Series 2008A Bonds”) and on May 1, 2008, \$22,165,000 Sewerage System Revenue Refunding Bonds, Series 2008B (the “Series 2008B Bonds” and together with the Series 2008A Bonds, the “Series 2008 Bonds”).

WHEREAS, the Series 2008 Bonds were issued as variable rate demand bonds initially bearing interest at a weekly rate;

WHEREAS, on the date hereof, the District Board has adopted a Supplemental Series Resolution with respect to the Series 2008A Resolution (the “2008A Supplemental Series Resolution”) and a Supplemental Series Resolution with respect to the Series 2008B Resolution (the “2008B Supplemental Series Resolution”), in each case modifying the qualifications for a Remarketing Agent to enable a national banking association to be eligible to serve as the Remarketing Agent with respect to the related series of Series 2008 Bonds;

WHEREAS, the District has heretofore provided notice to the current Remarketing Agent for the Series 2008 Bonds that such Remarketing Agent shall be removed from such position effective December 16, 2011;

WHEREAS, the Series Resolutions provide that the remarketing agent can be removed on 45 days proper written notice and the District may appoint one or more successor remarketing agent[s] with approval of Bank of America, N.A. as liquidity provider of the Series 2008 Bonds (the “Liquidity Provider”); and

WHEREAS, the District has determined to appoint Wells Fargo, National Association, as successor Remarketing Agent with respect to the Series 2008 Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY:

Section 1. The Board directs the Director of Finance to cause the Trustee with respect to the Series 2008A Bonds and the Trustee with respect to the Series 2008B Bonds to provide notice to the holders of the Series 2008A Bonds and the holders of the Series 2008B Bonds that the Series 2008A Resolution and the Series 2008B Resolution, respectively, have been amended to enable a national banking association to be eligible to serve as the Remarketing Agent with respect to the related bonds, and to provide a copy of such notice to the Local Government Commission, each Rating Agency (as such term is defined in the Bond Order) that is currently rating any of the Series 2008 Bonds, the Bond Registrar for the Series 2008 Bonds and the Tender Agent for the Series 2008 Bonds;

Section 2. The Board hereby approves the appointment of Wells Fargo, National Association, to serve as successor Remarketing Agent with respect to the Series 2008 Bonds, under substantially the same terms and conditions of the Remarketing Agreements dated March 1, 2008 between the District and Banc of America Securities LLC , provided that the annual remarketing fee thereunder is 0.10%, which appointment shall be effective upon the later of December 16, 2011 and the effective date of the 2008A Supplemental Series Resolution and the 2008B Supplemental Series Resolution, but in no event prior to the date that the District has received the written consent of the Liquidity Provider.

Section 2. This resolution shall take effect immediately upon its passage. Thereupon, upon motion of Boardmember _____, seconded by Boardmember _____, the resolution entitled "RESOLUTION DIRECTING TRUSTEE FOR THE METROPOLITAN SEWERAGE DISTRICT OF

BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE REFUNDING BONDS, SERIES 2008A AND SERIES 2008B TO PROVIDE NOTICE OF ADOPTION OF SUPPLEMENTAL SERIES RESOLUTIONS, APPROVING APPOINTMENT OF SUCCESSOR REMARKETING AGENT WITH RESPECT TO SAID BONDS AND RELATED ACTIONS” was adopted by the following vote:

Ayes: Boardmembers _____

_____.

Noes: _____.

The Chairperson then announced that the resolution entitled: “RESOLUTION DIRECTING TRUSTEE FOR THE METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE REFUNDING BONDS, SERIES 2008A AND SERIES 2008B TO PROVIDE NOTICE OF ADOPTION OF SUPPLEMENTAL SERIES RESOLUTIONS, APPROVING APPOINTMENT OF SUCCESSOR REMARKETING AGENT WITH RESPECT TO SAID BONDS AND RELATED ACTIONS” had been adopted.

STATUS REPORTS

CAPITAL IMPROVEMENT PROGRAM

STATUS REPORT SUMMARY

November 8, 2011

PROJECT	CONTRACTOR	AWARD DATE	NOTICE TO PROCEED	ESTIMATED COMPLETION DATE	*CONTRACT AMOUNT	*COMPLETION STATUS (WORK)	COMMENTS
DINGLE CREEK INTERCEPTOR @ CROWFIELDS, PHASE II	T & K Utilities	9/21/2011	10/7/2011	2/14/2012	175,854.00	10%	Informal Contractor working on 18-inch mainline; poor soil conditions.
LAKE JULIAN INTERCEPTOR PHASE IV	Terry Brothers	7/20/2011	8/8/2011	12/6/2011	\$247,035.00	100%	Informal Project complete and in closeout.
PIPE RATING CONTRACT #6 (LINING)	Improved Technologies Group	10/19/2011	TBA	TBA	\$778,564.00	0%	Formal Contracts have been received; will schedule pre-construction meeting soon.
ROCKDALE AVENUE (PRP 29003)	Buckeye Construction	11/17/2010	2/1/2011	10/21/2011	\$420,694.51	100%	Formal Project complete and in closeout.
ROLLINGWOOD ROAD	Huntley Construction	8/17/2011	9/19/2011	1/17/2012	\$206,957.50	2%	Informal Work has just begun.
TOWN BRANCH INTERCEPTOR PHASE II	Moore & Son	6/15/2011	7/18/2011	1/14/2012	\$538,328.30	30%	Formal Contractor has completed 30-inch mainline through MH 6; getting ready to do creek crossing at MH 7.
VA HOSPITAL (PRP 28001)	TBA	TBA	TBA	TBA	TBA	0%	Informal Bid opening is scheduled for December 1, 2011.
WRF - FINAL MICROSCREEN REPLACEMENT	Hickory Construction	10/20/2010	1/3/2011	4/2/2012	\$8,937,108.20	45%	Formal Painting complete; preparing for urethane liners; windows complete this week; crane rails up; equipment installation soon.

***Updated to reflect approved Change Orders and Time Extensions**

Planning and Development Projects Status Report
November 16, 2011

Status	Project Name	Project Number	Work Location	Units	LF	Pre-Construction Conference Date	Comments
	Davidson Road Sewer Extension	2004154	Asheville	3	109	12/15/2004	Complete-Waiting on final documents
	Riverbend Urban Village	2004206	Asheville	260	1250	8/29/2006	Complete-Waiting on final documents
	N. Bear Creek Road Subdivision	2005137	Asheville	20	127	7/11/2006	Complete - Waiting on final documents
	Willowcreek Village Ph.3	2003110	Asheville	26	597	4/21/2006	Complete - Waiting on final documents
	Rock Hill Road Subdivision	2005153	Asheville	2	277	8/7/2006	Complete - Waiting on final documents
	MWB Sewer Extension	2008046	Asheville	Comm.	285	5/12/2008	Complete - Waiting on final documents
	Black Mtn Annex: Avena Rd.	1999026	Black Mtn.	24	4,300	8/19/2010	Complete - Waiting on final documents
	Black Mtn Annex: McCoy Cove	1992174	Black Mtn.	24	2,067	8/19/2010	Complete - Waiting on final documents
	Sunrise	2010079	Asheville	3	85	9/15/2011	Complete - Waiting on final documents
	Kenilworth Healthy Built	2011030	Asheville	5	252	8/23/2011	Complete - Waiting on final documents
	Haw Creek Tract	2006267	Asheville	49	1,817	10/16/2007	Complete - Waiting on final documents
	Haywood Village	2007172	Asheville	55	749	7/15/2008	Complete - Waiting on final documents
	Oak Crest Place	2004056	West Asheville	27	791	12/3/2004	Complete - Waiting on final documents
	Buncombe County Animal Shelter	2007216	Asheville	Comm.	78	5/1/2008	Complete - Waiting on final documents
	Brookgreen at Crest Mtn. - Phase II	2011019	Woodfin	29	1,567	3/28/2011	Complete - waiting final documents
	Lodging at Farm (Gottfried)	2008169	Candler	20	45	6/2/2009	Complete - Waiting on final documents
	Camp Dorothy Walls - Ph. 1	2007294	Black Mtn.	Comm.	593	6/16/2009	Complete - Waiting on final documents
	Greeley Street	2011053	Asheville	2	119	9/15/2011	Complete - Waiting on final documents
	Momentum Health Adventure	2008097	Asheville	Comm.	184	8/19/2009	Complete - Waiting on final documents
	Richlyn Tract	2010009	Asheville	6	586	6/28/2011	Complete - Waiting on final documents
	North Point Baptist Church	2008105	Weaverville	Comm.	723	5/20/2009	Complete - Waiting on final documents
	Lutheridge - Phase I	2009112	Arden	Comm.	330	3/16/2010	Complete-Waiting on final documents
	Black Mtn Annex: Blue Ridge Rd.	1992171	Black Mtn.	24	2,560	8/19/2010	Complete-Waiting on final documents
	AVL Technologies	2010018	Woodfin	Comm.	133	5/21/2010	Complete-Waiting on final documents
	Woodbriar Subdivision	2009004	Weaverville	72	3,888	8/2/2010	Complete-Waiting on final documents
	Ridgefield Business Park	2004188	Asheville	18	758	2/16/2005	Complete-Waiting on final documents

Subtotal	669	24,270
----------	-----	--------

Planning and Development Projects Status Report
November 16, 2011

Status	Project Name	Project Number	Work Location	Units	LF	Pre-Construction Conference Date	Comments
	UNC-A New Residence Hall	2011047	Asheville	304	404	8/29/2011	Testing
	The Settings (6 Acre Outparcel)	2004192	Black Mountain	21	623	3/15/2006	Ready for final inspection
	Falcon Ridge	2004240	Asheville	38	3,279	10/11/2006	Punchlist pending
	Waightstill Mountain PH-8	2006277	Arden	66	3,387	7/26/2007	testing / in foreclosure
	Emergency Services Training Center	2009027	Woodfin	Comm.	2,512	2/7/2011	Final Inspection Pending
	Brookside Road Relocation	2008189	Black Mtn	n/A	346	1/14/2009	Pre-con held, ready for construction
	Scenic View	2006194	Asheville	48	534	11/15/2006	Ready for final inspection
	Ingles	2007214	Black Mtn.	Comm.	594	3/4/2008	Ready for final inspection
	Bartram's Walk	2007065	Asheville	100	10,077	7/28/2008	Punchlist pending
	Morgan Property	2008007	Candler	10	1,721	8/11/2008	Pre-con held, ready for construction
	Village at Bradley Branch - Ph. III	2008076	Asheville	44	783	8/8/2008	Ready for final inspection
	Versant Phase I	2007008	Woodfin	64	12,837	2/14/2007	testing
	Canoe Landing	2007137	Woodfin	4	303	5/12/2008	Ready for construction
	Central Valley	2006166	Black Mtn	12	472	8/8/2007	Punchlist pending
	CVS-Acton Circle	2005163	Asheville	4	557	5/3/2006	Ready for final inspection
	Hamburg Mountain Phase 3	2004086	Weaverville	13	844	11/10/2005	Ready for final inspection
	Bostic Place Sewer Relocation	2005102	Asheville	3	88	8/25/2005	Ready for final inspection
	Kyfields	2003100	Weaverville	35	1,118	5/10/2004	Ready for final inspection
	Thom's Estate	2006309	Asheville	40	3,422	1/24/2008	Ready for final inspection
	Thom's Estate - Phase II	2008071	Asheville	40	3,701	2/9/2011	Testing
	Berrington Village Apartments	2008164	Asheville	308	4,690	5/5/2009	Redesign
	Cottonwood Townhomes	2009110	Black Mtn.	8	580	10/20/2009	Testing
	Mission Hospitals (Victoria Road)	2009022	Asheville	Comm.	532	2/12/2010	Punchlist pending
	Camp Dorothy Walls - Ph. 2	2007294	Black Mtn.	Comm.	593	6/16/2009	Pre-con held, ready for construction
	South Buncombe Intermediate Sch.	2009065	Arden	Comm.	1,656	6/7/2010	Ready for final inspection
	Fairview Road Property	2010043	Asheville	10	542	11/9/2011	Pre-con held, ready for construction
	Larchmont Apartments	2011014	Asheville	60	26	6/23/2011	Installing

Subtotal	2259	102,401
Total Units:	2,928	
Total LF:		126,671