

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
JULY 18, 2012**

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, July 18, 2012. Chairman Aceto presided with the following members present: Bryson, Creighton, Haner, Kelly, Pelly, Root, Stanley, VeHaun and Watts. Ms. Manheimer and Mr. Russell were absent.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill with McGill Associates, PA, Ron Kerns and Audran Stephens with the City of Asheville, Representative Susan Fisher, Jane Whilden, Candidate NC House of Representatives, Jenny Dorris, Matthew Gravatt on behalf of Susan Wilson, Candidate NC House of Representatives, Doug Bean with Raftelis, David Cain and Catherine Traynor with Malcolm Pirnie/Arcadis, Nick Dierkes with Brown and Caldwell, Nelda Holder with Mountain Xpress, Valerie Hoh, Barry Summers, Linda Smathers, Sam Speciale, Jim Aycock and MSD Staff, Stan Boyd, Ed Bradford, Mike Stamey, Ken Stines, Jim Hemphill, Peter Weed, Scott Powell, Angel Banks, Roger Watson and Sondra Honeycutt, MSD.

2. Election of Officers:

Mr. Aceto called on Mr. Clarke to preside over the election of Chairman. Mr. Clarke called for nominations for Chairman of the MSD Board. Mr. Creighton nominated Mr. Aceto as Chairman. Mr. Root seconded the nomination. Mr. Clarke called for further nominations. With no further nominations, Mr. Watts moved the nominations be closed. Mr. Stanley seconded the motion. Voice vote in favor of the motion was unanimous. Mr. Clarke called for a vote on the election of Mr. Aceto as Chairman of the MSD Board. Voice vote in favor of the motion was unanimous.

Mr. Aceto called for nominations for Vice Chairman of the MSD Board. Mr. VeHaun nominated Mr. Stanley as Vice Chairman. Mr. Watts seconded the nomination. With no further nominations, Mr. Haner moved the nominations be closed. Mr. Creighton seconded the motion. Voice vote in favor of the motion was unanimous. Mr. Aceto called for a vote on the election of Mr. Stanley as Vice Chairman of the MSD Board. Voice vote in favor of the motion was unanimous.

Mr. Aceto called for a motion to approve his nomination of Ms. Bryson as Secretary/Treasurer of the Board. Mr. Watts moved. Mr. Stanley seconded the motion. Voice vote in favor of the motion was unanimous.

3. Inquiry as to Conflict of Interest:

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

4. Approval of Minutes of the June 13, 2012 Board Meeting:

Mr. Aceto asked if there were any changes to the Minutes of the June 13, 2012 Board Meeting. Mr. Haner moved the Minutes be approved as presented. Mr. Root seconded the motion. Voice vote in favor of the motion was unanimous.

5. Discussion and Adjustment of Agenda:

Mr. Aceto asked that any discussion regarding Counsel's report on Amendment to the MSD Act be deferred to Old Business.

6. Informal Discussion and Public Comment:

Mr. Aceto welcomed those guests in attendance and called for public comment. He recognized Mr. Barry Summers. With regard to the proposed merger of the Asheville water system and MSD, Mr. Summers stated he has a concern regarding the future history of MSD and suggested the Board consider whether MSD wants to be the recipient of assets that are essentially seized by the State from one of its members. He further stated if MSD ends up being the regional water and sewer system, he believes this is a very bad foot to start off on. He suggested that before the study is over, because it's not an engineering or financial issue, it's a political issue, it would be appropriate to know how MSD Board Member constituents feel about being the recipients of assets seized from the City of Asheville as it moves through this process. Mr. Kelly stated MSD did not ask for the assets. The Legislature told the City of Asheville to negotiate with MSD and come up with a solution, or they would do it for us in 2013. Mr. Summers stated the City of Asheville passed a resolution stating their opposition to having its assets stripped from them by the State, which is appropriate for a political body to make as elected representatives. Although MSD Board Members are appointed, not elected, he feels it's appropriate for MSD to have a discussion and public vote, even if it does not have a direct binding effect on the State, but that it go on record stating its position as representatives of the various communities, or draft a resolution saying this is a bad political move and, although MSD might be the recipient of this, it will make the best of it, but that if anyone ask, MSD is opposed or is for it. Mr. Aceto asked where the study fits into this. Mr. Summers stated he is speaking more as the political and governing structure of a body that's going to be the recipient of these assets handed down from the State which many people would recognize as not a good process for local communities on how to cooperate. He further stated that although the study is important, it does not address the political and social governing aspects.

Mr. Aceto recognized Ms. Valerie Hoh. Ms. Hoh questioned, in Task 4 of the impact study, it says there will be a financial model of Asheville and other water systems under both a "no action" and MSD merger arrangement and whether this includes Henderson County. Ms. Hoh asked who will decide what study to adopt; Raleigh or the MSD Board. Mr. Hartye explained that Phase I is the evaluation of the potential merger of the City of Asheville Water System with MSD. Phase II is the evaluation of the potential merger of the other entities (Weaverville, Biltmore Forest, and Montreat) systems with MSD. Ms. Hoh asked what "no action" means. Mr. Hartye stated it means what the impact is on the ratepayers before and after a merger. Once again, Ms. Hoh asked who will decide what study to adopt and who will pay for the study. Mr. Hartye said the ratepayers will pay for the study, which is a more detailed study then the study done by the Legislature. He further stated this happens across the U.S. on a daily basis where water and sewer entities merge for one reason or another. MSD has a fiduciary responsibility to its ratepayers to find out what the impact will be. Ms. Hoh asked if the ratepayers get to decide what to do with the study or will Raleigh impose its will. Mr. Hartye stated it could be a mixture of both, i.e. the proposed legislation is primarily concerning Asheville, but for the other entities, they were invited to participate and can do what they like with the information provided. Mr. Pelly expressed his appreciation to Ms. Hoh for her input, but stated that from what Mr. Hartye described, only Asheville will have no choice in what happens. The other entities can decide for themselves. Mr. Summers asked why Hendersonville and other Henderson County water systems are not a part of this study. Mr. Aceto stated if they do not want to participate, it's hard to make them participate.

Mr. Aceto recognized Mr. Aycok. Mr. Aycok reported that 20-years ago when MSD was being constructed as it is today, he was the publisher of the Black Mountain News. He attended all of the workshops with then General Manager William Mull and Black Mountain City Council. The residents of Black Mountain had two problems they had to overcome. First, convincing the residents it was in their best interest to give away

their assets and second convincing them they would not be hurt by someone else prioritizing the work (repairs, etc.). Once past that, Black Mountain was satisfied. He stated that if you asked someone who went through that process 20 years ago, if they had their way, would they go back to owning it themselves and doing the work themselves, or would they like it the way it is now.

Mr. Aceto recognized Representative Susan Fisher. Ms. Fisher expressed her appreciation to the Board for opening the meeting to public comment. She stated she has been struggling with the idea that this is something that has been thrust upon the City of Asheville without a lot of input from the citizens which has been sort of a characteristic of the last session in the legislature and she is hopeful this study will incorporate some of that. She encouraged the Board to do good work and seek that input. Mr. Stanley stated this was forced on the City and forced on MSD and he has never heard anyone on the MSD Board say we'll just take this over, but what did come from the Legislature is, you get it done or we'll do it for you in 2013. MSD feels like it can get it done with the help of consultants. Ms. Fisher said she appreciates that and can see how this was thrust upon the MSD and the City of Asheville. She further stated that she hears from a lot of her constituents who say they are very interested in making sure we guard this utility as the pristine source of water it is and ask that MSD keep this in mind when doing thoughtful studies of issues. Mr. Aceto recognized Mr. Aycock who stated that we must protect our water because sooner or later someone will sue you over it. He mentioned the growing problems associated with "water wars" i.e., South Carolina suing North Carolina over the Catawba River; Virginia Beach suing over the Kerr Lake and Georgia talking about moving the state line to take in the Little Tennessee River. Mr. Aceto stated he is very concerned about any implication that the MSD Board is any less attentive to the value of any resource in the community than City Council or anyone else. He further stated he feels this Board is up to any challenge in protecting any resource for any period of time and is more able to do so based on its track record, i.e. the collection system, where it was under the gun to fix or face a moratorium on building permits throughout the county.

7. Report of General Manager:

Mr. Hartye reported that House Bill 1009 "MSD Amendments" which is recommendation #1 from the Metro Sewerage/Water Committee passed through the legislature and is before the Governor. He presented a copy of letters from Mayor Bellamy regarding a Local Review Process and HB 1009. He stated Mr. Clarke will go over the Bill later in the meeting.

Mr. Hartye presented a letter from the Western North Carolina Regional Air Quality Agency recognizing MSD for compliance with all the air quality rules and regulations for 2011. He expressed his congratulations and thanks to the Plant Operations and Maintenance employees.

Mr. Hartye presented an article in the NC AWWA/WEA Newsletter regarding MSD's Flow Motion and their success in the Virginia warm-up competition where they won first overall and will be representing North Carolina at the WEFTEC Conference in New Orleans this fall. He expressed his congratulations and wished good luck to them in New Orleans.

Mr. Hartye presented an article from the Mountain Xpress about H.B.1009.

Mr. Hartye reported the next regular Board meeting will be held August 15th at 2 pm. The next Right of Way Committee meeting will be held July 25th at 9 am.

8. Report of Committees:

Right of Way Committee

Mr. Kelly reported the Right of Way Committee met on June 27, 2012 to consider condemnation on the West French Broad Master Plan Interceptor project, which is a part of the Consolidated Motion Agenda.

9. Consolidated Motion Agenda:

a. Consideration of Condemnation – West French Broad Master Plan Interceptor:

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

b. Consideration of Influent Pump Replacement at Water Reclamation Facility:

Mr. Hartye reported the plant has three large pumps that lift all wastewater received at the plant up to the Grit and Grease Facility. The pumps are approximately 26 years old and have functioned well over time and the internal parts have been replaced several times. Due to the age and wear of the pump casings it is recommended the District begin replacing these pumps, however, it is recommended that installations be staggered so the pumps do not reach the end of their normal life cycle all at once. Staff proposes to purchase one new pump at this time. Mr. Haner asked if staff can replace the pumps in-house. Mr. Hartye stated an outside contractor will do the installation due to the size of the pump. Staff recommends the District sole-source procure a Morris Pump Model MFD 30x30-27 in the amount of \$114,957.00. Staff recommends this sole-source due to the fact that standardization, performance, and compatibility with the existing attachments, piping, and control system is a primary overriding concern.

c. Consideration of Bids – Sanitary Sewer Replacement Project – Short Coxe @ Southside:

Mr. Hartye reported the project is located near McCormick Field, just south of downtown Asheville serving significant areas of businesses in downtown Asheville as well as Mission Hospitals and residential areas surrounding McCormick Field. The project is comprised of 3,826 LF of 8-inch through 16-inch DIP. The following bids were received and opened on July 5, 2012: Moorehead Construction Co. with a bid of \$1,837,484.00; Ruby-Collins with a bid of \$1,249,025.00; Huntley Construction Co. with a bid of \$1,224,830.96; Patton Construction Group, Inc. with a bid of \$946,000.00; Terry Brothers Construction Co. with a bid of \$890,647.50 and Cana Construction with a bid of \$866,521.50. Although Cana Construction has not performed previous work for MSD, references were positive. Staff recommends award of this contract to Cana Construction in the amount of \$866,521.50, subject to review and approval by District Counsel.

d. Consideration of Acceptance of Developer Constructed Sewer System for the Falcon Ridge at Haw Creek Sewer Extension Project:

Mr. Hartye reported the project is located inside the District boundary off Cisco Road in the City of Asheville. The project included the installation of approximately 3,463 linear feet of 8" gravity sewer to serve a thirty-two (32) unit residential development. Staff recommends acceptance of the developer constructed sewer system. All MSD requirements have been met.

e. Cash Commitment/Investment Report – Month Ended May 31, 2012:

Mr. Powell reported that Page 2 presents the makeup of the District's Investment Portfolio with no change from the prior month. Page 3 is the MSD Investment Manager Report as of the month of May. The weighted average maturity of the investment portfolio is 385 days and the yield to maturity is 0.76% and exceeds MSD bench marks of the 6 month T-Bill and NCCMT cash portfolio. Page 4 is an analysis of the District's May Cash Receipts. Monthly domestic sewer revenue is considered reasonable based on timing of cash receipts in their respective fiscal periods. Monthly and YTD Industrial Sewer Revenue is considered reasonable based on the current budget and historical trends. YTD Facility and Tap fees are above historical trends due to the timing of one cash receipt of \$610,000 as well as impact fees being budgeted conservatively. Page 5 is an analysis of the District's May Expenditures. Monthly and YTD expenditures are considered reasonable based on historical trends. Page 6 is the MSD Variable Debt Service Report. Both the 2008 A&B Series Bonds are performing better than budgeted expectations. As of the end of June, both issues have saved District rate payers \$5.5 million dollars in debt service since April, 2008.

With no discussion, Mr. Pelly moved the Board approve the Consolidated Motion Agenda as presented. Mr. Watts seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

10. Consideration of Consultant for Detailed Impact Study:

Mr. Hartye reported the MSD Board voted to conduct a detailed impact study of the proposed merger and instructed staff to seek the services of a reputable national firm experienced in utility operations, management, budgeting and finance, and utility mergers. Staff developed a Request for Proposals (RFP) to initiate the process and received five (5) proposals on July 5th. The Consultant Selection Committee comprised of himself, Peter Weed, Scott Powell, Ed Bradford, Jim Hemphill and Gary McGill reviewed the proposals and interviewed the five consultants to determine the most qualified to conduct the study. The Committee used a rating matrix to rate all consultants on several functional areas of the study to be conducted. The selection of Malcolm Pirnie/Arcadis was based upon the proposal, the presentation, the experience, and the qualifications and integrity of the project team and the organization as a whole. The Committee recommends the MSD Board contract with Malcolm Pirnie/Arcadis to perform a detailed impact study pursuant to the scope of services and the fee schedule in an amount for Phase I of \$133,500, for Phase II of \$53,100 and to include Expenses of \$10,900 for a total not to exceed \$197,500 and authorize Legal Counsel and the General Manager to execute a contract to accomplish this work. Mr. Hartye noted there is a significant savings of time and costs associated with this study as a result of the outstanding efforts of the MSD staff in putting together the web site where the information is located. He expressed his appreciation to the City of Asheville for providing information so MSD can make it available. Mr. Hartye introduced David Cain, Project Manager out of Greensboro NC and Catherine Traynor out of White Plains, New York.

Mr. Cain stated he will be acting as the Project Manager and Catherine Traynor is the National Practice Leader for Operations and Management Practice, which is in looking at these types of projects where you have consolidations and mergers of large utilities. Mr. Cain reported that his personal background is all of North Carolina and has work for the firm for 25 years in Greensboro. He further stated that he is responsible for operations both in North and South Carolina and his personal area of interest is all water and wastewater for municipal governments. Also, he has done a tremendous number of rate studies, hundreds of projects across the State and is familiar with the rules and regulations that must be followed as a utility. He reported that as a company, Malcolm Pirnie/Arcadis is a large national firm, but has a strong local interest in North Carolina

with over 200 staff members in Greensboro, Raleigh, Durham and Charlotte as well as offices in Greenville, South Carolina and Knoxville, TN. He stated that they have a group of staff who are technically capable, know the local climate and then bring in national experts who have done this type of project in many cities. He pointed out that when you go into a project of this type, you go into it with no preconceived notions of the outcome and you do not always end up with a merger on the tail end of a study. He stated their role in this study is to look at the technical and financial aspects of what is going on, and then it would be up to others to determine whether it goes forward or not. He further stated that because of the short time schedule, the work done by the MSD has not only saved approximately \$100,000, there is no down time waiting for information exchange; allowing his firm to get to the core of the study with a draft by the first of November on the Asheville system, and early January on the other systems. Mr. Cain called on Mr. Traynor for comments.

Ms. Traynor reiterated what Mr. Cain said and expressed her appreciation for the opportunity to work with MSD. She stated that a kick-off meeting is scheduled for August 1st with some work to be done simultaneously and because they do not have history either with Asheville or MSD on this issue, they will bring an independent perspective that MSD can make informed decisions on Phase II and depending on what the Legislature says, on Phase I. She further stated they will do a condition assessment, look at the operation administrative review and a financial model and have reports by November and January for Phase I and Phase II respectively. Mr. Haner asked if these items will run in order or will they be concurrent. Ms. Traynor said some will be concurrent where they can get efficiencies, and depending on availability, interview staff in order to get additional information and run more scenarios. Mr. Aceto stated its worth pointing out that the information staff has gathered could not have been done without the cooperation of the City of Asheville. He thanked the City for its role in this process. Mr. Pelly asked if the two options will include the financial impact on the ratepayers. Ms. Traynor said yes. Mr. Pelly asked if in their experience where they were involved in similar studies, were the studies legislatively mandated or was it a voluntary thing on a local level and whether this factors in. Ms. Traynor stated she has not been involved in a project that was mandated legislatively, but there are some states like New York State that try and create special authorities, which need special legislation. She further stated that generally this is something people want to do because they recognize good opportunities, savings and efficiencies and they are dedicated to water or wastewater. Mr. Pelly asked if this level of analysis can be done in the time specified. Ms. Traynor said yes. Mr. Cain stated that although this is a financial model, one of the important outcomes of the study is that this can be used as a tool for creating different scenarios in real time and in future applications. Mr. Aceto asked what role is there for public comment in the study. Ms. Traynor stated it's generally better to present any concerns during the draft phase. Mr. Kelly asked how many authorities in North Carolina have combined water and sewer services. Mr. Powell stated Orange County Water & Sewer Authority, Cape Fear Water & Sewer Authority, Onslow Water & Sewer Authority and Raleigh. Mr. Kelly asked if this was done voluntarily. Mr. Powell stated this was done voluntarily in relation to economic conditions. With regard to Raleigh it was a matter of water availability and with Cape Fear it was more of an infrastructure push to address those issues. With regard to Weaverville, Mr. Root asked if the new entity would retire bonds presently owed and take on the new debt. Ms. Traynor stated when an entity takes over the assets of another entity they would retire the existing debt and re-issue new debt. Mr. Pelly asked if they have done an analysis for other communities whereby compensation was awarded to one party or recommended to one party for another for assets that were combined. Ms. Traynor said yes; some have gotten no compensation, some marginal compensation and the liability of their debt and others have gotten compensation. She further stated that generally the fair market value is higher than what is affordable by the ratepayers and is not fair to the ratepayers to pay twice. Mr. Pelly asked how this is effectively addressed in this analysis. Ms. Traynor stated compensation is not part of this scope and is excluded from the RFP. Mr. Watts moved the Board

approve the recommendation of the Consultant Selection Committee. Mr. Stanley seconded the motion. Mr. Aceto called for discussion. Mr. Stanley stated he hopes the public understands that staff was saddled with this task two months ago and with the cooperation of the City of Asheville they have done a great job in gathering information and saving the District up to \$100,000. Mr. Aceto pointed out that the reason these issues are not discussed in detail at the Board level is because they are considered thoroughly at the Committee level with most of the Board in attendance. With no further discussion, Mr. Aceto called for the question. Roll call vote was as follows: 10 Ayes; 0 Nays.

11. Old Business:

Amendment to MSD Act

Mr. Clarke reported the original Statute creating a Metropolitan Sewerage District was adopted in the 1960's for Buncombe County and the City of Asheville. There were major problems with wastewater being collected and discharged without being treated so the Legislature created a vehicle to establish a Metropolitan Sewerage District serving most of Buncombe County. At that time, the Statute was drafted so the City of Asheville would have three (3) members on the Board and Buncombe County would have three (3) members on the Board. The County was representing unincorporated areas. There were about eleven (11) sanitary districts created in the county that had sewer systems, most of which went bankrupt, and the County Commissioners were acting as trustees for them and assumed the responsibility for paying their bonds. The Woodfin Sanitary District had its own sewer system and did not go bankrupt. The Town of Woodfin was not in existence at the time, nor was the Town of Montreat. When the Act was created, all of the towns in Buncombe County; Biltmore Forest, Weaverville, Black Mountain each had a member on the Board. The new members since the original creation are the Town of Montreat, which had a sewer system and became a town subsequent to the creation of the MSD, and the Town of Woodfin, which also became a town subsequent to the creation of the MSD. He further reported that MSD has been treating wastewater from North Henderson County since 1988, but about two years ago, Cane Creek Water and Sewer District came to MSD to talk about the possibility of becoming a part of MSD. He explained the way the current Statute reads if MSD expanded into another county, the county with the largest area would lose a member, so Buncombe County would lose a member and Henderson County would have one member. The City of Asheville would lose two members because the City of Asheville has three members so long as its population is greater than all of the other municipalities within District and the unincorporated areas of the District. He stated if Henderson County wants to become a part of the MSD, they have to ask, and MSD has to say yes. In consideration of a possible request, the Board decided, as a matter of caution, to address the representation issue in case Henderson County was directed by the Legislature to join the District. As a result, if Henderson County asks, and MSD says yes, they would have two members on the Board, Buncombe County would have three members and the City of Asheville would have three members. If Henderson County does not come in, there is no change in the representation, and the language preserves Asheville's three seats for a longer period of time.

With regard to G.S 162A-69, Mr. Clarke reported this would amend the District's powers to allow an MSD to exercise any power of a Metropolitan Water District under Article 4 of Chapter 162A. He stated that without this amendment, MSD could not operate a water district. Mr. Aceto asked if this legislation would help or hurt the City of Asheville. Mr. Clarke stated this legislation preserves the City of Asheville's three seats on the MSD Board for a longer period of time, based on the assumption that the population of the other municipalities and unincorporated areas will continue to grow at a faster rate than the City of Asheville. He further stated the City of Asheville's population has increased significantly between the 2000 and 2010 census. Mr. Aceto stated the

MSD has fixed a Statute that was created some fifty years ago, which creates options the community can avail itself of even if there is no further action by the Legislature.

12. New Business:

None

13. Adjournment:

With no further business, Mr. Aceto called for adjournment at 3:06 p.m.

Jackie W. Bryson, Secretary/Treasurer

MSD

Regular Board Meeting

Metropolitan Sewerage District
of Buncombe County, NC

AGENDA FOR 7/18/12

✓	Agenda Item	Presenter	Time	
	Call to Order and Roll Call	Aceto	2:00	
	01. Election of Officers		2:05	
	02. Inquiry as to Conflict of Interest	Aceto	2:15	
	03. Approval of Minutes of the June 13, 2012 Board Meeting.	Aceto	2:10	
	04. Discussion and Adjustment of Agenda	Aceto	2:15	
	05. Informal Discussion and Public Comment.	Aceto	2:20	
	06. Report of General Manager	Hartye	2:25	
	07. Committee Reports: a. Right of Way Committee – 6/27/12 – Glenn Kelly	Aceto	2:40	
	08. Consolidated Motion Agenda	Hartye	2:45	
	a. Consideration of Condemnation – West French Broad Master Plan Interceptor.	Hartye		
	b. Consideration of Equipment Purchase – Influent Pump Replacement @ Water Reclamation Facility.	Hartye		
	c. Consideration of Bids – Sanitary Sewer Rehabilitation Project – Short Coxe @ Southside.	Hartye		
	d. Consideration of Developer Constructed Sewer System: Falcon Ridge.	Hartye		
	e. Cash Commitment Investment Report as of May 31, 2012	Powell		
	09. Consideration of Consultant for Detailed Impact Study	Hartye	3:00	
	10. Old Business	Aceto	3:20	
	11. New Business	Aceto	3:25	
	12. Adjournment (Next Meeting 8/15/12)	Aceto	3:30	

APPROVAL OF MINUTES

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
JUNE 13, 2012**

1. Call to Order and Roll Call:

The regular monthly meeting of the Metropolitan Sewerage District Board and Public Hearing on the Budget for FY 2013 was held in the Boardroom of MSD's Administration Building at 2:00 p.m., Wednesday, June 13, 2012. Chairman Aceto presided with the following members present: Bryson, Creighton, Haner, Kelly, Pelly, Root, Russell, Stanley and VeHaun. Ms. Manheimer and Mr. Watts were absent.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill with McGill Associates, P.A., Doug Bean with Raftelis, Joseph Martin with Woodfin Sanitary Water and Sewer District, Gary Jackson, Asheville City Manager, Barry Summers with the City of Asheville, Marcus Jones with Henderson County, Stan Boyd, Ed Bradford, Peter Weed, Jim Hemphill, Mike Stamey, Ken Stines, Scott Powell, Julie Willingham 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. He stated he had a conflict of interest with item a. of the Consolidated Motion Agenda.

3. Approval of Minutes of the May 16, 2012 Board Meeting:

Mr. Aceto asked if there were any changes to the Minutes of the May 16, 2012 Board meeting. Mr. VeHaun moved the Minutes be approved as presented. Mr. Creighton seconded the motion. Voice vote in favor of the motion was unanimous.

4. Discussion and Adjustment of Agenda:

None

5. Informal Discussion and Public Comment:

Mr. Aceto welcomed Mr. Bean, Mr. Jackson, Mr. Summers, Mr. Jones and Mr. Martin. There was no public comment.

6. Report of General Manager:

Mr. Hartye reported the Planning Committee met and deliberated over the RFP to be sent out to consultants for the impact study. He stated the Government Committee will meet tomorrow to review House Bill 1009 "MSD Amendments" which is basically recommendation #1 from the Metro Sewerage/Water Committee. He presented a copy of the letter from Chairman Aceto to Mayor Bellamy regarding the LRC recommendation, and her response letter back.

Mr. Hartye presented a letter from the Government Finance Officers Association (GFOA) notifying MSD that the FY 2011 CAFR qualifies for the Certificate of Achievement. He expressed his appreciation to Scott Powell and Teresa Gilbert.

Mr. Hartye reported that Standard & Poor's Rating Agency upgraded Buncombe County's G.O. rating to "AAA." He expressed his congratulations to the County. Mr. Aceto asked how many counties in North Carolina have an "AAA" rating. Mr. Creighton said six.

Mr. Hartye presented an article "Reaching your full potential" by Angel Banks from a recent issue of Right of Way magazine.

Mr. Hartye reported the next regular Board Meeting will be held July 18th at 2 pm. The next Right of Way Committee will be held June 27th at 9 am.

7. Report of Committees:

Right of Way Committee

Mr. Kelly reported the Right of Way Committee met May 23, 2012. The Committee considered Compensation Expenses on the West French Broad Master Plan Interceptor and settlement in MSD vs Tinnaro Forest Hill Drive PRP#2, which are a part of the Consolidated Motion Agenda.

Planning Committee

Mr. Root reported the Planning Committee met May 31, 2012 to consider a draft RFP for a detailed water merger impact study. A report was given by Mr. Peiffer Brandt of Raftelis, Consultant for the City of Asheville. The Committee recommends to the full Board approval of the draft RFP, with a title change along with some clarification to the RFP to address the issues discussed. Mr. Root stated consideration of the recommendation will be addressed under Item 9 of the Board agenda.

8. Consolidated Motion Agenda:

a. Consideration of Estimated Compensation Expenses – West French Broad Master Plan Interceptor:

Mr. Hartye reported the Right of Way Committee recommends approval of the estimated Compensation expenses for the West French Broad Master Plan Interceptor.

b. Consideration of Settlement in MSD vs. Tinnaro Forest Hill Drive PRP #2:

Mr. Hartye reported the Right of Way Committee recommends MSD Staff and Counsel recommend settlement of MSD vs. Tinnaro in the amount of \$35,500, inclusive of all settlement costs and interest.

c. Consideration of Bids – Sodium Bisulfite Contract:

Mr. Hartye reported the following bids for the Sodium Bisulfite contract were received and opened on May 25, 2012: Southern Ionics with a bid of \$1.15/per gallon and JCI Jones with a bid of \$1.295/per gallon. He stated Southern Ionics was the lowest bidder and has agreed to hold its price firm for the total year contract irrespective of market changes. Staff recommends the Board award the contract for the supply of Sodium Bisulfite to Southern Ionics at a unit price of \$1.15 per gallon.

d. Consideration of Bids – Hydrogen Peroxide Odor Control Contract:

Mr. Hartye reported the following bids for the Hydrogen Peroxide Odor Control contract (for the Carrier Bridge Pump Station) were received and opened on June 4, 2012: Siemens Industry with a bid of \$0.275/per pound and US Peroxide with a bid of \$0.279 per pound. Staff recommends the Board award the contract for the supply of Hydrogen Peroxide to Siemens Industry at a unit price of \$0.275 per pound.

e. Consideration of Bids – MSD FY 13 Non City of Asheville Road ROW Paving Restoration Contract:

Mr. Hartye reported the annual contract is for the restoration of roads, driveways, and sidewalks resulting from District maintenance activities for areas outside of the City of Asheville Road rights of way. The following bids were received and opened

on May 24, 2012: APAC-Atlantic, Inc. with a total bid of \$213,427.50 and French Broad Paving, Inc. with a total bid of \$158,050.00. Staff recommends award of this contract to French Broad Paving, Inc. in the amount of \$158,050.00, contingent upon review and approval by District Counsel. Mr. Haner asked why MSD did not have to go through the formal bid process for this contract. Mr. Clarke stated the contract is less than \$500,000.

f. Consideration of MSD Paving Agreement with the City of Asheville:

Mr. Hartye reported this agreement is for the restoration of public roads and sidewalks within the Asheville City Limits, resulting from District maintenance activities and in-house rehabilitation projects. He stated the District entered into an agreement with the City on July 2, 1011 wherein the District would pay the City an annual contribution to a Paving Enterprise Fund. All permit fees would be waived, and pavement restoration would be performed by the City's in-house paving crews. He further stated that the FY12-13 budget for this line item is \$725,000.00, which also includes the additional paving contract for work outside City Limits. \$560,000.00 is allocated for the proposed City of Asheville agreement. Staff recommends the District execute an agreement with the City of Asheville in the amount of \$560,000.00 for paving public roads within the Asheville City Limits for Fiscal Year 2012-2013. Award is contingent upon review and approval of District Counsel.

g. Cash Commitment/Investment Report – Month Ended April 30, 2012:

Mr. Powell reported that Page 2 presents the makeup of the District's Investment Portfolio with 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 April. The weighted average maturity of the investment portfolio is 402 days and the yield to maturity is 0.76% and exceeds MSD bench marks of the 6 month T-Bill and NCCMT cash portfolio. Page 4 is an analysis of the District's April Cash Receipts. Monthly domestic sewer revenue is considered reasonable based on timing of cash receipts in their respective fiscal periods. Monthly and YTD Industrial Sewer Revenue is considered reasonable due to historical trends. YTD Facility & Tap fees are above historical trends due to the timing of one cash receipts of \$610,000 as well as impact fees being budgeted conservatively. Page 5 is an analysis of the District's April Expenditures. Monthly and YTD expenditures are considered reasonable based on historical trends. 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 May, both issues have saved District rate payers \$5.4 million dollars in debt service since April, 2008. Mr. Clarke noted the District's Liquidity Agreement was finalized on June 12, 2012.

With no discussion, Mr. Aceto called for a motion to approve items b. through g. of the Consolidated Motion Agenda as presented. Mr. Russell moved. Ms. Bryson seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

Mr. Stanley called for a motion to excuse Mr. Aceto from discussion, deliberation or vote on item a. of the Consolidation Motion Agenda due to a potential conflict of interest. Mr. Creighton moved. Mr. VeHaun seconded the motion. Voice vote in favor of the motion was unanimous.

Mr. Stanley called for a motion to approve item a. of the Consolidated Motion Agenda. Mr. VeHaun moved. Mr. Pelly seconded the motion. Voice vote in favor of the motion was unanimous.

9. Public Hearing – Consideration of Resolution Adopting the Final Budget and Rates & Fees for Fiscal Year 2012-2013:

MINUTES OF PUBLIC HEARING

At 2:17 p.m., Mr. Aceto declared the Public Hearing open on the Final Budget, Rates & Fees for Fiscal Year 2012-2013 and asked Mr. Powell to present the Budget.

Mr. Powell reported behind the introduction tab is the District's Budget message. Included in the message is: Current Year Highlights with domestic and industrial revenue expected to meet budgeted projections. The Operating Budget outlines the proposed \$14.7 million operations and maintenance budget and proposed changes for the upcoming year. The Capital Improvement Program section outlines the proposed \$18.4 million construction budget as well as the outstanding debt and debt service. The Sewer Rate Increase section outlines the past five years' domestic rate increases as well as the proposed FY13 domestic rate increase of 2.5%.

Mr. Powell reported behind the Policies & Process tab is a description of the budget process including the Statutory and Bond Order requirements, budget administration, and if needed, budget amendments. Page 12 briefly describes the forecasting methodology and includes the current business plan which outlines the current year proposed budget as well as estimated needs for the next nine years.

Mr. Powell reported Page 26 is the proposed \$41,945,141 FY13 budget which incorporates the following: A 2.5% domestic rate increase which is a .69 cent increase in the average single family monthly bill that will go from \$26.45 to \$27.14; Continuation of the Industrial Rate Parity Plan which is in year 13 of a 20 year plan and the average impact to industrial customers will be 3.9%; Facility and Tap Fees remain at 2012 levels; 1.0% Rate of Return on investments; .51% increase in Salaries and Benefits which has an impact of \$58,633 and includes Personnel Committee recommendations as to Merit and COLA increases, Self-insurance funding and GASB 45 OPEB Funding, and a .64% increase in Materials supplies and service which has an impact of \$37,929.

Mr. Powell reported behind the Operation & Maintenance tab is a detailed accounting of the proposed budget by department as well as current year projected and prior years actual. Behind the Insurance Fund tab is a concise overview of the various insurance funds along with their respective proposed budgets for FY 13 and includes FY 11 actuals and current year projected. Behind the Replacement Fund tab is an overview of the various insurance funds along with their respective budgets and FY 13 and FY 11 actuals and current year projected. Behind the CIP Program tab is an overview of the CIP program run by the engineering department along with their proposed current year budget and projection of needs for the upcoming nine years. Behind the Debt Financing tab is an overview of debt management as well as a brief description of upcoming year outstanding debt as well as aggregate debt service for each outstanding issue. In the back of the budget document, a budget resolution and schedule of rates and fees are included along with a big version of the business plan for individuals who are visually challenged.

Mr. Aceto called for public comment on the proposed Budget, Rates & Fees for FY 2012-2013. There being no comment, Mr. Aceto declared the public hearing closed at 2:25 p.m.

Mr. Aceto called for a motion to approve the Resolution adopting the Final Budget, Rates & Fees for FY 2012-2013. Mr. Stanley moved. Mr. Root seconded the motion. Mr. Pelly stated that although he appreciates the work that went into the budget, he will vote against the motion since part of the Board's charge is to look out for the ratepayers and this rate increase amounts to almost 20% over the last five years. Mr. Aceto asked Mr. Pelly if he had a chance to look at the rate history that was recently

distributed. Mr. Pelly said he did, but feels the Board needs to try harder to hold rate increases down. Mr. Haner stated he takes exception to the inference that this Board is not doing as good as it can do and that if he votes in favor of the budget, he is not voting in the best interest of the ratepayers. He asked that the minutes reflect that his vote is in the best interest of the ratepayers. Mr. Aceto called for the question. Roll call vote was as follows: 10 Ayes; 1 Nay, Mr. Pelly because of the rate increase.

10. Consideration of RFP for detailed water/sewer consolidation impact study:

Mr. Hartye reported that at the May 31st Planning Committee, a change of title in the RFP was recommended and much discussion was held on other changes offered. He stated staff has made some wording changes to the document for value and clarification as highlighted and recommends the Board accept the RFP with changes and allow staff to proceed to send out to qualified consultants. Mr. Hartye noted the selection process is referred to in the RFP and staff intends to bring a recommendation for a consultant to the July 18th Board meeting. Mr. Root asked for a clarification on what action the Board should take. Mr. Hartye said for staff to send out the RFP as shown. Mr. Root moved. Mr. Stanley seconded the motion. With no discussion, voice vote in favor of the motion was unanimous.

11. Old Business:

None

12. New Business:

Mr. Haner asked to be added to the Planning Committee. With no objections, Mr. Aceto approved Mr. Haner's request.

Mr. Pelly reported there was a brief session at the Asheville City Council meeting on July 12th about how to best meet the "good faith" efforts called for in the State legislation on the merger question. He stated the outcome of that discussion was that Asheville City Council intends to invite the full State delegation to come meet sometime soon to ask their interpretation of how to best meet the language of the legislation.

13. Adjournment:

With no further business, Mr. Aceto called for adjournment at 2:36 p.m.

Jackie W. Bryson, Secretary/Treasurer

REPORT OF GENERAL MANAGER

MEMORANDUM

TO: MSD Board
FROM: Thomas E. Hartye, P.E., General Manager
DATE: July 11, 2012
SUBJECT: Report from the General Manager

- Update on Water Study

House Bill 1009 "MSD Amendments" which is basically recommendation #1 from the Metro Sewerage/Water Committee passed through the legislature and is before the Governor. Attached are copies of letters from Mayor Bellamy regarding a Local Review Process and HB1009. The selection process for a consultant to conduct an impact study is underway with a recommendation to come before the July 18th Board Meeting.

- Clean Air Compliance Award

Attached is a letter from the Western North Carolina Regional Air Quality Agency recognizing MSD for compliance with all the air quality rules and regulations for 2011. Congratulations and thanks to the Plant operation and maintenance folks.

- Flow Motion

Attached is an article in the NC AWWA/WEA newsletter regarding MSD's Flow Motion recent competition. Congratulations and good luck in New Orleans.

- Reading

Attached is an article from the Mountain Xpress about HB1009.

- Board/Committee Meetings/Events

The next Regular Board Meeting will be August 15th, at 2 pm. The next Right of Way Committee will be held July 25th at 9am.



June 26, 2012

City of Asheville
Office of the Mayor

P.O. Box 7148
Asheville, NC 28802
828-259-5600
Fax 828-259-5499
www.ashevillenc.gov

Re: Invitation to Participate in Local Review Process – Water and Sewer

Honorable George F. Goosmann, III, Mayor
PO Box 5352
Biltmore Forest, NC 28813

Dear Mayor Goosmann:

As you may know, the Legislative Research Commission Committee on Municipal Sewerage/Water System has submitted a report to the General Assembly containing several recommendations regarding regional water and sewer service in this area. The City of Asheville has already undertaken some actions pursuant to the Study Committee's recommendations. See the attached letter sent to members of our local delegation for more information.

The Committee Report contemplates some form of regional water and sewer service. If you or the local government you represent are interested in participating in the local review process, we invite you to contact us at your convenience, so that we may begin making appropriate arrangements for meetings or discussions. Please contact my office or City Manager Gary Jackson.

Sincerely,

Terry M. Bellamy
Mayor

TMB/ted

Enclosure

cc: City Council
Gary W. Jackson, City Manager
Robert W. Oast, Jr., City Attorney



City of Asheville
Office of the Mayor

P.O. Box 7148
Asheville, NC 28802
828-259-5600
Fax 828-259-5499
www.ashevillenc.gov

June 19, 2012

Representative Tim D. Moffitt
NC House of Representatives
16 W. Jones Street, Room 1025
Raleigh, NC 27601-1096

Re: HB 1009 Water/Sewerage Systems

Dear Representative Moffitt:

During the winter and early spring of 2012, the Legislative Research Commission's Committee on Metropolitan Sewerage/Water System, chaired by Representative Moffitt, met four times to consider issues regarding water and sewer service in Buncombe and Henderson counties. Legislative staff conducted additional research on the Committee's charge. On April 19, the Committee Report was finalized, and on May 14, the Report was submitted to and accepted by the Legislative Research Commission.

That Report contains several recommendations regarding the City of Asheville's Water System, the Metropolitan Sewerage District of Buncombe County, and regional water and sewer service in general. Those recommendations include: (1) amending the enabling authority for the Metropolitan Sewerage District to reflect population shifts in single county districts, modify representation in multi-county districts, and allow metropolitan sewerage districts to exercise the same authority as water districts; (2) merging the City water system with the Metropolitan Sewerage District of Buncombe County; (3) clarifying the 1996 conservation easement on the North Fork and Bee Tree Watershed property. The Report directed the interested local government parties to undertake good faith negotiations to craft their own solution for consolidation prior to the convening of the 2013 Session of the General Assembly.

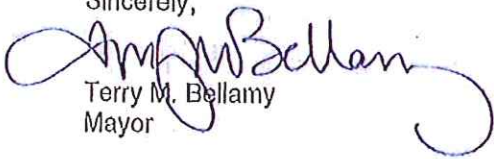
Since the finalization and submission of the Committee Report, the City of Asheville has undertaken several actions pursuant to the Report's recommendations: (1) City staff have undertaken a review of the 1996 conservation easement that is currently in place with respect to the North Fork and Bee Tree Watershed property, and have met with a representative of the Southern Appalachian Highlands Conservancy to identify ways in which the easement may be clarified and amended in the interests of all parties; (2) the City has extended the time for fulfilling the condition on the 137 acre property on Brevard Road conveyed to Henderson County pursuant to the 1995 Water Agreement, such that the reversion of the property will not occur until 2014; (3) the City Manager has contacted the Henderson County Manager to initiate discussions regarding continuation and expansion of water service in Henderson County; (4) the City has been working with MSD and on its own to gather and analyze information on the two systems and on other public utility systems within the respective service areas of each, and to review and analyze various models for consolidation or merged operation of a regional system.

The City of Asheville is committed to delivering an excellent quality of service to enhance your quality of life.

Page 2
Representative Moffitt
June 19, 2012

We think that these actions are evidence of the City's "good faith" in crafting a local solution with other governments in the area, as contemplated in the Committee Report. However, since this directive has come from the General Assembly, we seek your guidance, as legislators representing the local governments in the area, on how best to fulfill the expectations of the Study Committee. To this end, we invite you to meet with the Asheville City Council to review the City's progress, and advise us of any further or additional steps that we may take in meeting your expectations. If you are interested in such a meeting, please contact my office so that we may begin making appropriate arrangements for a meeting in the near future.

Sincerely,

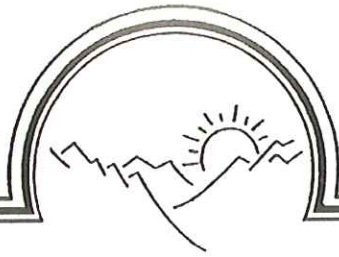


Terry M. Bellamy
Mayor

TMB/sc

cc: City Council
Gary W. Jackson, City Manager
Robert W. Oast, Jr., City Attorney

Western North Carolina



Regional Air Quality Agency

David A. Brigman, Director

Serving Buncombe County and the City of Asheville

June 12, 2012

Tom Hartye
Metropolitan Sewerage District of Buncombe County
2028 Riverside Drive
Asheville, NC 28804

Dear Tom Hartye:

The Western North Carolina Regional Air Quality Agency would like to recognize Metropolitan Sewerage District of Buncombe County for compliance with air quality rules and regulations during 2011. You may notice that we have a new name for the annual compliance award this year. The new name was part of an effort we undertook with our citizens advisory committee to improve and expand upon our air quality recognition efforts.

We appreciate your diligence in complying with your permit. As always, if we can be of assistance in any matter, particularly with pollution prevention activities, please let us know.

Sincerely,

David A. Brigman
Director

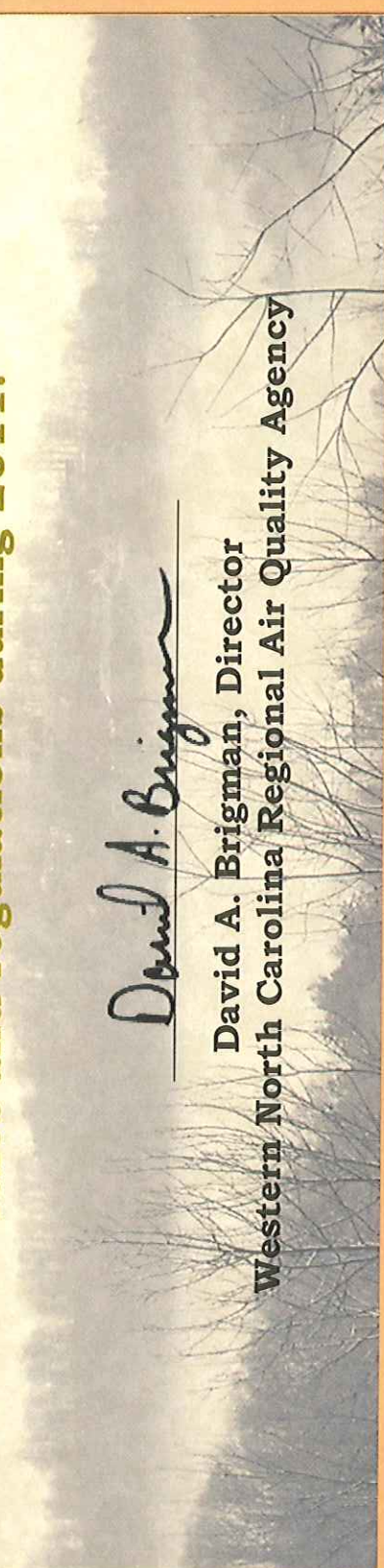
Enclosure

CLEAN AIR COMPLIANCE AWARD

PRESENTED TO

Metropolitan Sewerage District of Buncombe County

For compliance with the WNC Regional Air Quality Agency's
rules and regulations during 2011.



David A. Brigman

David A. Brigman, Director
Western North Carolina Regional Air Quality Agency

Congratulations to the Smokin Bits & Flow Motion

Teams participating in the NC AWWA-WEA Pipe Tapping Contest and Operations Challenge know how much time and effort goes into preparing for the contest held at the Annual Conference. For the winning teams, the Annual Conference competition is just the beginning. Thanks in part to the event sponsors, the winning Pipe Tapping team prepares to compete in June at the annual AWWA conference - ACE, and the winning Operations Challenge team prepares to compete in October at the annual WEF conference - WEFTEC. Along the way, teams fine-tune their skills by participating in contests held in nearby states. NC's 2011 winning Operations Challenge team, Flow Motion, from MSD Buncombe County, competed in the State of Virginia Operations Challenge Event in June. The team did exceptionally well placing 1st place Overall and 1st place in Collections for the Invitational Division. Their finishes for the other individual events in the Invitational Division include 2nd place in Safety, 2nd place in Process Control, 2nd place in (pump) maintenance and 3rd place in Lab. To achieve these honors Flow Motion out-scored 2 teams from Washington DC and South Carolina. The competition gave the team valuable experience in the Safety and Process Control events that will be included in the WEFTEC competition, but that as of 2011 had not yet been added to the NC competition. The 2011 NC Pipe Tapping team, Smokin Bits from the City of Concord, competed in June at ACE in Dallas, TX and is proud to have come in 10th place out of 34 teams in the national competition. NC AWWA-WEA is very proud to have Flow Motion and Smokin Bits representing us outside of North Carolina. More details about these two teams and their competitions will be featured in the Fall issue of NC Currents.



The little bill that could, couldn't, might or might not



On May 17, 2012, a bill modestly titled "MSD Amendments" was introduced in the final regular session of the N.C. General Assembly. Sponsored by Western N.C. Reps. **Tim Moffitt** of Buncombe County and **Chuck McGrady** of Henderson County (both Republicans), the bill passed the House (74 to 39) on June 18, and received Senate approval (31 to 14) on June 27, moving to the governor's desk on June 28.

The true meaning of that bill -- **HB 1009** -- is a matter of some history, some speculation, some objection, and a fair amount of outright praise.

According to both sponsors, the bill was principally designed protect Asheville and Buncombe County's representation on the Metropolitan Sewerage District of Buncombe County in the event that MSD's territory should expand into Henderson County – something that would have to happen by request. The MSD board currently has 12 seats; Asheville and the county each get three, and other member entities get one (the towns of Biltmore Forest, Black Mountain, Montreat, Weaverville, Woodfin, plus the Woodfin Sanitary Water & Sewer District).

But in keeping with the recommendations of the Legislative Research Commission's Metropolitan Sewerage/Water System Committee, which Moffitt chaired, HB 1009 also opened the legal door for MSD -- itself a creation of the Legislature some 50 years ago – to exercise the same powers as a metropolitan water district. Enter, the unsettled waters of Asheville, Buncombe County and Henderson County politics.

"The provision was included in the bill to make sure that MSD was included in any discussions that might occur this year regarding consolidation of water and sewer services," said McGrady in an email explaining the bill's design. "The committee chaired by Rep. Moffitt recommended a consolidated water and sewer authority, and local officials said if that was going to happen they wanted time to talk among themselves. Well, the bill insures MSD will be part of those discussions by giving MSD the authority to operate a water system."

Moffitt, in a subsequent telephone conversation, agreed with McGrady's description of the legislation, but added that the original MSD statutes were written with change anticipated, and his opinion was "this is a good and fair start" with regard to representation. The issue was tricky, he admitted, "but we're not going to give up any of the seats for Asheville and Buncombe County" in order to potentially bring in new MSD members and territory.

Buncombe County's Democratic Rep. **Susan Fisher**, however, doesn't see things exactly the

same way. "This is a thinly disguised effort to take over the water system either for possession by Buncombe, Henderson and who knows what other entities or eventual privatization," Fisher declared in an email. She called the action one of many examples statewide of legislation that is "unfriendly to cities," adding that "this could be looked at by the governor as a statewide health and safety issue when it comes to the integrity of water systems management in North Carolina."

HB 1009 must gain the Gov. **Bev Perdue's** signature -- or at least avoid her veto -- by July 28 in order to become law. There is the chance, in the interim, that the governor could exercise her veto power over the bill, although the margins of passage indicate a veto override could be easily mustered. (The governor's office was contacted regarding any contact or consideration regarding a veto, but had not responded at the time of this writing.)

Meanwhile, MSD Board Chair **Steve Aceto** takes a more historic attitude towards the legislative changes and their impact. "In a nutshell, MSD has existed since 1962 with no changes," he explained by phone. Under the existing legislation, the board has grown to 12 through the old mechanism of representation.

"The one piece we sort of saw as a flaw," Aceto said, was that potentially the combined representatives from all the municipalities and unincorporated areas could reduce Asheville's representation to two members, which he felt wasn't fair. "We had tried to get the Legislature to fix this," he admitted. And the latest round of water/sewer discussions became the opportunity to say, "Here, we have a few other issues."

Those issues included the potential for Henderson County to consider joining MSD, which would have given them three board representatives and knocked Asheville -- as a municipality -- down to one.

So with HB 1009's new representation system, Henderson County would now get two representatives should it join the district; Asheville would stay at three; and any other municipality that operates its own system could join with one representative (in theory, that means Hendersonville). "So the way I see it, we're really fixed up for 20, 30, 40 years in terms of how the district can expand," said Aceto.

"Nobody is apt to thank Tim Moffitt," Aceto added, "but he did the city a favor. Henderson County wanted more representation, but they didn't get it. The Legislature handled it well."

As for the portion of the legislation the empowers MSD to operate as a water authority, Aceto stressed that the bill only gives MSD the power to operate a water system. "If they wanted to, they could," he explained. "They don't have to."

But the water issue has led to MSD's recent request for proposals to do an independent financial study of the possibility of just that -- adding the Asheville water system to its functions.

"The idea behind the RFP is dirt simple," Aceto said. "MSD has a fiduciary responsibility to operate for the benefit of the ratepayers. ... We felt we needed a third-party, outside opinion. It amounted to going to city of Asheville and getting financial data to derive costs." He expects selection of that outside party at this month's board meeting (July 18), with a product in hand by October.

Meanwhile, MSD and the city of Asheville have made contact by letter acknowledging the potential need for negotiations, although things are currently in a wait-and-see pattern. And Moffitt acknowledged that although the study committee recommended that consolidation take place, "[the] committee decided it was better left in hands of local officials to work out how."

The city's point person with the LRC committee was Vice-Mayor **Esther Manheimer**, who also sits on the board of MSD. Manheimer, in a phone interview on July 11, acknowledged the same governance correction that McGrady, Moffitt and Aceto pointed to in HB 1009. "What it really means," she said, regarding the existing potential for Henderson County to ask to join MSD, "is that Buncombe County keeps three [representatives] and Asheville keeps three." Otherwise, Asheville would drop to one.

"I wondered if the Legislature would force Henderson County to come in," she admitted. That didn't happen, although as she acknowledged, "There's a whole host of issues going on with that."

"The other part [of HB 1009] authorizes MSD to operate a water system -- should it happen to come into one," Manheimer said with a slight pause and audible chuckle.

Enter, **Doug Bean** – former city manager of the city of Asheville who has since spent 16 years as director of the Charlotte-Mecklenberg Utilities, and who is now director of government services for Raftelis Financial Consultants – the company the city has now hired to handle communications regarding water system finances as the MSD financial study progresses.

Meanwhile, just down the road, Henderson County Manager **Steve Wyatt** described HB 1009 from a different perspective. "The board [of commissioners] has not taken a position on a merger with MSD," Wyatt said up front – although there has been informal discussion over the years. "I have communicated to the chairman that the board will need to have a discussion about the issue soon," he added in a telephone interview.

The most obvious opportunity for any Henderson County membership in MSD, according to Wyatt, would be for the Cane Creek Sewer District to propose a merger, since MSD now services their lines for treatment. But Wyatt thinks that the changes written into HB 1009 do not address his county's need for "meaningful representation" in such an event.

"I don't have a number, but it ain't two," Wyatt said, "and you can quote me. I told the board that two members falls short of meaningful participation. We're not interested in taking slots away from anybody; however, if the board could be expanded," said Wyatt, it could potentially give the county and its subdivisions a more substantial voice at the table.

Moffitt, in answer to that criticism, said he felt the bill was "a good and fair start." The statutes were written to evolve, he said. " Nothing is going to be perfect, but this is a start."

by Nelda Holder, contributing editor

Editor's note: Additional coverage of the issues surrounding HB 1009 and MSD's community role will be available in an upcoming print edition of the Xpress.

REPORT OF COMMITTEES

**RIGHT OF WAY
COMMITTEE RECOMMENDATIONS
AND MINUTES
June 27, 2012**

I. Call To Order

The regular monthly meeting of the Right of Way Committee was held in the Boardroom of the William H. Mull Building and called to order at approximately 9:00 a.m. on Wednesday, June 27, 2012. The following Right of Way Committee members were present: Glenn Kelly, Jackie Bryson, Jon Creighton, Esther Manheimer, Chris Pelly, Jerry VeHaun and Robert Watts.

Others present were: Ellen McKinnon, Martin-McGill; Billy Clarke, MSD Counsel; Steven Aceto, Chairman of the Board; Max Haner, Board member; Tom Hartye, Ed Bradford, Angel Banks, Roger Watson, Wesley Banner and Pam Nolan, M.S.D.

II. Inquiry as to Conflict of Interest

Mr. Kelly inquired if anyone had a conflict of interest with Agenda items. There was none.

III. Consideration of Condemnation – West French Broad Master Plan Interceptor, Project No. 2011025

This residential parcel lies along the French Broad River adjacent to and just upstream of the Asheville Firefighters Association tract. Parcel is developed with home of owner and business of seasonal cabin rentals (seven cabins). Also on the property is a small mobile home park, however those units lie outside the project area and will not be affected. The owner's primary concern is the loss of business income from their cabins which lie in the project's path. Owner provided a breakdown of average monthly cabin rentals over the last five years (see attached). The project engineer estimates a nine-month construction period. Owner pointed out that business loss would far exceed the standard compensation offered by MSD of \$18,753 for the easement area. Owner asked if the construction could be done during winter months when business is slow and Biltmore Farms LLC has therefore agreed to delay construction until after November 1, 2012.

Also of concern is possible damage to multiple septic drain fields through which the project passes. The owner has no desire to connect to public sewer and incur sewer bills. While the owner understands and appreciates that MSD will have a septic contractor repair/replace any septic tanks and drain fields damaged during construction, if there is not enough percolating area remaining to reconstruct a drain field, owner will have to tie to new sewer, incurring future bills. Owner requested that MSD condemn the easement area and deal with damages to business and land after construction.

Total Contacts: 3

STAFF RECOMMENDATION: Authority to obtain appraisal and proceed with condemnation.

Ms. Banks stated that this project runs from the north side of Long Shoals Road, along the west side of the French Broad River and up to the MSD pump station on Clayton Road and explained the

situation surrounding the above condemnation. Ms. Banks pointed out that even though they have no rentals during the months of November, December and January, they do start back up in February. If the 9 month construction period starts in November it would run through July and that would create a business loss (per their numbers) of about \$76,500.00. Owner would not be able to recover those lost rents directly. However, the rental value does factor in because it becomes a component of the fair market value via income capitalization methodology used in the appraisal report. Mr. Watts asked how long of a stretch was involved on this property. Ms. Banks stated about 1,700 linear feet in length, with 26,000 square feet of permanent easement and 25,000 square feet of temporary construction easement area.

Mr. Watts asked what kind of line and Ms. Banks replied that this is a 16" ductile iron line. Mr. Watts stated that it would seem like that stretch could be completed over the winter. Mr. Haner asked if construction could be planned and Ms. Banks stated that we would have no control over construction since this project is being built by Biltmore Farms as part of the Master Plan Project. There was some further discussion regarding Master Plan projects. Ms. Banks further stated that when this comes through the court systems, damages will be calculated based on the time it took to complete the whole project, not just on this one property. Mr. VeHaun made the motion to accept staff's recommendation. Mr. Watts seconded the motion. Voice vote was unanimous.

COMMITTEE RECOMMENDATION: Authority to obtain appraisal and proceed with condemnation.

There being no further business the meeting adjourned at approximately 9:15 am.

CONSOLIDATED MOTION AGENDA

Metropolitan Sewerage District of Buncombe County

Board Action Item - Right-of-Way Committee

COMMITTEE MEETING DATE: 6/27/2012

BOARD MEETING DATE: 7/18/2012

SUBMITTED BY: Tom Hartye, PE, General Manager
 PREPARED BY: Angel Banks, Right of Way Manager
 REVIEWED BY: Ed Bradford, PE, Director of CIP

SUBJECT: Consideration of Condemnation – West French Broad Master Plan Interceptor Project No. 2011025

This residential parcel lies along the French Broad River adjacent to and just upstream of the Asheville Firefighters Association tract. Parcel is developed with home of owner and business of seasonal cabin rentals (seven cabins). Also on the property is a small mobile home park, however those units lie outside the project area and will not be affected. The owner's primary concern is the loss of business income from their cabins which lie in the project's path. Owner provided a breakdown of average monthly cabin rentals over the last five years (see attached). The project engineer estimates a nine-month construction period. Owner pointed out that business loss would far exceed the standard compensation offered by MSD of \$18,753 for the easement area. Owner asked if the construction could be done during winter months when business is slow and Biltmore Farms LLC has therefore agreed to delay construction until after November 1, 2012.

Also of concern is possible damage to multiple septic drain fields through which the project passes. The owner has no desire to connect to public sewer and incur sewer bills. While the owner understands and appreciates that MSD will have a septic contractor repair/replace any septic tanks and drain fields damaged during construction, if there is not enough percolating area remaining to reconstruct a drain field, owner will have to tie to new sewer, incurring future bills. Owner requested that MSD condemn the easement area and deal with damages to business and land after construction.

Total Contacts: 3

STAFF RECOMMENDATION: Authority to obtain appraisal and proceed with condemnation.

Ms. Banks stated that this project runs from the north side of Long Shoals Road, along the west side of the French Broad River and up to the MSD pump station on Clayton Road and explained the situation surrounding the above condemnation. Ms. Banks pointed out that even though they have no rentals during the months of November, December and January, they do start back up in February. If the 9 month construction period starts in November it would run through July and that would create a business loss (per their numbers) of about \$76,500.00. Owner would not be able to recover those lost rents directly. However, the rental value does factor in because it becomes a component of the fair market value via income capitalization methodology used in the appraisal report. Mr. Watts asked how long of a stretch was involved on this property. Ms. Banks stated about 1,700 linear feet in length, with 26,000 square feet of permanent easement and 25,000 square feet of temporary construction easement area.

Mr. Watts asked what kind of line and Ms. Banks replied that this is a 16” ductile iron line. Mr. Watts stated that it would seem like that stretch could be completed over the winter. Mr. Haner asked if construction could be planned and Ms. Banks stated that we would have no control over construction since this project is being built by Biltmore Farms as part of the Master Plan Project. There was some further discussion regarding Master Plan projects. Ms. Banks further stated that when this comes through the court systems, damages will be calculated based on the time it took to complete the whole project, not just on this one property. Mr. VeHaun made the motion to accept staff’s recommendation. Mr. Watts seconded the motion. Voice vote was unanimous.

COMMITTEE RECOMMENDATION: Authority to obtain appraisal and proceed with condemnation.

COMMITTEE ACTION TAKEN	
Motion by: Jerry VeHaun	To: <input checked="" type="checkbox"/> Approve <input type="checkbox"/> Disapprove
Second by: Robert Watts	<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

**Metropolitan Sewerage District of Buncombe County
BOARD ACTION ITEM**

BOARD MEETING DATE: 7/18/12

SUBMITTED BY: Tom Hartye, P.E. - General Manager

PREPARED BY: Ed Bradford, P.E. - Director of CIP
Hunter Carson, P.E. - Project Manager

SUBJECT: Influent Pump Replacement at Water Reclamation Facility, MSD Project Number 2012030

BACKGROUND: The plant has three large pumps that lift all wastewater received at the plant up to the Grit and Grease Facility. These pumps have been in continuous operation since 1986 (approximately 26 years).

The pumps have functioned well over time, and the internal parts have been replaced several times. The pump casings have been repaired as well. Due to the age and wear of the pump casings it is recommended that the District begin replacing these pumps. All three pumps should be replaced; however, it is recommended that installations be staggered so that the pumps do not reach the end of their normal life cycle all at once.

Staff proposes to purchase one new pump at this time. Ultimately, staff plans to scavenge the best pump with the best internal parts, and will maintain it as a spare influent pump. Replacing the pumps in this manner reduces financial burdens upon the District, as well as operational risks at the plant.

Given the unique nature of these pumps, a primary overriding concern is that a new pump must be standardized - with identical performance and fitment within the existing footprint/piping. The original pumps are still manufactured, and the new pump is basically a "drop-in" replacement for the existing unit.

The cost for one pump is \$114,957.00, with a production time of approximately five months. Staff will oversee pump installation after delivery of the unit.

Please refer to the attached documentation for further information.

FISCAL IMPACT: The FY12-13 budget for this project is \$240,000.00.

STAFF RECOMMENDATION: Staff recommends that the District sole-source procure a Morris Pump Model MFD 30x30-27 in the amount of \$114,957.00.

Staff recommends this sole-source due to the fact that standardization, performance, and compatibility with the existing attachments, piping, and control system is a primary overriding concern.

MSD Influent Pumps - Three Total



Note the size of the pump - the largest in MSD's system. Typically, only one pump is needed to maintain *all* wastewater flowing through the plant.

Interoffice Memorandum

TO: Tom Hartye, General Manager

FROM: Ed Bradford, CIP Manager
Hunter Carson, Project Engineer

DATE: July 5, 2012

RE: Influent Pump Replacement, MSD Project No. 2012030

The Influent Pump Station is arguably the most important aspect of the WRF; without it, the treatment facility will not operate. Three influent pumps (one duty and two standby during average flow), each rated at 35 mgd, convey raw sewage from the 66-inch interceptor to the grit and grease basin at the beginning of the treatment process. Without the ability to pump wastewater into the treatment plant, the collection system will back up and experience major SSOs.

The influent pump station was constructed in 1964 and the influent pumps were replaced in 1986. Since 1986, each pump has been rebuilt on multiple occasions, consisting of a new impeller, new bearings and wear rings. Plant staff continues to monitor and manage the eroding pump casing walls which result from the scouring action of grit contained in the wastewater. This erosion has been slowed with the use of a metal repair and rebuilding compound, however, it is not considered a permanent fix.

Due to the age and condition of the influent pump station pumps, it is recommended that the District begin replacing these pumps at the beginning of FY 12-13. All three pumps should be replaced; however, it is recommended that installations be staggered so that the pumps do not reach the end of their normal life cycle all at once. Replacing the pumps in this manner reduces financial burdens upon the District, as well as operational risks at the WRF.

The replacement pump must possess identical performance conditions and footprint as the existing pump, and must therefore be of the same make and model, Morris Pump Model MFD 30x30-27. A proposal was received from Heyward Services (Morris Pump sales representative) for one (1) pump on June 11, 2012 in the amount of **\$114,957.00**. Morris Pump is the only manufacturer of the replacement pump, and as such, staff proposes that the Board award a sole-source contract to Heyward for this purchase.

Staff recommends that the District move forward with procurement of one replacement influent pump contingent upon review and approval by District Counsel.

June 11, 2012

Carson Hunter
MSD Buncombe County
2028 Riverside Drive
Asheville, NC 28804

Reference: MSD Buncombe County WWTP
Influent Pump Station Replacement Pump
Heyward Services Proposal #06112012-JHC

Dear Carson:

Per your request, the following is an updated proposal of the March 23, 2012 proposal #03232012-JHC to reflect the potential purchase of one (1) pump for the influent pump station. As you know, the existing pumps at the MSD Buncombe County WWTP are Morris Pumps Model MFD 30 X 20 – 27 pump installed in 1988. The serial numbers for these pumps are PM 34734, PM 34735, and PM 34737. Each pump has a mechanical seal. These pumps have a 2ABMF bearing frame, clockwise rotation, grease lubrication, operating speed of 585 rpm service the raw sewage coming onto the plant. The suction flange is 36" diameter while the discharge flange is 30" diameter. The replacement pump will have the identical footprint to minimize the installation cost and installation effort to replace the existing pump.

As we have discussed, the proposed pump is still a current production pump by Morris Pumps, now wholly owned by Grundfos Corporation. Therefore, the footprint will not change. We can provide a duplicate pump based on the information on what was provided under the original pump serial numbers.

We would need to confirm with you the mechanical seal you are currently using or the mechanical seal you prefer.

We suggest and recommend the existing concrete piers supporting the existing pumps (three per pump) be replaced to allow for new anchor bolts and new leveling bolts which would allow for a new and complete and accurate installation. Based on Morris Pumps recommendation, we have added to the original scope of supply sole plates for each cast mounting leg to allow for a metal-to-metal placement for better and more accurate leveling. The sole plate would be mounted or affixed to the new concrete pedestal. This is the current recommendation for new installations. There would be three (3) sole plates per pump.

We recommend MSD Buncombe County secure the services of Russell Underwood of Charles R. Underwood Company of Sanford, NC to perform the final alignment of the pump following installation of the pump by a qualified contractor. Charles R. Underwood Company would ensure the pump is properly aligned with the suction and discharge piping and be properly aligned with the existing Johnson Power shafting and the motor. They would confirm the installation is accurate and the vibration results of operation are within the Hydraulic Institute Standards.

Specifically, we quote the following:

One (1) Morris Pump Model MFD 30 X 30 – 27 bare pump, less motor and extended shafting to have the same footprint and performance data as the original pump. The pump shall be built as a bolt-in replacement (subject to concrete pier modifications) for the original pump furnished under Serial Number

PM 34734, PM 34735, and/or PM 34736. The pump is rated for 14,000-24,300 gpm at 44' TDH at 585 rpm. The pump will be provided with three (3) sole plates to be mounted to the new concrete piers.

Heyward Services personnel will inspect the installation of the pumps by the general contractor and will perform the vibration readings of each pump at start-up and will return to the plant to record the vibration reading one month after the initial start-up.

Factory standard submittal drawings for approval will be provided.

Two (2) copies of the factory standard O&M Manuals for the pump will be provided.

The pump is not quoted with witness testing or factory testing. Should that additional information be required, please let us know and we will adjust the quotation.

Your net price for the above-described equipment is \$114,957.00 lot, F.O.B. shipping point, with full freight allowed to the job site, not unloaded.

Startup service is included in the pricing of the above items and will not be broken out as a separate item. While our offering includes startup service, alignment of the pump with new concrete piers and the alignment of the existing vertical shafting and existing motor is not included in this quotation.

Please note that our pricing does not include any videotaping. If videotaping is required, it is to be by others. We only allow videotaping after a waiver is signed, acknowledging that videotaping is not a replacement for thorough knowledge of the Installation, Operation, and Maintenance Manuals. We must be furnished with a review copy of any videotape made of our personnel during start-up or operator training. In the event the Purchaser wishes to videotape the Heyward Services field service personnel for start-up and/or during field service, Purchaser expressly waives any claim against Heyward Services, for injury or damage caused by inaccuracies or errors in such videotape(s) and understands that such videotaping is done by Purchaser at its sole risk.

Please note that our pricing does not include the provision of any safety equipment required for Confined Space entry. It shall be the sole responsibility of the Purchaser to determine if the need for safety equipment exists and to make this equipment available (at no charge) to our personnel. Heyward Services field services personnel reserve the right to refuse entry into areas they determine to be classified as OSHA defined Confined Space without proper safety provisions or other areas (or situations) deemed unsafe in general.

Please note that our pricing does not include any sales, use, excise or similar tax, or any export, import, or other duties. Any such taxes or duties that are applicable to the sale shall be paid by the purchaser.

Please note that our pricing does not include any installation, wiring, painting, bolting or any other items not specifically referenced above.

All prices are FOB shipping point, with full freight allowed to the jobsite, not unloaded. Please note, since we will not have personnel on site, we cannot accept shipping terms of F.O.B. jobsite.

All pricing is based on shipment on or before December 31, 2012. If this date is not acceptable, please advise and we will advise of any pricing differential.

Heyward Services, shall not be liable for damages occasioned by delay in the performance or delivery due to causes beyond the control of Heyward Services. Time lost for delivery shall be extended equal to the

time lost by reason of any such delay. If equipment, as originally specified, is delayed by the purchaser, Heyward Services, reserves the right to invoice the purchaser and store the products at the purchaser's expense.

Cancellation or suspension by the purchaser will only be accepted on terms indemnifying Heyward Services, against loss.

Prices quoted are firm for 60 days from date of this proposal. If we are not in receipt of a purchase order or letter of intent to purchase by the end of the firm price period, we reserve the right to modify the prices quoted.

Shop drawings can be provided within 5 weeks after receipt and acceptance of your purchase order. Completion of our scope of supply can occur within 22 weeks after approval and release. As we have discussed, we believe we can deliver the pumps in approximately 18 weeks after approval but that will depend on factory work load at the time of approval.

Terms of payment – Net 30 Days.

All pricing is based on terms and conditions as stated herein. If other terms are requested, we reserve the right to adjust the prices quoted to suit the requirements of those modified terms, if they are acceptable. Any past due balances will be subject to a 1-1/2% per month interest charge.

A copy of Heyward Services, standard terms and conditions is attached and made a part of this proposal.

Should a purchase order result from this proposal, please address such order to:

HEYWARD SERVICES
2101-A CAMBRIDGE BELTWAY DRIVE
CHARLOTTE, NC 28273

If you have any questions concerning this proposal, please contact the writer at (704) 583-2305.

Respectfully,

HEYWARD SERVICES

Jim Cooper



**Influent Pump Replacement
Project No. 2012030**

NOT TO SCALE



METROPOLITAN SEWERAGE DISTRICT
of
BLAINE COUNTY, NORTH CAROLINA

Budget Map

**Metropolitan Sewerage District of Buncombe County, North Carolina
CAPITAL IMPROVEMENT PROGRAM**

BUDGET DATA SHEET - FY 2012 - 2013

PROJECT: Influent Pump Replacement	LOCATION: MSD-Treatment Plant
TYPE: Treatment Plant	DATE OF REPORT: January 2012
PROJECT NO.: 2012030	TOTAL L.F.: 0
PROJECT BUDGET: \$380,500.00	PROJECT ORIGIN: Aging Equipment

DESCRIPTION	ESTIMATED PROJECT COST	TOTAL EXPENDS THRU 12/31/11	EST. COST JAN - JUNE 2012	EST. BUDGET FY 12-13
55310 - PRELIM. ENGINEERING				
55320 - SURVEY - DESIGN				
55330 - DESIGN				
55340 - PERMITS				
55350 - SPECIAL STUDIES				
55360 - EASEMENT PLATS				
55370 - LEGAL FEES				
55380 - ACQUISITION SERVICES				
55390 - COMPENSATION				
55400 - APPRAISAL				
55410 - CONDEMNATION				
55420 - CONSTRUCTION	\$300,000.00			\$240,000.00
55430 - CONST. CONTRACT ADM.				
55440 - TESTING	\$500.00		\$500.00	
55450 - SURVEY - ASBUILT				
TOTAL AMOUNT	\$300,500.00	\$0.00	\$500.00	\$240,000.00

ENGINEER: MSD		ESTIMATED BUDGETS - FY '13 -'22	
R.O.W. ACQUISITION: N/A	# PLATS: [0]	FY 13-14	\$120,000.00
CONTRACTOR:		FY 14-15	\$0.00
CONSTRUCTION ADM.: MSD		FY 15-16	\$0.00
INSPECTION: MSD		FY 16-17	\$0.00
		FY 17-18	\$0.00
PROJECT DESCRIPTION: The three influent pumps are critical because they pump all wastewater into the plant. They have all been re-built and are approximately 25 years old. This is to purchase two new pumps - staff will install.		FY 18-19	\$0.00
		FY 19-20	\$0.00
		FY 20-21	\$0.00
		FY 21-22	\$0.00

SPECIAL PROJECT NOTES:

Metropolitan Sewerage District of Buncombe County BOARD ACTION ITEM

BOARD MEETING DATE: July 18, 2012

SUBMITTED BY: Tom Hartye, P.E. - General Manager

PREPARED BY: Ed Bradford, P.E. - Director of CIP
Roger Watson, P.E. - Project Manager

SUBJECT: Short Coxe Ave. @ Southside Ave. Sewer Rehabilitation Project, MSD
Project No. 2004025

BACKGROUND: This project is located near McCormick Field, just south of downtown Asheville. The lines within the project limits serve significant areas of business in downtown Asheville, Mission Hospitals, as well as residential areas surrounding McCormick Field.

The existing aged 8-inch and 15-inch clay lines are in a deteriorated structural condition. The project is comprised of 3,826 LF linear feet of 8-inch through 16-inch DIP.

This is a difficult project due to the congested area, buried utilities, and an old 1930's stone/concrete culvert running through the project site. In addition, several buildings are located over the line.

The contract was advertised and six bids were received on July 5, 2012 in the following amounts:

<u>Contractor</u>	<u>Bid Amount</u>
1) Moorehead Const. Co.	\$1,837,484.00
2) Ruby-Collins	\$1,249,025.00
3) Huntley Construction Co.	\$1,224,830.96
4) Patton Const. Group, Inc.	\$ 946,000.00
5) Terry Brothers Const. Co.	\$ 890,647.50
6) Cana Construction	\$ 866,521.50

The apparent low bidder is Cana Construction Co. Cana has not performed previous work for MSD; therefore, staff checked multiple references (a summary is attached).

Cana is a newer company, formed in January 2012 when an owner of a previous local company (Spur Construction) retired. The staff from Spur is still present, and in particular the job superintendent and foreman remain, both of whom are experienced. References gave an overall positive response, but limited in scope because the company itself is new.

Please refer to the attached documentation for further details.

FISCAL IMPACT: The FY12-13 Construction Budget is \$1,166,100.00.

STAFF RECOMMENDATION: Staff recommends award of this contract to Cana Construction in the amount of \$866,521.50, subject to review and approval by District Counsel.

**METROPOLITAN SEWERAGE DISTRICT OF
BUNCOMBE COUNTY, NORTH CAROLINA**

**Short Coxe Avenue @ Southside Avenue Sewer Replacement
Project No. 2004025**

**BID TABULATION
July 5, 2012**

BIDDER	MBE Form	Bid Forms (Proposal)	Total Bid Amount
Moorhead Construction Company Belton, SC	none	Yes	\$1,837,484.00
Ruby-Collins, Inc. Smyrna, GA	1, 3	Yes	\$1,249,025.00
Huntley Construction Company Asheville, NC	1	Yes	(*) \$1,224,830.96
Patton Construction Group Arden, NC	1	Yes	\$946,000.00
Terry Brothers Construction Company Leicester, NC	1	Yes	\$890,647.50
Cana Construction Waynesville, NC	1	Yes	\$866,521.50

APPARENT LOW BIDDER

(*) Indicates correction in bid amount



 F. Roger Watson, P.E.
 Project Engineer
 Metropolitan Sewerage District of
 Buncombe County, North Carolina

7-6-12

This is to certify that the bids tabulated herein were publicly opened and read aloud at 2:00 p.m. on the 5th day of July, 2012, in the W.II. Muff Building at the Metropolitan Sewerage District of Buncombe County, Asheville, North Carolina, and that said bids were accompanied by acceptable bidders bonds in the amount of 5% of the bid.

Interoffice Memorandum

TO: Tom Hartye, General Manager
Ed Bradford, CIP Manager

FROM: Roger Watson, Project Engineer

DATE: July 9, 2012

RE: Short Coxe Avenue @ Southside Avenue Sanitary Sewer Rehabilitation Project
MSD Project No. 2004025

This project includes 1200 LF 16" DIP; 810 LF 10" DIP; 1669 LF 8" DIP and 147 LF 8" HDPE for a total of 3826 LF of main line pipe. This is an extremely difficult project with lines being replaced which are under buildings and in close proximity to a rock/concrete box culvert constructed in the 1930's. There are numerous locations where existing underground utilities will have to be carefully excavated and new sewer "threaded" through narrow clearances between the existing lines. The average cost per linear foot is \$226.48, which is an indication of the difficulty level of the construction on this project.

Bids were received at 2:00 PM on Thursday, July 5, 2012 from six bidders, and the results of those bids are shown below.

<u>Bidder</u>	<u>Bid</u>
1) Moorehead Construction Company of Belton, SC	\$1,837,484.00
2) Ruby-Collins of Smyrna, GA	\$1,249,025.00
3) Huntley Construction Company, Asheville, NC	\$1,224,830.96
4) Patton Construction Group, Inc. of Arden, NC	\$ 946,000.00
5) Terry Brothers Construction Company, Leicester, NC	\$ 890,647.50
6) Cana Construction Company of Waynesville, NC	\$ 866,521.50

Cana Construction Company of Waynesville, NC is the low bidder with a bid of \$866,521.50. The cost of construction as estimated and budgeted by MSD's CIP Staff is \$1,166,100 and those funds are in the FY12-13 CIP Budget.

Cana Construction Company has bid previous jobs for MSD but this is their first construction contract with MSD. MSD's CIP Staff has therefore checked on the work history of this company with some of their previous clients and has found no problems which would warrant not awarding Cana Construction the contract for this project (See attached "Reference Check Comments").

Staff therefore recommends that this contract be awarded to Cana Construction Company of Waynesville, NC, in the amount of \$866,521.50, pending review and approval by District Counsel.

Reference Check Comments

Cana Construction Company of Waynesville, NC Short Coxe Avenue @ Southside Ave Project No. 2004025

Since this Contractor has not worked directly for MSD, they were asked to submit references and a list of previous jobs. The list of jobs and references included the City of Asheville Water Dept. (one waterline and one sewer line project) and four Private Engineering firms (the projects were primarily jobs done by Cana Construction's predecessor - Spur Construction; however, one was for a job recently awarded by the City of Brevard for a water / sewer project.)

Spur Construction is being phased out of business due to the retirement of previous owners and that partnership has been dissolved. The current owner of Cana Construction has secured the equipment and personnel of Spur Construction. Cana Construction Company was formed in or about January of 2012; therefore, very few jobs have been completed under the Cana Construction name. Cana's Job Foreman and Superintendent, who will be assigned to MSD's project are well seasoned and experienced workmen and were previous long term employees of Spur Construction. Both are held in high esteem by all I spoke to.

City of Asheville – Jobs were for an 800 LF sewer project in a private subdivision near the airport and for a 24" water line project on Brevard Road near Biltmore Mall. Work at both projects received very favorable recommendations and no problems were reported. The City representative stated that they would not hesitate to award future projects to this company. The Brevard Road project was on a very busy NCDOT roadway and no problems were reported with NCDOT or traffic related issues. Detours, lane closings and traffic control were within acceptable limits and no problems were reported.

Brooks Engineering – No specific projects were discussed however, the overall response was positive.

Civil Design Concepts – Work was done on an 8,000 LF water line project (various pipe diameters) on the campus of Haywood Community College. This work was done under a contract with Spur Construction; however, the personnel now operating Cana Const. was in charge of Spur Const. at the time of this contract. Again, no problems were reported and a very favorable recommendation was received. A very high opinion of the character and work ethics of the current owner of Cana Construction was expressed.

McGill & Assoc. – Cana has done no work with McGill & Assoc. under their present company title; however, Cana did bid a job under McGill's design and supervision earlier this year; however, there was an error in Cana's bid and they were permitted to withdraw their bid. No negative inference resulted from the withdrawal of that bid.

Brown Consultants – Cana has recently been awarded a major project in Brevard NC under the engineering design and construction monitoring of Brown Consulting. This project was just awarded and construction is just beginning. Brown Consulting made inquiries prior to recommending award to Cana Construction and found no negative information which would disqualify Cana Construction from award of that contract. Based on their review and present evaluation of Cana Construction; they would recommend them for future work.

MSD's Planning & Development Division – Cana Construction has completed a private development subdivision sewer system (Thoms Estate – Phase 3) under the review of MSD's Planning and Development Division. Final Inspections have not been made on this system nor has the system been approved for addition to MSD's system; however, no problems have been found during construction.

In summary - although Cana Construction Company seems to lack qualifying work experience (because they are a relatively new company), they seem to possess qualified personnel and have received a favorable recommendation from all parties contacted. I, therefore, find no reason not to award this contract to Cana Construction Company of Waynesville, NC.

-Roger Watson



Short Coxe Avenue at Southside Avenue Project No. 2004025

NOT TO SCALE



METROPOLITAN SEWERAGE DISTRICT
DURHAM COUNTY, NORTH CAROLINA

Budget Map

**Metropolitan Sewerage District of Buncombe County, North Carolina
CAPITAL IMPROVEMENT PROGRAM**

BUDGET DATA SHEET - FY 2012 - 2013

PROJECT:	Short Coxe at Southside	LOCATION:	Asheville
TYPE:	General Sewer Rehab.	DATE OF REPORT:	January 2012
PROJECT NO.	2004025	TOTAL L.F.:	3,625
PROJECT BUDGET:	\$1,476,481.00	PROJECT ORIGIN:	SSO's, Access, Line Condition

DESCRIPTION	ESTIMATED PROJECT COST	TOTAL EXPENDS THRU 12/31/11	EST. COST JAN - JUNE 2012	EST. BUDGET FY 12-13
55310 - PRELIM. ENGINEERING				
55320 - SURVEY - DESIGN	\$32,000.00	\$31,825.00		
55330 - DESIGN				
55340 - PERMITS	\$1,800.00		\$1,800.00	
55350 - SPECIAL STUDIES	\$3,000.00	\$3,000.00		
55360 - EASEMENT PLATS	\$8,800.00	\$7,280.00	\$1,520.00	
55370 - LEGAL FEES	\$8,000.00	\$8,165.00	\$500.00	\$1,335.00
55380 - ACQUISITION SERVICES	\$10,181.00	\$10,181.00		
55390 - COMPENSATION	\$200,000.00	\$109,953.00		
55400 - APPRAISAL	\$15,000.00	\$9,250.00		
55410 - CONDEMNATION	\$20,000.00	\$9,700.00	\$300.00	\$1,000.00
55420 - CONSTRUCTION	\$1,168,100.00			\$1,168,100.00
55430 - CONST. CONTRACT ADM.				
55440 - TESTING	\$3,000.00			\$3,000.00
55450 - SURVEY - ASBUILT	\$8,600.00			\$8,600.00
TOTAL AMOUNT	\$1,476,481.00	\$187,354.00	\$4,120.00	\$1,180,035.00

ENGINEER:	MSD	ESTIMATED BUDGETS - FY '13 -'22	
R.O.W. ACQUISITION:	Martin - McGill	# PLATS: [7]	FY 13-14 \$109,800.00
CONTRACTOR:			FY 14-15 \$0.00
CONSTRUCTION ADM:	MSD		FY 15-16 \$0.00
INSPECTION:	MSD		FY 16-17 \$0.00
			FY 17-18 \$0.00
PROJECT DESCRIPTION:	This project will replace existing 8-inch and 15-inch vitrified clay pipe in Southside Avenue, Biltmore Avenue, Short Coxe Ave. and McCormick Place. The existing lines are under buildings and a major drainage culvert, making them difficult to maintain. The system is in poor condition with broken pipe and leaking manholes.		FY 18-19 \$0.00
			FY 19-20 \$0.00
			FY 20-21 \$0.00
			FY 21-22 \$0.00
SPECIAL PROJECT NOTES:	Expenses for Survey for Design were transferred from Southside at Buxton and are included in this project.		

Metropolitan Sewerage District of Buncombe County

Board Action Item

BOARD MEETING DATE: July 18, 2012

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

PREPARED BY: David Monteith, Kevin Johnson

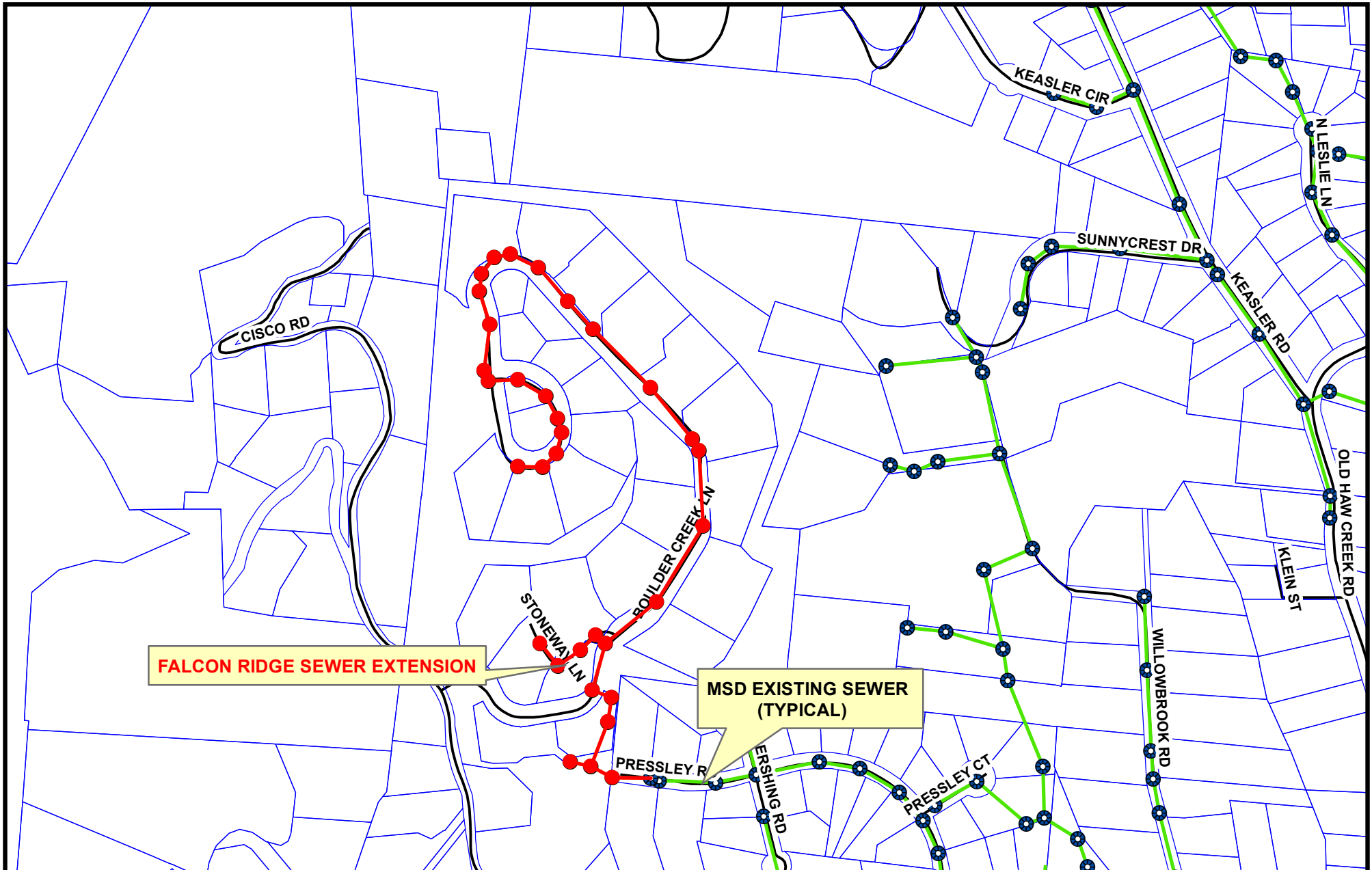
REVIEWED BY: Stan Boyd, PE, Engineering Director

SUBJECT: Acceptance of Developer Constructed Sewer System for the Falcon Ridge at Haw Creek Sewer Extension Project.

BACKGROUND: This project is located inside the District boundary off Cisco Road in the City of Asheville. The developer of the project is George Ryan, Jr. of Falcon Ridge at Haw Creek, LLC. The project included the installation of approximately 3,463 linear feet of 8" gravity sewer to serve a thirty-two (32) unit residential development. A wastewater allocation was issued in the amount of 9,600 GPD for the project. The estimated cost of the sewer extension is \$300,000.00.

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 # 2004240

Not To Scale



METROPOLITAN SEWERAGE DISTRICT
of
BUNCOMBE COUNTY, NORTH CAROLINA

**Falcon Ridge
Sewer Extension**

Metropolitan Sewerage District of Buncombe County BOARD INFORMATIONAL ITEM

Meeting Date: July 18, 2012

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

Prepared By: W. Scott Powell, CLGFO, Director of Finance
Cheryl Rice, Accounting Manager

Subject: Cash Commitment/Investment Report-Month Ended May 31, 2012

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 May 31, 2012 were \$36,138,582. The detailed listing of accounts is available upon request. The average rate of return for all investments is 0.875%. 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 May 31, 2012 do not reflect contractual commitments or encumbrances against said funds. Shown below are the total investments as of May 31, 2012 reduced by contractual commitments, bond funds, and District reserve funds. The balance available for future capital outlay is \$18,499,897.

Total Cash & Investments as of 05/31/2012		36,138,582
Less:		
Budgeted Commitments (Required to pay remaining FY12 budgeted expenditures from unrestricted cash)		
Construction Funds	(3,816,714)	
Operations & Maintenance Fund	(2,443,456)	
		(6,260,170)
Bond Restricted Funds		
Bond Service (Funds held by trustee):		
Funds in Principal & Interest Accounts	(103,994)	
Debt Service Reserve	(2,316,339)	
Remaining Principal & Interest Due	(5,426,316)	
		(7,846,649)
District Reserve Funds		
Fleet Replacement	(360,001)	
WWTP Replacement	(614,447)	
Maintenance Reserve	(912,790)	
		(1,887,238)
Post-Retirement Benefit		(840,127)
Self-Funded Employee Medical		(804,501)
Designated for Capital Outlay		18,499,897

Staff Recommendation

None. Information Only.

Action Taken

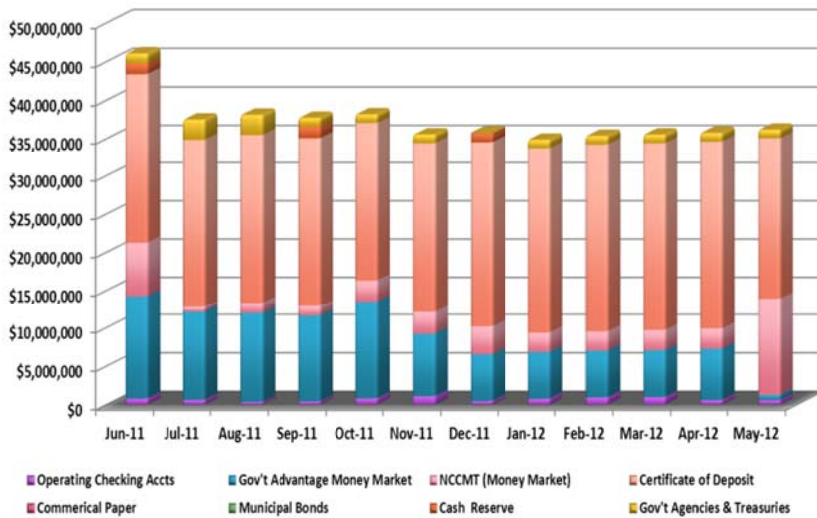
Motion by:	to	Approve	Disapprove
Second by:		Table	Send to Committee
Other:			
Follow-up required:			
Person responsible:			Deadline:

Metropolitan Sewerage District of Buncombe County Investment Portfolio

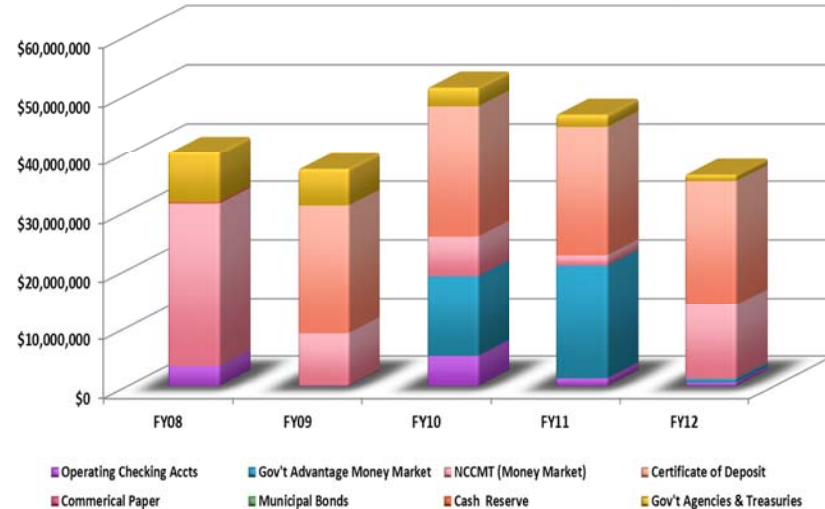
	Operating Checking Accounts	Gov't Advantage Money Market	NCCMT (Money Market)	Certificate of Deposit	Commercial Paper	Municipal Bonds	Cash Reserve	Gov't Agencies & Treasuries	Total
Held with Bond Trustee	\$ -	\$ -	\$ 1,303,530	\$ -	\$ -	\$ -	\$ -	\$ 1,116,803	\$ 2,420,333
Held by MSD	574,558	646,122	11,364,907	21,132,662	-	-	-	-	33,718,249
	<u>\$ 574,558</u>	<u>\$ 646,122</u>	<u>\$ 12,668,437</u>	<u>\$ 21,132,662</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,116,803</u>	<u>\$ 36,138,582</u>

Investment Policy Asset Allocation	Maximum Percent	Actual Percent	
U.S. Government Treasuries, Agencies and Instrumentalities	100%	3.09%	No significant changes in the investment portfolio as to makeup or total amount.
Bankers' Acceptances	20%	0.00%	
Certificates of Deposit	100%	58.48%	The District's YTM of .76% 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%	35.05%	All funds invested in CD's, operating checking accounts, Gov't Advantage money market are fully collateralized with the State Treasurer.
Checking Accounts:	100%		
Operating Checking Accounts		1.59%	
Gov't Advantage Money Market		1.79%	

**MSD of Buncombe County
Investment Portfolio - 12 Month Trend**



**MSD of Buncombe County
Investment Portfolio - As of May 31, 2012**



Board Meeting

July 18, 2012

Subject: Cash Commitment/Investment Report-Month Ended May 31, 2012

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**METROPOLITAN SEWERAGE DISTRICT
INVESTMENT MANAGERS' REPORT
AT May 31, 2012**

Summary of Asset Transactions

	Original Cost	Market	Interest Receivable
Beginning Balance	\$ 32,245,363	\$ 32,245,363	\$ 232,512
Capital Contributed (Withdrawn)	263,755	263,755	
Realized Income	7,655	7,655	(6,299)
Unrealized/Accrued Income		-	18,369
Ending Balance	<u>\$ 32,516,773</u>	<u>\$ 32,516,773</u>	<u>\$ 244,582</u>

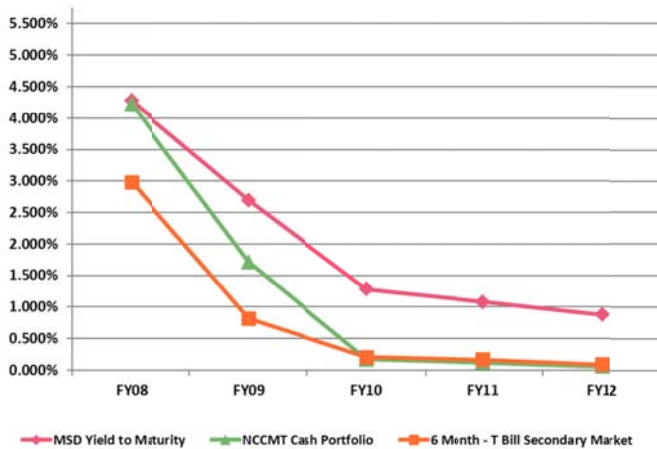
Value and Income by Maturity

	Original Cost	Income
Cash Equivalents <91 Days	\$ 11,384,110	\$ 6,906
Securities/CD's 91 to 365 Days	21,132,662	\$ 12,819
Securities/CD's > 1 Year	-	\$ -
	<u>\$ 32,516,773</u>	<u>\$ 19,725</u>

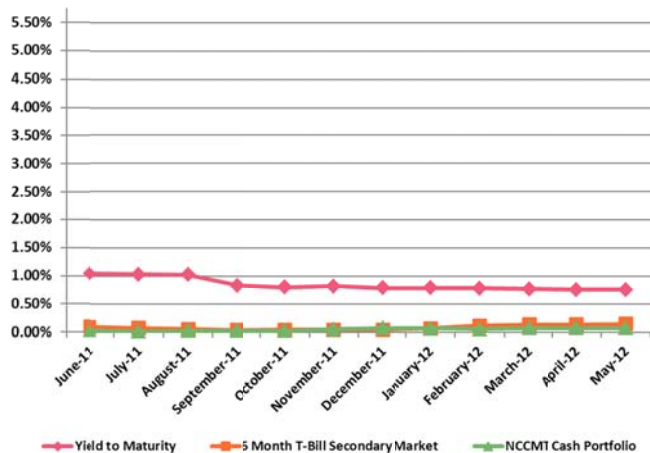
Month End Portfolio Information

Weighted Average Maturity	385
Yield to Maturity	0.76%
6 Month T-Bill Secondary Market	0.15%
NCCMT Cash Portfolio	0.08%

**Metropolitan Sewerage District
Annual Yield Comparison**



**Metropolitan Sewerage District
Yield Comparison - May 31, 2012**



Board Meeting

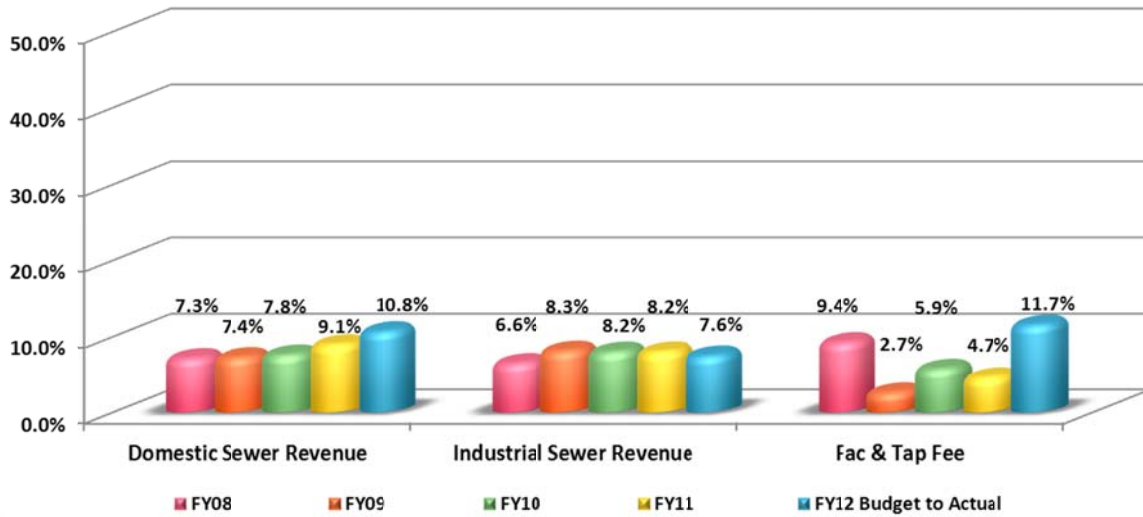
July 18, 2012

Subject: Cash Commitment/Investment Report-Month Ended May 31, 2012

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**METROPOLITAN SEWERAGE DISTRICT
ANALYSIS OF CASH RECEIPTS
AS OF May 31, 2012**

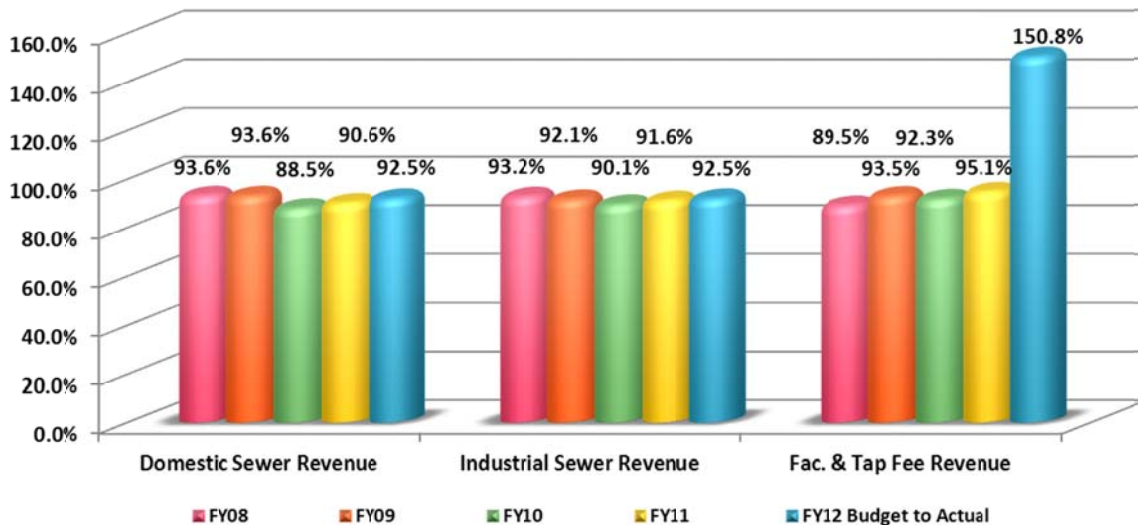
Monthly Cash Receipts Analysis



Monthly Cash Receipts Analysis:

- Due to the City of Asheville's implementation of their Munis Billing System, billing cycles have been affected, and has impacted timing of cash receipts. Billing cycles should resume to normal trends by the end of FY12.
- 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 Cash Receipt Analysis



YTD Actual Revenue Analysis:

- Due to the City of Asheville's implementation of their Munis Billing System, billing cycles have been affected, and has impacted timing of cash receipts. Billing cycles should resume to normal trends by the end of FY12.
- 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

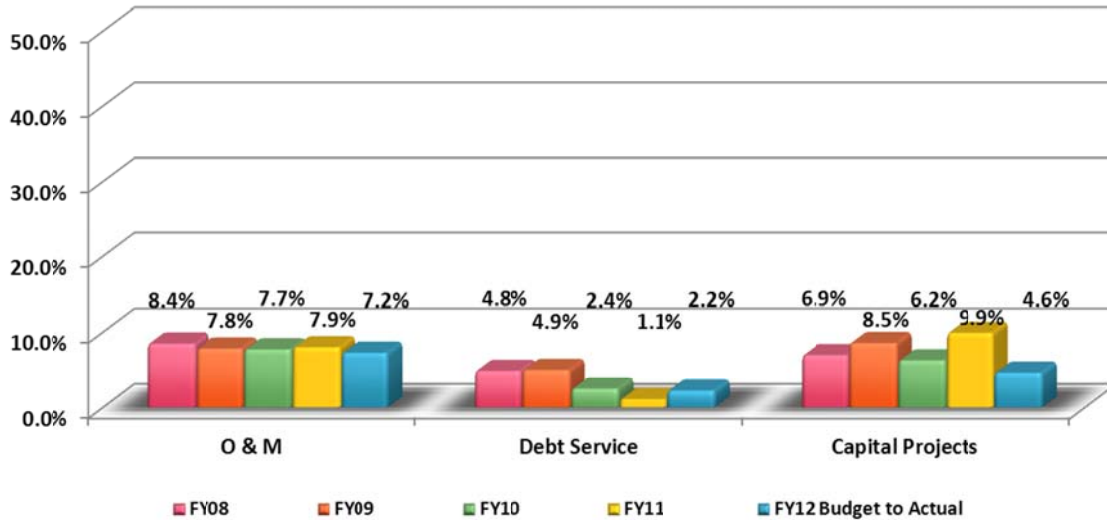
July 18, 2012

Subject: Cash Commitment/Investment Report-Month Ended May 31, 2012

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**METROPOLITAN SEWERAGE DISTRICT
ANALYSIS OF EXPENDITURES
AS OF MAY 31, 2012**

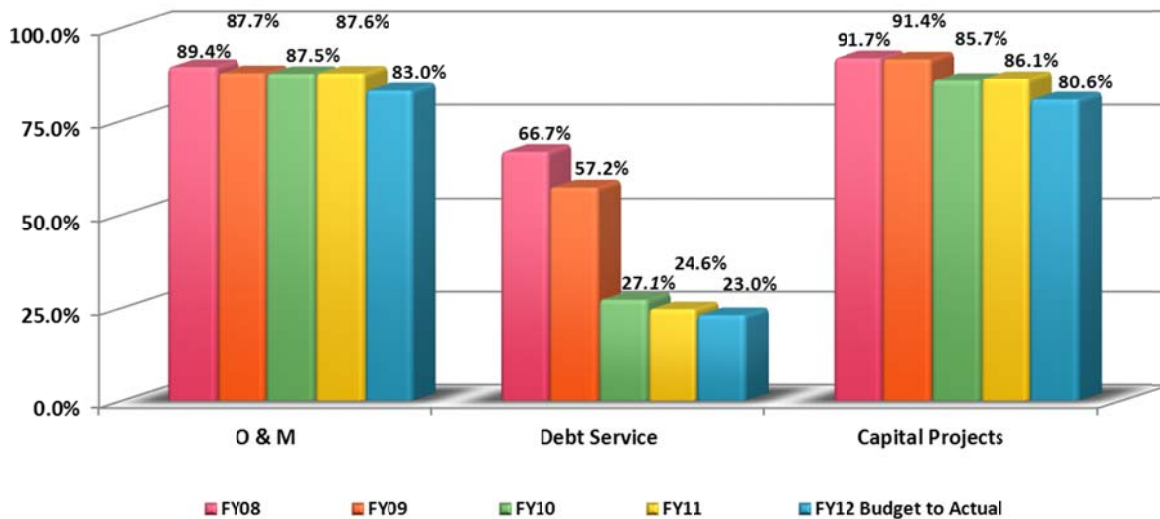
Monthly Expenditure Analysis



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 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

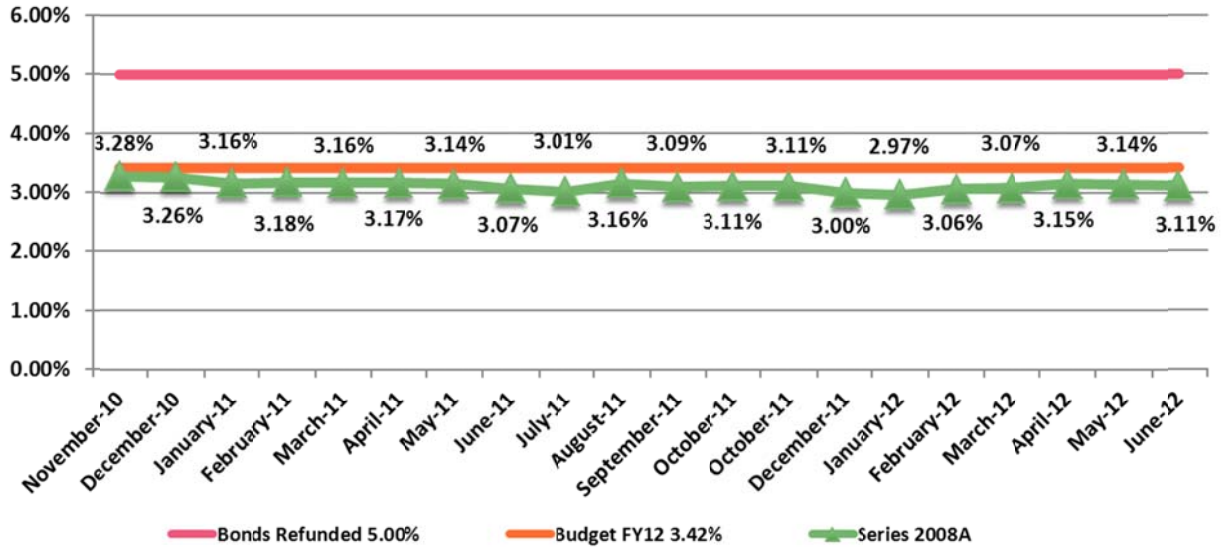
July 18, 2012

Subject: Cash Commitment/Investment Report-Month Ended May 31, 2012

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**METROPOLITAN SEWERAGE DISTRICT
Variable Debt Service Report
As of June 30, 2012**

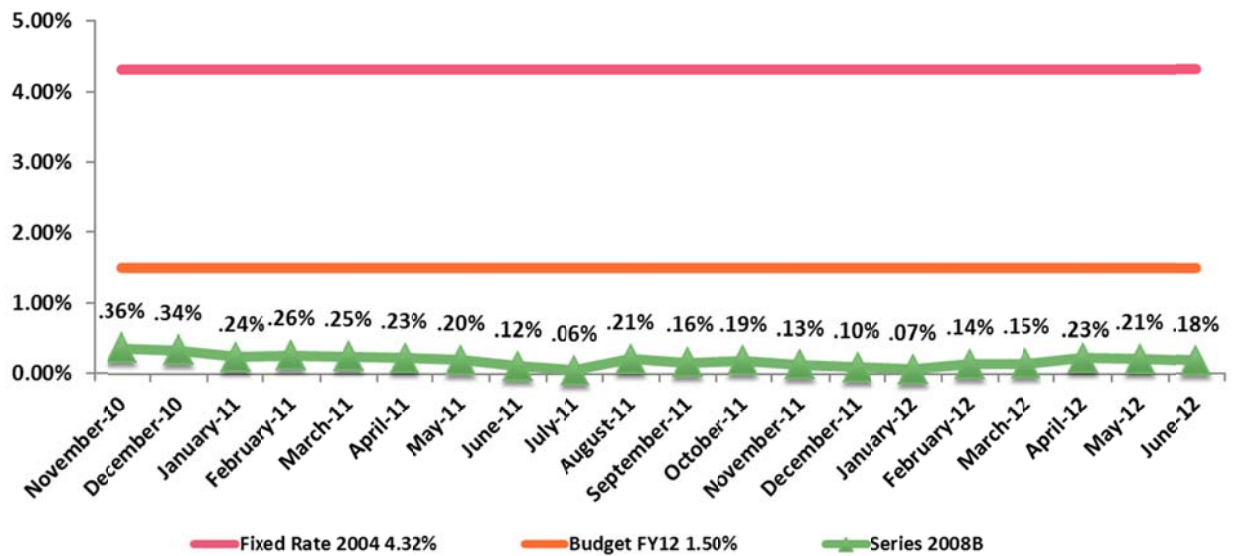
Series 2008A Synthetic Fixed Rate Bonds Performance History



Series 2008A:

- ✦ Savings to date on the Series 2008A Synthetic Fixed Rate Bonds is \$2,253,416 as compared to 4/1 fixed rate of 4.85%.
- ✦ 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 \$4,730,000 over the life of the bonds.
- ✦ MSD would pay \$7,035,000 to terminate the existing Bank of America Swap Agreement.

Series 2008B Variable Rate Bond Performance History



Series 2008B:

- ✦ Savings to date on the 2008B Variable Rate Bonds is \$3,236,825 as compared to 5/1 fixed rate of 4.32%.
- ✦ Since May 1, 2008, the Series 2008B Bonds average variable rate has been 0.56%.
- ✦ MSD will achieve \$8,930,000 in cash savings over the life of the bonds at the current average variable rate.

CONSIDERATION OF CONSULTANT

Metropolitan Sewerage District of Buncombe County

BOARD ACTION ITEM

Meeting Date: July 18, 2012

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

Subject: Consideration of Consultant selection for detailed water/sewer consolidation impact study.

Background:

The MSD Board of Directors voted to conduct a detailed impact study of the proposed merger and instructed staff to seek the services of reputable national firm experienced in utility operations, management, budgeting and finance, and utility mergers. Staff developed a Request for Proposals (RFP) to initiate the process and received five proposals on July 5th.

The Selection Committee has reviewed proposals and is interviewing five consultants to determine the most qualified to conduct the study.

Recommendation: The Selection Committee will make a recommendation at the Board Meeting as to the recommended Consultant and the negotiated fee and scope of services.

STATUS REPORTS

CAPITAL IMPROVEMENT PROGRAM

STATUS REPORT SUMMARY

July 10, 2012

PROJECT	CONTRACTOR	AWARD DATE	NOTICE TO PROCEED	ESTIMATED COMPLETION DATE	*CONTRACT AMOUNT	*COMPLETION STATUS (WORK)	COMMENTS
DILLINGHAM ROAD - 4 INCH MAIN	Terry Brothers	3/21/2012	4/16/2012	8/14/2012	\$149,902.00	90%	Informal Paving yet to be done, then final inspection.
MEADOWLARK ROAD	TBA	TBA	TBA	TBA	TBA	0%	Informal Project is scheduled to bid on August 2, 2012.
MOUNTAIN TERRACE - 4 INCH MAIN	TBA	TBA	TBA	TBA	TBA	0%	Informal Project is scheduled to bid on August 2, 2012.
NORTH GRIFFING BOULEVARD - 4 INCH MAIN	TBA	TBA	TBA	TBA	TBA	0%	Informal Project is scheduled to bid on August 2, 2012.
PATTON AVENUE @ PARKWOOD ROAD	Huntley Construction	1/18/2012	5/11/2012	9/8/2012	\$243,718.16	35%	Informal Construction is progressing well. Mainline has progressed through the Patton Avenue bore and is on the North side of Patton Avenue.
PIPE RATING CONTRACT #6 (LINING)	Improved Technologies Group	10/19/2011	12/5/2011	7/20/2012	\$808,846.50	85%	Formal Pipe lining and open dig portions of the project are complete including all pavement restoration. Manhole lining near completion. Additional work has been added to the contract and still remains.
ROEBLING CIRCLE	Terry Brothers	3/21/2012	4/16/2012	8/14/2012	\$52,241.00	0%	Informal Construction has begun this week.
SHORT COXE AVENUE AT SOUTHSIDE AVENUE	TBA	TBA	TBA	TBA	TBA	0%	Formal Bids were opened on July 5, 2012. Cana Construction Company is the apparent low bidder.
TOWN BRANCH INTERCEPTOR PHASE II	Moore & Son	6/15/2011	7/18/2011	6/8/2012	\$556,273.80	100%	Formal Project is complete and in close out.
TOWN MOUNTAIN ROAD (4-INCH MAIN)	Terry Brothers	1/18/2012	4/10/2012	8/8/2012	\$284,847.00	95%	Informal Project is complete and ready for final inspection.
VA HOSPITAL (PRP 28001)	Huntley Construction	12/14/2011	2/6/2012	6/15/2012	\$200,786.99	100%	Informal Project is complete and in closeout.
WRF - ELECTRICAL IMPROVEMENTS	TBA	TBA	TBA	TBA	TBA	0%	Formal Project is scheduled to bid on July 26, 2012.
WRF - FINAL MICROSCREEN REPLACEMENT	Hickory Construction	10/20/2010	1/3/2011	9/30/2012	\$8,972,321.36	90%	Formal Equipment installation complete and Aqua has checked everything. CITI onsite with Aqua working on equipment communications. Water expected to be added in the next couple of weeks.

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

Planning and Development Projects Status Report
July 18, 2012

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
	Black Mtn Annex: Blue Ridge Rd.	1992171	Black Mtn.	24	2,560	8/19/2010	Complete-Waiting on final documents
	Kenilworth Healthy Built	2011030	Asheville	5	252	8/23/2011	Complete - Waiting on final documents
	New Salem Studios	2011119	Black Mountain	5	36	5/21/2012	Complete - Waiting on final documents
	Quality Oil - Fairview	2011081	Buncombe Co.	Comm.	522	3/20/2012	Complete - Waiting on final documents
	Dollar General - Smokey Park	2011048	Candler	Comm.	100	3/13/2012	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
	Buncombe County Animal Shelter	2007216	Asheville	Comm.	78	5/1/2008	Complete - Waiting on 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
	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
	AVL Technologies	2010018	Woodfin	Comm.	133	5/21/2010	Complete-Waiting on final documents
	UNC-A New Residence Hall	2011047	Asheville	304	404	8/29/2011	Complete-Waiting on final documents
	Dollar Tree - Weaverville	2011113	Weaverville	Comm.	75	2/23/2012	Complete-Waiting on final documents
	Fairview Road Property	2010043	Asheville	10	542	11/9/2011	Complete-Waiting on final documents
	Larchmont Apartments	2011014	Asheville	60	26	6/23/2011	Complete-Waiting on final documents
	Versant Phase I	2007008	Woodfin	64	12,837	2/14/2007	Complete-Waiting on final documents
	Cottonwood Townhomes	2009110	Black Mtn.	8	580	10/20/2009	Complete-Waiting on final documents
	Emergency Services Training Center	2009027	Woodfin	Comm.	2,512	2/7/2011	Complete-Waiting on final documents
	Ridgefield Business Park	2004188	Asheville	18	758	2/16/2005	Complete-Waiting on final documents

Subtotal	983	34,987
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Planning and Development Projects Status Report
July 18, 2012

Status	Project Name	Project Number	Work Location	Units	LF	Pre-Construction Conference Date	Comments
	The Settings (6 Acre Outparcel)	2004192	Black Mountain	21	623	3/15/2006	Ready for final inspection
	Swannanoa Habitat Project	2012055	Swannanoa	17	303	6/26/2012	Pre-con held, ready for construction
	Waightstill Mountain PH-8	2006277	Arden	66	3,387	7/26/2007	testing / in foreclosure
	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
	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
	Parameter Generation Relocation	2012024	Black Mtn.	Comm.	545	5/24/2012	Installing
	Camp Dorothy Walls - Ph. 2	2007294	Black Mtn.	Comm.	593	6/16/2009	Pre-con held, ready for construction
	Thoms Estate 3A	2011022	Asheville	8	457	10/24/2010	Pre-con held, ready for construction
	Olive Garden	2011074	Asheville	Comm.	500	12/12/2011	Ready for final inspection
	Harris Teeter - Merrimon Ave.	2011045	Asheville	Comm.	789	3/27/2012	Pre-con held, ready for construction
	Pisgah Manor Skilled Nursing Facility	2012008	Candler	Comm.	131	4/9/2011	Pre-con held, ready for construction

Subtotal	2428	104,192
Total Units:	3,411	
Total LF:		139,179