

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
JULY 17, 2013

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 17, 2013. Chairman Aceto presided with the following members present: Belcher, Bryson, Frost, Kelly, Pelly, Root, Russell, Stanley, VeHaun and Watts. Ms. Manheimer was absent

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill with McGill Associates, P.A., Steve Shoaf with the City of Asheville, Marcus Jones with Henderson County, Mike Plemmons with CIBO, and MSD Staff, Stan Boyd, Peter Weed, Scott Powell, Jim Hemphill, Ed Bradford, Mike Stamey, Ken Stines, Matthew Walter, Angel Banks and Sondra Honeycutt.

2. Election of Officers:

Mr. Aceto called for nominations for Chairman of the MSD Board. Mr. Stanley nominated Mr. VeHaun as Chairman. Ms. Belcher seconded the nomination. Mr. Aceto called for further nominations. With no further nominations, Mr. Kelly moved the nominations be closed. Mr. Pelly seconded the motion. Voice vote in favor of the motion was unanimous. Mr. Aceto called for a vote on the election of Mr. VeHaun as Chairman of the MSD Board. By a show of hands the motion was unanimous in favor of Mr. VeHaun as Chairman of the MSD Board.

Mr. Aceto called for nominations for Vice Chairman of the MSD Board. Mr. Kelly nominated Mr. Stanley as Vice Chairman. Mr. Stanley humbly declined the nomination. Ms. Bryson nominated Mr. Kelly. Mr. Root seconded the motion. Mr. Aceto called for further nominations. With no further nominations, Mr. VeHaun moved the nominations be closed. Mr. Watts seconded the motion. By a show of hands the motion was unanimous. Mr. Aceto called for a vote on the election of Mr. Kelly as Vice Chairman of the MSD Board. By a show of hands the motion was unanimous in favor of Mr. Kelly as Vice Chairman of the MSD Board.

Mr. VeHaun appointed Ms. Bryson as Secretary/Treasurer of the Board. By a show of hands, the appointment was approved unanimously.

Mr. Aceto thanked everyone for the delightful experience of serving on the Board for a total of 22 years. He stated he finds the Board and Staff to be utterly competent and that there is a lot of joy in being in this space and is grateful to God for that. He further stated there are two things in particular that stand out that he has enjoyed; staff presentations featuring the different departments of MSD which have been a joy and a delight, and the privilege of sitting down with Tom Hartye, Scott Powell and others to discuss how to engage the Board in what staff is doing and the issues that are important and how to challenge them to look to the future. He said those discussions have been fun and he will miss them greatly. He also expressed his gratitude to the Town of Montreat for allowing him to serve over the years.

3. Inquiry as to Conflict of Interest:

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

4. Approval of Minutes of the June, 12, 2013 Board Minutes:

Mr. VeHaun asked if there were any changes to the Minutes of the June 12, 2013 Board Meeting. With no changes, Ms. Frost moved for approval of the minutes as presented. Mr. Russell seconded the motion. Voice vote in favor of motion was unanimous.

5. Discussion and Adjustment of Agenda:

None

6. Informal Discussion and Public Comment:

Mr. VeHaun welcomed Mr. Shoaf, Mr. Jones and Mr. Plemmons. There was no public comment.

7. Report of General Manager:

Mr. Hartye stated it has been both an honor and a pleasure to serve under Steve Aceto and that hopefully we can get him back in the next couple of months for a proper send off.

Mr. Hartye reported that The Government Finance Officers Association has recognized MSD with a Certificate of Achievement for the Fiscal Year 2012 Comprehensive Annual Financial Report (CAFR). He expressed his appreciation to Scott Powell and Teresa Gilbert for their effort.

Mr. Hartye reported that Ms. Penny James of Byrd Cliff Lane called to commend Marvin Felder with his quick response and helpfulness. Also, Mr. & Mrs. Metcalf from 65 Oakley Road expressed their gratitude and complimented Wayne Rice, Marvin Felder and Eric Bryant for the great job they did when responding to their stoppage. They acted with courtesy and professionalism and resolved their problem in a timely manner. Mr. Hartye expressed congratulations to Jack Stevens for being inducted into the NC Bar Association, General Practice Hall of Fame.

With regard to the April 30th Sanitary Sewer Overflow (SSO), Mr. Hartye reported the District received a fine from DENR of \$6,137.00.

Mr. Hartye presented several slides showing problems encountered during heavy rain over the last two weekends. He reported that one of the problem areas was along Beaverdam Creek, which flows down from the dam at Beaver Lake next to the MSD Administration building. He presented a slide showing flooding where the river came up over its banks on the Biltmore Estate; covering manholes. He presented a slide showing a manhole washed out on Pincroft in upper Beaverdam. He explained that often if there is a storm sewer washout, an MSD line is usually nearby. He presented slides showing debris removal at Hominy Creek as well as slides showing the Spooks Branch wash out; Sweeten Creek and Oakley Creek overflow in Biltmore covering manholes; Upper Beaverdam Creek after the storm and the Weaverville Sink Hole at Arby's. Mr. Stines reported the sink hole is 40 ft. deep and the MSD sewer line is at the bottom. Mr. Hartye stated that when the contractor doing the work goes down to repair the storm pipe, they will have to dismantle the adjacent MSD manhole for safety reasons.

Mr. Hartye reported the July meeting of the ROW Committee is cancelled. The next meeting will be held August 28th at 9 a.m. The next regular Board Meeting will be August 21st at 2 p.m.

8. Consolidated Motion Agenda:

a. Consideration of Acceptance of Developer Constructed Sewer System for the Swannanoa Habitat for Humanity Sewer Extension Project:

Mr. Hartye reported this project is located inside the District boundary off Dennis Street in Buncombe County. The project included the installation of approximately 406 linear feet of 8" gravity sewer which includes 70 linear feet of existing sewer

rehabilitation to serve a seventeen (17) unit residential development. A wastewater allocation was issued in the amount of 5,100 GPD for the project. Since this project is for affordable housing it is also eligible for Cost Recovery in the amount of \$17,732.00. Staff recommends acceptance of the developer constructed sewer system and authorization of payment of \$17,732.00 for Affordable Housing Cost Recovery. All MSD requirements have been met.

b. Cash Commitment/Investment Report – Month Ended May 31, 2013:

Mr. Powell reported that Page 19 presents the makeup of the District's Investment Portfolio. The only change in the portfolio was due to the impact of the 2003 & 2008A revenue bond refunding. Page 20 is the MSD Investment Manager Report as of the month of May. The weighted average maturity of the investment portfolio is 321 days. The yield to maturity is 0.74% and exceeds MSD benchmarks of the 6 month T-Bill and NCCMT cash portfolio. Page 21 is an analysis of the District's May Cash Receipts. Monthly and YTD domestic sewer revenue is considered reasonable based on timing of cash receipts in their respective fiscal periods. YTD Industrial Sewer Revenue is trending below budgeted expectations. YTD Facility and Tap fees are above historical trends due to the timing of cash receipts as well as impact fees being budgeted conservatively. Page 22 is an analysis of the District's May Expenditures. Monthly and YTD expenditures are considered reasonable based on historical trends. Page 23 is the MSD Variable Debt Service Report. The 2008 A Series is performing better than budgeted expectations. As of the end of June, this issue has saved District rate payers \$2.70 million dollars in debt service since April 2008.

Mr. VeHaun called for discussion. With no discussion, Mr. VeHaun called for the question. Mr. Aceto moved the Board approve the Consolidated Motion Agenda as presented. Mr. Watts seconded the motion. Roll call vote was as follows: 11 Ayes: 0 Nays.

9. Old Business:

Mr. Clarke reported that an answer to the lawsuit (the City of Asheville against the State and MSD) was filed last Friday. Most of the allegations in the complaint are not directed against MSD, but MSD is a party to the lawsuit. A hearing on the preliminary injunction is scheduled for August 6th in Raleigh and the Judge has asked that he have 30 days after the hearing to render a decision. He stated that he does not anticipate anything happening before September 6th and that he will circulate this information to the Board by e-mail. Mr. Root asked if the Judge were to resolve the injunction with MSD, would MSD take over the water system immediately upon the dissolution of the injunction. Mr. Clarke said yes, and the impact of his decision could be significant.

10. New Business:

Mr. Hartye reminded the Board of a link to the Status Reports which includes activities of the System Services Department; Right of Way quarterly report; Capital Improvement Program Report Summary, and Planning & Development Project Report.

Mr. Vahaun thanked Mr. Aceto for presiding over a very well-run Board and that he appreciates his leadership.

11. Adjournment:

With no further business, Mr. VeHaun called for adjournment at 2:33 p.m.

Jackie W. Bryson, Secretary/Treasurer

MSD

Regular Board Meeting

Metropolitan Sewerage District
of Buncombe County, NC

AGENDA FOR 7/17/13

✓	Agenda Item	Presenter	Time	
	Call to Order and Roll Call	Aceto	2:00	
	01. Election of Officers	Aceto	2:05	
	02. Inquiry as to Conflict of Interest	Aceto	2:15	
	03. Approval of Minutes of the June 12, 2013 Board Meeting.	Aceto	2:20	
	04. Discussion and Adjustment of Agenda	Aceto	2:25	
	05. Informal Discussion and Public Comment.	Aceto	2:30	
	06. Report of General Manager	Hartye	2:40	
	07. Consolidated Motion Agenda			
	a. Consideration of Developer Constructed Sewer System for the Swannanoa Habitat for Humanity Sewer Extension Project.	Hartye	2:55	
	b. Cash Commitment Investment Report – Month Ended May 31, 2013.	Powell		
	08. Old Business	Aceto	3:05	
	09. New Business	Aceto	3:10	
	10. Adjournment (Next Meeting (8/21/13)	Aceto	3:15	
	STATUS REPORTS			

APPROVAL OF MINUTES

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
JUNE 12, 2013

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 2014 was held in the Boardroom of MSD's Administration Building at 2:00 p.m., Wednesday, June 12, 2013. Chairman Aceto presided with the following members present: Belcher, Bryson, Frost, Kelly, Pelly, Russell, Stanley, VeHaun and Watts. Ms. Manheimer and Mr. Root were absent.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill with McGill Associates, P.A., Joseph Martin with Woodfin Sanitary Water & Sewer District, Barry Summers and MSD Staff, Stan Boyd, Peter Weed, Scott Powell, Jim Hemphill, Mike Stamey, Ken Stines, Matt Walter, Hunter Carson, Roger Watson, Julie Willingham, Angel Banks and Sondra Honeycutt.

2. Inquiry as to Conflict of Interest:

Mr. Aceto asked if there were any conflicts of interest with the agenda items. Mr. Aceto asked to be excused from voting or deliberation on the (Parameter Generation and Control Relocation project) of the Consolidated Motion Agenda.

3. Approval of Minutes of the May 15, 2013 Board Meeting:

Mr. Aceto asked if there were any changes to the Minutes of the May 15, 2013 Board Meeting. Mr. Kelly noted that Item 10, paragraph 3, line 6 should be changed to read: "Mr. Clarke". With no further changes, Mr. VeHaun moved for approval of the Minutes as amended. Mr. Belcher 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. Martin and Mr. Summers. Mr. Aceto called for public comment. Mr. Summers asked to address the Board.

Mr. Summers asked if MSD was going to amend the Arcadis Study to reflect the loss of the Sullivan Act transfers to the City of Asheville's general fund that was just passed by the Legislature. Mr. Hartye asked when it was made law. Mr. Summers replied, last week. Mr. Hartye agreed that it would impact the savings; however there would still be savings under scenarios 2 and 3. Mr. Hartye stated that if there was to be an update to the study it would have to include any and all changes to date. He further stated there has been significant changes for instance with the North Fork Dam study that indicated approximately \$34 million in repairs are needed (which would have to be rectified with only \$12 million that was included in the budget that was provided to MSD). The City is still in that budget process. He said there are many parts to the study and that if this issue ever exits the lawsuit, that would be a better time to update to include any changes that legal suit may present. Mr. Hartye asked if the City has updated their study for this issue and the other errors that were found regarding allocation of expenses. Mr. Aceto stated what is good for the goose is good for the gander. Mr. Watts stated that the Arcadis Study has a date on the cover and is therefore based upon the facts and circumstances at that time.

6. Report of General Manager:

Mr. Hartye reported that a public hearing will be held on the Final Budget and Rates for FY 2014. The full FY 2014 Budget is on the MSD website under Board

Agenda. He further reported that a few copies of the full FY 2014 Budget Book and a copy of a bulleted synopsis of the proposed budget are available.

With regard to Water/Sewer Consolidation, Mr. Hartye reported there will be a Court Hearing August 6, 2013 regarding the Preliminary Injunction.

Mr. Hartye announced that Angel Banks was selected as the IRWA Region 6 Professional of the Year for her outstanding contributions and leadership and has been an active member of the IRWA for over 20 years. Mr. Aceto presented Angel with the award presented to her at the IRWA regional meeting. Mr. Hartye stated the IRWA has nearly 10,000 members in 83 chapters across the US, Canada, and Africa and expressed his congratulations to Angel.

Mr. Hartye presented a copy of a letter from Nancy Moss of Wild Cherry Road regarding Eric Bryant. He presented a copy of a letter from E.C. Bradley, Sr. of Stonebridge Drive regarding the crew of Lloyd Anders, Gilbert Karn, Ben Reeves and Eric Dawson and a letter from Julia Stanley of Trinity Chapel Road regarding the efforts of crew Roy Lytle, Dale Dillingham, Robert Denny, Mitch Metcalf and John Mull. Also, a call was received on May 7th from Rebecca Elder in Black Mountain thanking the above crew for being helpful and timely in their work for her neighborhood.

Mr. Hartye reported the Annual French Board River Cleanup was held May 24th from Woodfin Park to Ledges Park. Volunteers picked up 24 bags of trash and debris. He expressed his thanks to all volunteers and especially to Sandra Moore for leading up the effort. He further reported that the Dynamic Duo of Lisa Tolley and Kay Farlow worked the MSD booth at both the Home and Garden Expo at the WNC Ag Center on April 20th and the VA Hospital Earth Day Fair on April 22nd. He expressed his thanks for representing MSD.

With regard to the April 30th Sanitary Sewer Overflow (SSO), Mr. Hartye reported the District received a Notice of Violation May 29th and has responded with requested information.

Mr. Hartye reported the Right of Way Committee Meeting scheduled for June 26th at has been cancelled. The next Right of Way meeting will be held July 24th at 9 a.m. The next Regular Board Meeting will be held July 17th at 2 p.m.

7. Consolidated Motion Agenda:

a. Consideration of Developer Constructed Sewer Systems: MWB Sewer Extension Phase 1; MWB (Peace) Sewer Extension Phase 2; Brookgreen at Crest Mountain Phase 1C; Parameter Generation and Control Relocation, and The Larchmont Apartments:

Mr. Hartye reported on the following projects:

The MWB Construction Sewer Extension Phase 1 project is located inside the District boundary off Providence Terrace in the Town of Montreat and included the installation of approximately 285 linear feet of 8" gravity sewer to serve a single family residence.

The MWB Construction (Peace) Phase 2 Sewer Extension project is located inside the District boundary off Providence Terrace in the Town of Montreat and included the installation of approximately 90 linear feet of 8" gravity sewer to serve a single family residence.

The Brookgreen at Crest Mountain Phase 1C sewer extension project is located inside the District boundary off Ben Lippen Road at Crest Mountain in the Town of Woodfin and included the installation of approximately 201 linear feet of 8" gravity sewer to serve a four (4) unit residential subdivision.

The Parameter Generation and Control project is located inside the District boundary off Old US Hwy 70 in the Town of Black Mountain and included the relocation of approximately 545 linear feet of 8" gravity sewer to make room for construction due to business expansion. The project also included rehabilitation of approximately 200 linear feet of existing sewer. As a result, approximately 320 linear feet of existing 6" sewer line with related appurtenances and easement will be abandoned as part of this project.

The Larchmont Apartments Sewer Extension project is located inside the District boundary off Merrimon Avenue in the City of Asheville and included the installation of approximately 20 linear feet of 8" gravity sewer to serve a sixty (60) unit multi-family residential development. Staff recommends acceptance of the developer constructed sewer systems. All MSD requirements have been met.

b. Consideration of Bids – Sodium Hypochlorite Contract:

Mr. Hartye reported the Water Reclamation Facility is required to disinfect the effluent prior to discharge to the French Broad River and Sodium Hypochlorite is used for this purpose with an estimated usage for 2013-2014 of 200,000 gallons. The following bids were received and opened on May 28, 2013: JCI Jones, Charlotte, NC with a bid of \$0.67 per gallon/\$134,000.00 and Univar, Spartanburg, SC with a bid of \$0.82 per gallon/ \$164,000.00. Staff recommends the Board award the contract for the supply of Sodium Hypochlorite to JCI Jones at a unit price of \$0.67 per gallon.

c. Consideration of Bids – Sodium Bisulfite Contract:

Mr. Hartye reported that following Chlorine Detention time/frame disinfection, the Water Reclamation Facility is required to neutralize any remaining Chlorine in the water prior to discharge to the French Broad River. Sodium Bisulfite is used for this purpose with an estimated usage for 2013-2014 of 100,000 gallons. The following bids were received and opened on June 3, 2013: Southern Ionics, West Point, MS with a bid of \$1.165 per gallon/\$116,500.00; Specialty Chemical, Cleveland TN with a non-responsive bid; Brenntag, Charlotte, NC with a non-responsive bid, and JCI Jones, Charlotte, NC with a bid of \$1.20 per gallon/\$120,000.00. Staff recommends that the Board award the contract for the supply of Sodium Bisulfite to Southern Ionics at a unit price of \$1.165 per gallon.

d. Consideration of Procurement – Bioxide for Odor and Hydrogen Sulfide Control Contract:

Mr. Hartye reported that MSD has been conducting a nine month testing and evaluation of Bioxide ® Solution for odor and hydrogen sulfide control in the South French Broad Interceptor. The product has successfully minimized the adverse effects of sulfide formation in wastewater that attacks cement piping and equipment while no odor complaints have been logged at the French Broad River Park adjacent to Carrier Bridge Pump Station. Bioxide ® Solution is a patented product manufactured by Siemens Industry. Pursuant to NC Purchasing Statutes for Sole-source purchases (143-129(e)(6) and MSD Procedures, this procurement request is presented to the MSD Board for approval. Based on estimated use, FY14 expenditures for Bioxide ® are anticipated to be \$136,000.00 and are within levels budgeted by the WRF. Staff recommends the Board award the contract for the supply of Bioxide ® to Siemens Industry at a unit price of \$2.84/gallon.

e. Consideration of MSD Paving Agreement with the City of Asheville for FY13-14:

Mr. Hartye reported this agreement is for asphalt and concrete (patching) restoration of public roads and sidewalks within the Asheville City Limits which have a size of approximately 300 SF or less. The District entered into an agreement with the City on July 1, 2011 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. MSD and the City have worked together over the last several months to facilitate an agreement for FY14. The City will provide monthly reports to MSD for review and monitoring. The District's monetary contribution for the proposed FY14 agreement with the City is \$532,000.00. The FY13/14 contract for non-City paving is with French Broad Paving and was presented and approved at the June, 2012 MSD Board Meeting. Staff recommends the District execute an agreement with the City of Asheville in the amount of \$532,000.00 for patching public roads within the Asheville City Limits for Fiscal Year 2013-2014. Award is contingent upon review and approval by District Counsel. Mr. Aceto asked about the nature of the check marks under "A.1.Scope" of the contract with the City of Asheville. Mr. Powell replied that this is a form contract that applies to other parties such as Storm Water Department and Gas Company and that A1a. does not apply to MSD whereas A1b. and A1c. do apply to MSD.

f. Cash Commitment Investment Report – Month Ended April 30, 2013:

Mr. Powell reported that Page 2 presents the makeup of the District's Investment Portfolio. There has been no significant 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 341 days. The yield to maturity is 0.74% 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 and YTD domestic sewer revenue is considered reasonable based on timing of cash receipts in their respective fiscal periods. YTD industrial revenue is trending below budgeted expectations. YTD Facility and Tap fees are above historical trends due to the timing of cash receipts 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 \$2.65 million dollars in debt service since April 2008.

Mr. Aceto called for discussion. With no discussion, Mr. Aceto called for the question. Mr. Pelly moved the Board approve the Consolidated Motion Agenda as presented, except for the (Parameter Generation and Control Relocation project). Mr. Watts seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

Mr. Stanley moved the Board approve the Parameter Generation and Control Relocation project. Ms. Frost seconded the motion. Roll call vote was as follows 9 Ayes; 0 Nays. Mr. Aceto was excused from voting.

8. Public Hearing: Consideration of Resolution Adopting the Final Budget and Sewer Use Charges for FY 2013-2014:

MINUTES OF PUBLIC HEARING

At 2:42 p.m., Mr. Aceto declared the Public Hearing open on the Final Budget, Rates & Fees for Fiscal Year 2013-2014 and called on Mr. Powell to present the Budget.

Mr. Powell reported behind the Introduction section is the District's Budget message. Included in the message is the following: Current Year Highlights with domestic and industrial revenue expected to meet budgeted projections. The Operating Budget section outlines the proposed \$14.9 million operations and maintenance budget and proposed changes for the upcoming year. The Capital Improvement Program section outlines the proposed \$16.7 million construction budgets as well as the outstanding debt and debt service. The Sewer Rate Increase section outlines the past five-years domestic rate increases and the proposed FY14 domestic rate increase of 2.5%. Mr. Belcher asked if there is a potential that the recommended rates could be lowered if there are increased revenues from expansion. Mr. Hartye responded that it is possible, but there are many factors that impact rates on both the revenue and the expense side of the equation. One of the reasons why rate projections have gone down over the last few years is due to impact fees from new development. MSD typically projects these in a conservative manner since they are not recurring revenues. If they come in higher due to increased development, then this helps reduce the amount needed in rate increases going forward. If MSD needs to spend significant amounts for new or future regulations, this will impact long term rates as well. He further stated since MSD projects at least 10 years out to determine the current year rate recommendation, the changes to the rate projections adjust in a small tempered way. Mr. Powell stated in the NACWA Report where these rates were shown, when you're looking specifically at sewer entities, the EPA Region IV which is the Southeast is projecting for the next six years an average of 5.5%, whereas MSD is only projecting 2.5%. With regard to Knoxville Proper, their rates over the last three years have gone up from \$15.00 to \$44.00 for an average user per month; directly due to a \$500 million dollar Consent Decree to address infrastructure needs. Mr. Hartye stated that in general terms the wastewater industry itself, because they are playing catch-up, is greater than the CPI which is up from 2.5% to the 5 and 6% range. Mr. Pelly stated in the years before now, MSD has been averaging 3 to 3.5% increases, so why is it now 2.5% looking into the future? Mr. Powell stated a lot of factors are involved; some of that is directly due to MSD staff working with its member partners in finding customers connecting onto the system, which had an annual impact of \$450,000. When you add \$450,000 and projecting that for 10 years you will see the impact. In addition, general growth has occurred and depending on the CIP needs going back over the last 10 years, the cost savings on these projects due to the recession, has been carried over to future years which has a direct impact not only on timing of debt service, but future cost. Mr. Clarke stated that by approving this budget, the Board is not adopting any rate increases other than for this year, but MSD is required to have a 10-year financial plan for its collection system permit which is also a great tool for dealing with the rating agencies. Mr. Powell stated this speaks directly to MSD's current ratings.

Mr. Powell reported behind the Policies & Process Section is a description of the budget process including the Statutory and Bond Order requirements, budget administration and if needed budget amendments. Page 13 briefly describes the forecasting methodology and includes the current business plan which outlines the current year proposed budget as well as estimates of needs for the next nine years. On Page 29 is the proposed \$40,847,453 FY14 budget which incorporates the following:

- 2.5% domestic rate increase
 - 67 cent increase in the average single family monthly bill
 - Monthly bill will go from \$27.14 to \$27.81
- Continuation of the Industrial Rate Parity Plan
 - In year 14 of 20
 - 3.5% average increase for the industrial section
- Facility and Tap fee remain at 2012 levels (no increase)
- 1.0% Rate of Return on investments

- 1.45% increase in Salaries and Benefits which has an impact of \$176,999. Includes Personnel Committee recommendations as to Cola, Self-insurance Funding and GASB 45 OPEB Funding as well as State increases in retirement contribution; requiring all municipal units of governments to contribute to the State Unemployment Fund.
- .84% increase in Materials Supplies and Service which has an impact of \$50,162.

Mr. Powell further reported Page 37 is the Operation & Maintenance Section which is a detailed accounting of the proposed FY14 budget by department as well as current year projected and prior years actual. Page 93 is the Insurance Fund section which is an overview of the various insurance funds along with their respective proposed FY14 budgets and FY12 actuals and current year projected. Page 97 is the Replacement Fund section which is an overview of the various equipment replacement funds along with their respective proposed FY14 budgets and FY12 actuals and current year projected. Page 101 is the CIP Program section. This section 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 (9) years. Page 125 is the Debt Financing section. This section is an overview of debt management as well as a brief description of capital project funding. There is a detailed listing of outstanding debt as well as an aggregate debt service for each outstanding issue. Mr. Aceto asked if MSD has been at the 2.5% rate for a long time or has it previously been more or less. Mr. Powell stated in FY12 MSD started projecting 2.5%. Mr. Hartye stated that the methodology is to use that same rate through the 10-year period unless there is a big change; at least a half point change. Most of these were either at or close to the numbers you see and we typically try to spread increases out over the 10-years. Mr. Aceto asked if it's fair to say that consistently in the past we have under promised and over delivered as far rates and rate projections being better. Mr. Hartye stated you always want to be a little conservative on those projections when you go back to the rating agencies. Typically we are conservative on the capital facility fees; the impact fees, when people tie on to the system since it's not a recurring revenue source. The user fees everyone pays monthly, does not change as much so we actually predict a certain amount of growth (0.75%). Capital facility fees and impact fees can be carried over to the next year; reducing the amount of the rate increase going forward.

Mr. Aceto called for public comment on the proposed Budget, Rates & Fees for FY2013-2014. With no comment, Mr. Aceto declared the public hearing closed at 3:00 p.m.

Mr. Aceto called for a motion to approve the Resolution adopting the Final Budget, Rates & Fees for FY2013-2014. Mr. Watts moved the Board approve the Resolution adopting the Final Budget, Rates & Fees for FY2013-2014 as presented. Mr. Stanley seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

Old Business:

Mr. Clarke reported that as far as an update on the lawsuit, the parties consented to leave the Temporary Restraining Order in place through August 6th at which time a hearing will be held. He stated that Judge Manning has asked for 30 days to prepare a memorandum of decision for which the parties agreed. Around September 6th there will be a hearing on the Preliminary Injunction. He stated MSD's response to the Preliminary Injunction is due July 12th and recommends MSD not oppose the Preliminary Injunction.

Mr. Clarke offered to go into closed session to discuss the claim from a man in Black Mountain regarding a backup due to work performed by a contractor working for the District. Mr. Aceto asked to be excused from participating in that discussion. Ms. Frost stated she has adequate information in this regard. Mr. Clarke stated that MSD has

responded appropriately and the contractor is responding as well, but if anyone has questions in this regard please give him a call.

9. New Business:

None

10. Adjournment:

With no further business, Mr. Aceto called for adjournment at 3:05 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, 2013
SUBJECT: Report from the General Manager

- Steve Aceto

Attached is a letter of resignation from Chairman Steve Aceto. It has been both an honor and a pleasure to serve MSD under his leadership as both Planning Committee Chairman and Board Chairman. I will let you know when there are plans for a send-off.

- MSD Board Election of Officers

Just a reminder that the annual MSD Board election of officers will be held at the July Regular Board Meeting.

- GFOA Certificate of Achievement for FY 2012 CAFR

The Government Finance Officers Association has recognized MSD with a Certificate of Achievement for the Fiscal Year 2012 Comprehensive Annual Financial Report (CAFR). Many thanks to Scott Powell and Teresa Gilbert.

- Kudos

- Penny James of Byrd Cliff lane called to commend Marvin Felder with his quick response and helpfulness.
- Mr. and Mrs. Metcalf, from 65 Oakley Rd expressed their gratitude and complimented Wayne Rice, Marvin Felder, and Eric Bryant for the great job they did when responding to their stoppage. They acted with courtesy and professionalism and resolved their problem in a timely manner.
- Congratulations to Jack Stevens for being inducted to the NC Bar Assoc. General Practice Hall of Fame.

- Update on April 30th Sanitary Sewer Overflow (SSO)

The District received a fine from DENR of \$6,137.

- Board/Committee Meetings

The next Regular Board Meeting will be August 21st, at 2 pm. There will not be a July ROW Committee meeting. The next Right of Way Meeting will be held August 28th at 9am.

ACETO LAW OFFICE P.A.

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June 17, 2013

Board of Directors
General Manager
Metropolitan Sewerage District of Buncombe County

BY SCAN TO EMAIL

Board of Commissioners
Town of Montreat

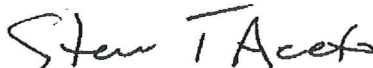
Dear Friends;

Having served as a member of the MSD Board from 1985 through 1991, and again from 1997 till now, all told approximately 23 years including 8 years as Chair, I now feel the need to commit more time to my family, my law practice, and other interests, and to give somebody else the chance to contribute and to share what has been for me a delightful experience of public service.

As MSD is experiencing a bit of a lull in the action on water/sewer system consolidation and things are otherwise headed downhill as is right and proper for a sewerage system, now looks to me like the right time to tender to you my resignation as Member of the Metropolitan Sewerage District Board, effective at the close of the July meeting. This would of course disqualify me from serving another term as Chair.

Thanks to each of you for allowing me the great privilege to serve, for such a very long time, with a Board and staff who are so firmly and effectively committed to the best interests of the MSD ratepayers and all other citizens of our region through fiscal integrity, continuous improvement, and technical competence in protecting the environment, serving all the while with civility and mutual respect, regarding all of which MSD has set high standards for our community.

Very Truly Yours,

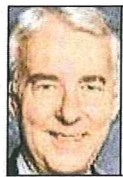


Steven T. Aceto

BUSINESS PEOPLE

» **Chad McKinney**, principal agent at McKinney Insurance Services, was named a 2012 Nationwide Insurance Presidents Award recipient, one of Nationwide's highest levels of recognition. "Nationwide Insurance Co.'s Presidents Award recognizes the top 3-5 percent of agents countrywide for their excellence in multiline production," said Lori Wright, Asheville district sales manager. "Chad continues his father Doug's legacy in Nationwide's Asheville district as a company leader, providing superior 'On Your Side' service to our members." McKinney Insurance Services has been recognized with the Presidents Award for 32 years. This year marks the first year Chad McKinney has been awarded the distinction after taking on the role as principal agent in January 2012.

» **John S. "Jack" Stevens**, of Asheville, will be inducted into the North Carolina Bar Association's General Practice Hall of Fame at the group's annual meeting on Thursday. He will be the only attorney from Western North Carolina honored out of six inductees. Stevens began his law practice in 1961 in Asheville. In 1986, his firm merged with another Asheville firm to become Roberts & Stevens.



Jack Stevens

For 42 years of practice, he has been designated as an AV Preeminent Peer Review Rated Attorney by Martindale-Hubbell. He has also been recognized by Best Lawyers in America, Business North Carolina's Legal Elite and North Carolina Super Lawyers. Stevens received the North Carolina Bar Association/28th Judicial District Bar Association Centennial

Award in 2008 for outstanding service which benefits his local community. Stevens served four terms in the N.C. General Assembly (1969-75).

Stevens is a member of the board of directors of the North Carolina Foundation for Advanced Health Programs, the N.C. Humanities Council, and the N.C. Parks and Recreation Authority. Previously he has served on the board of directors of the Asheville Area Chamber of Commerce, Cherokee Indian Hospital, the Governor's Task Force for Safe Roads, Mission-St. Joseph Health Systems, UNC Healthcare System and UNC Chapel Hill as a former board of trustees, board of visitors and life member. Jack is also a member of the International Association for Attorneys for Family-Held Enterprises.

» Allstate agency owner **Terry Gahagan** of The Cheek Insurance Group has been designated an Allstate Premier Agency for 2013. The designation is bestowed upon fewer than 38 percent of Allstate's nearly 10,000 agency owners across the country. This designation was presented to Gahagan for his outstanding performance and commitment to putting customers at the center of his agency's work. Cheek Insurance Group is at 1070 Tunnel Road, Suite 20, Asheville, and can be reached at 298-4648.

» The Optimist Club of North Buncombe honored Buncombe County **Sheriff Van Duncan** with the group's Law Enforcement Award in May. The award recognizes "distinguished and dedicated service" and "advancing respect for the law," which are core objectives of Optimist International.

» Tax attorney **Ryan W. Coffield** has joined The Van Winkle Law Firm's business practice group. His practice focuses on business and nonprofit tax matters, including transactions, reorganizations and con-

CONSOLIDATED MOTION AGENDA

Metropolitan Sewerage District of Buncombe County

Board Action Item

BOARD MEETING DATE: July 17, 2013

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

PREPARED BY: Kevin Johnson

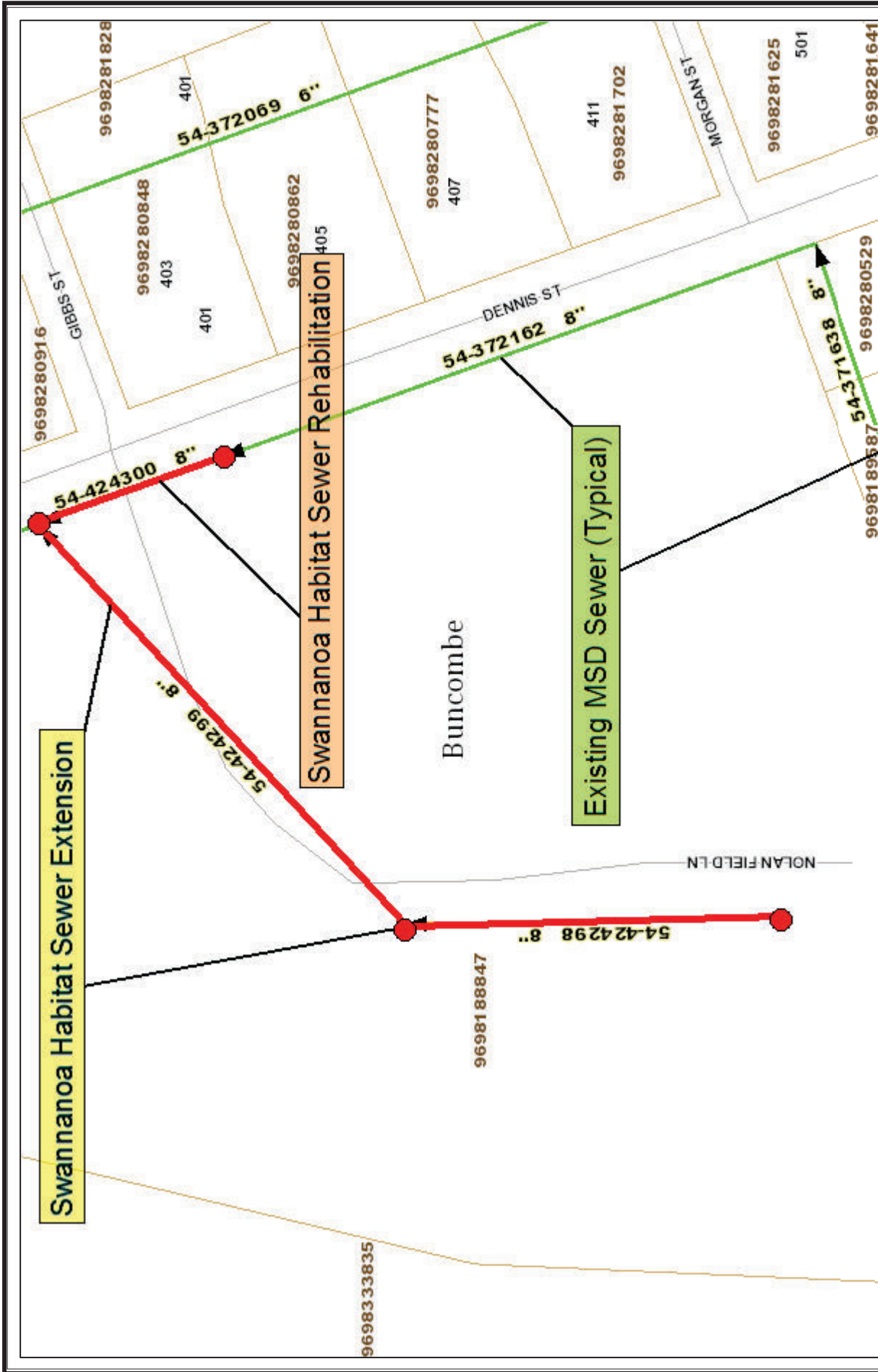
REVIEWED BY: Stan Boyd, PE, Engineering Director

SUBJECT: Acceptance of Developer Constructed Sewer System for the Swannanoa Habitat for Humanity Sewer Extension Project.

BACKGROUND: This project is located inside the District boundary off Dennis Street in Buncombe County. The developer of the project is Keith Levi of Asheville Area Habitat for Humanity. The project included the installation of approximately 406 linear feet of 8" gravity sewer which includes 70 linear feet of existing sewer rehabilitation to serve a seventeen (17) unit residential development. A wastewater allocation was issued in the amount of 5,100 GPD for the project. The estimated cost of the sewer extension is \$37,000.00. As this project is for affordable housing it is also eligible for Cost Recovery in the amount of \$17,732.00.

STAFF RECOMMENDATION: Acceptance of developer constructed sewer system. (All MSD requirements have been met) and authorization of payment of \$17,732 for Affordable Housing Cost Recovery.

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:	



Swannanoa Habitat - MSD Project #2012055

Author: KJ

1 in = 50 ft

Date: 7/5/2013

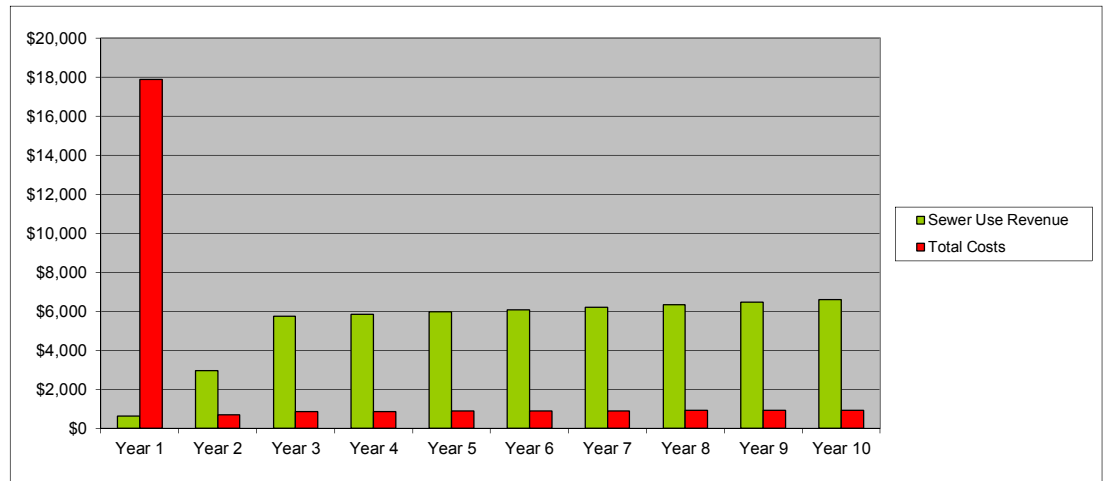
The Metropolitan Sewerage District of Buncombe County, NC has prepared these maps based on best available information for use in assisting District maintenance work, service area analysis, and planning. The District does not warrant the accuracy of any of the information shown. Field verification is advised for all information shown on the maps or included with manhole data. No guarantee is given as to the accuracy or currency of any of the data. Therefore, in no event shall the District be liable for any special, indirect, or consequential damages or any damages whatsoever resulting from loss of use, data, or profits, whether in an action of contract, negligence, or other action, arising out of or in connection with the use of the information herein provided. Grid shown is North Carolina State Plane Coordinate System NAD 1983 (North American Datum 1983).

Swannanoa Habitat for Humanity - Cost Recovery

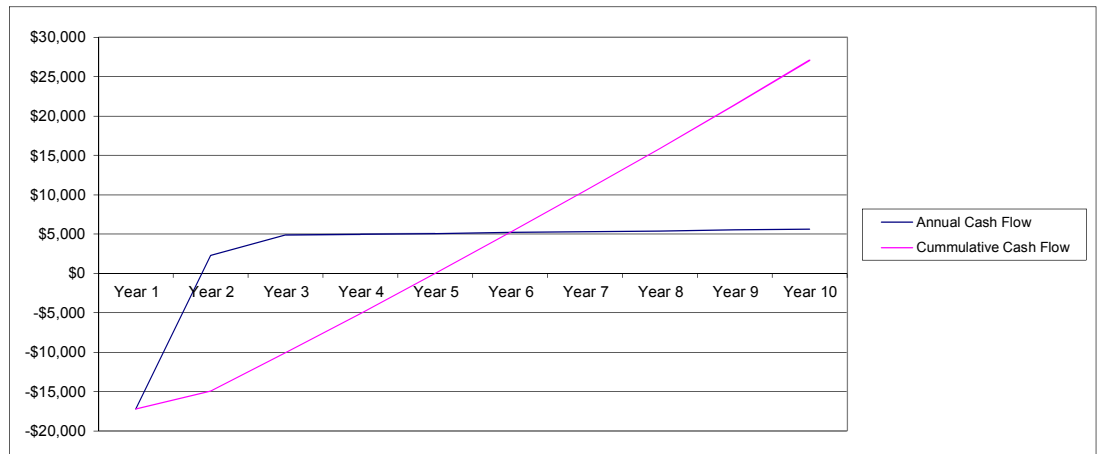
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Wastewater Treatment	\$43	\$197	\$379	\$387	\$394	\$402	\$410	\$419	\$427	\$435
Collection System PM	\$104	\$106	\$108	\$110	\$112	\$114	\$117	\$119	\$121	\$124
Total O & M Costs	\$146	\$302	\$487	\$496	\$506	\$517	\$527	\$537	\$548	\$559

Sewer Line Participation	\$17,332									
Depreciation	\$381	\$381	\$381	\$381	\$381	\$381	\$381	\$381	\$381	\$381
Total Capital Costs	\$17,713	\$381	\$381	\$381	\$381	\$381	\$381	\$381	\$381	\$381

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Sewer Use Revenue	\$648	\$2,976	\$5,734	\$5,849	\$5,966	\$6,085	\$6,207	\$6,331	\$6,458	\$6,587
Total Costs	\$17,859	\$683	\$868	\$877	\$887	\$897	\$908	\$918	\$929	\$940
Net Revenue	-\$17,211	\$2,293	\$4,867	\$4,972	\$5,079	\$5,188	\$5,300	\$5,413	\$5,529	\$5,647



	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Annual Cash Flow	-\$17,211	\$2,293	\$4,867	\$4,972	\$5,079	\$5,188	\$5,300	\$5,413	\$5,529	\$5,647
Cummulative Cash Flow	-\$17,211	-\$14,918	-\$10,051	-\$5,079	\$0	\$5,188	\$10,488	\$15,901	\$21,430	\$27,077



Service Connections	17 (5/8" Meters)
Off-site Construction Costs	\$5,441
On-site Public Sewer Mains (for Depreciation & P.M.)	336 feet
Off-site Sewer Mains	70 feet
Estimated 5-Year Revenue	\$17,332
MSD Sewer Line Participation	\$17,332

Metropolitan Sewerage District of Buncombe County

BOARD INFORMATIONAL ITEM

Meeting Date: July 17, 2013

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, 2013

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, 2013 were \$27,422,826. The detailed listing of accounts is available upon request. The average rate of return for all investments is 1.827%. 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, 2013 do not reflect contractual commitments or encumbrances against said funds. Shown below are the total investments as of May 31, 2013 reduced by contractual commitments, bond funds, and District reserve funds. The balance available for future capital outlay is \$9,525,028.

Total Cash & Investments as of 05/31/2013		27,422,826
Less:		
Budgeted Commitments (Required to pay remaining FY13 budgeted expenditures from unrestricted cash)		
Construction Funds	(5,496,512)	
Operations & Maintenance Fund	(2,084,671)	
		(7,581,183)
Bond Restricted Funds		
Bond Service (Funds held by trustee):		
Funds in Principal & Interest Accounts	(144,342)	
Remaining Principal & Interest Due	(5,194,906)	
		(5,339,248)
District Reserve Funds		
Fleet Replacement	(546,003)	
WWTP Replacement	(515,003)	
Maintenance Reserve	(913,038)	
		(1,974,044)
District Insurance Funds		
General Liability	(416,754)	
Worker's Compensation	(349,401)	
Post-Retirement Benefit	(1,053,729)	
Self-Funded Employee Medical	(1,183,439)	
		(3,003,323)
Designated for Capital Outlay		<u><u>9,525,028</u></u>

Staff Recommendation

None. Information Only.

Action Taken

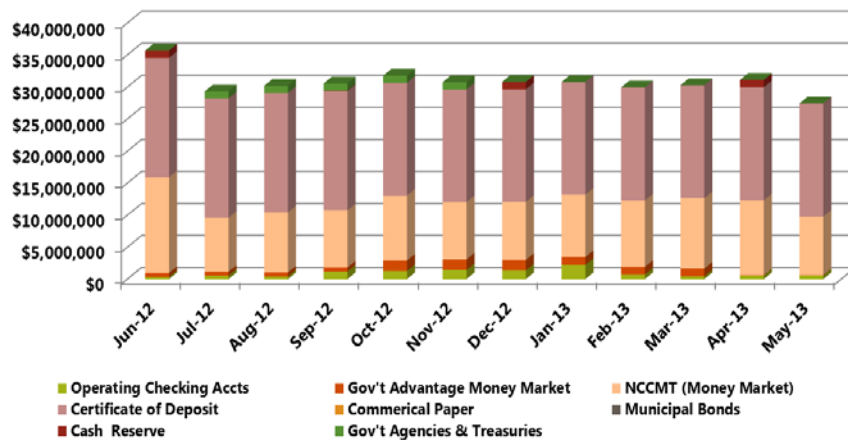
Motion by:	to	Approve	Disapprove
Second by:		Table	Send to Committee
Other:			
Follow-up required:			
Person responsible:		Deadline:	

Metropolitan Sewerage District of Buncombe County Investment Portfolio

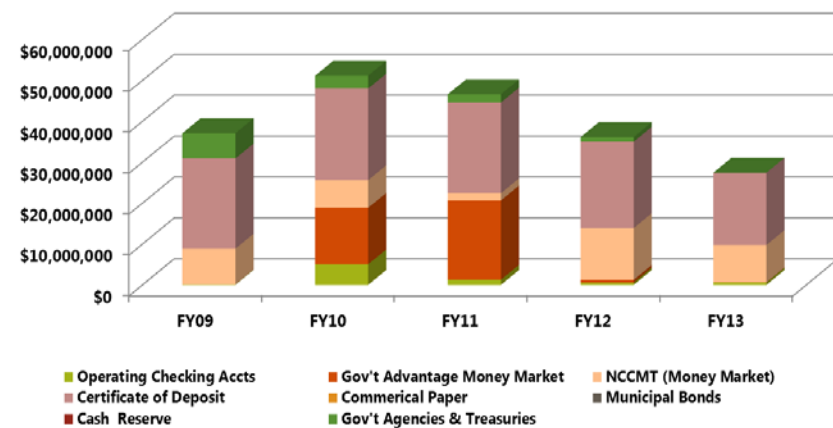
	Operating Checking Accounts	Gov't Advantage Money Market	NCCMT (Money Market)	Certificate of Deposit	Commercial Paper	Municipal Bonds	Cash Reserve	Gov't Agencies & Treasuries	Total
Held with Bond Trustee	\$ -	\$ -	\$ 144,342	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 144,341
Held by MSD	580,300	46,645	9,002,518	17,649,021	-	-	-	-	27,278,485
	\$ 580,300	\$ 46,645	\$ 9,146,860	\$ 17,649,021	\$ -	\$ -	\$ -	\$ -	\$ 27,422,826

<u>Investment Policy Asset Allocation</u>	<u>Maximum Percent</u>	<u>Actual Percent</u>	
U.S. Government Treasuries,			
Agencies and Instrumentalities	100%	0.00%	No significant changes in the investment portfolio as to makeup or total amount.
Bankers' Acceptances	20%	0.00%	
Certificates of Deposit	100%	64.36%	The District 's YTM of .74% 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%	33.35%	
Checking Accounts:	100%		All funds invested in CD's, operating checking accounts, Gov't Advantage money market are fully collateralized with the State Treasurer.
Operating Checking Accounts		2.12%	
Gov't Advantage Money Market		0.17%	

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



**MSD of Buncombe County
Investment Portfolio - As of May 31, 2013**



Board Meeting: July 17, 2013

Subject: Cash Commitment/Investment Report-Month Ended May 31, 2013

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**METROPOLITAN SEWERAGE DISTRICT
INVESTMENT MANAGERS' REPORT
AT May 31, 2013**

Summary of Asset Transactions

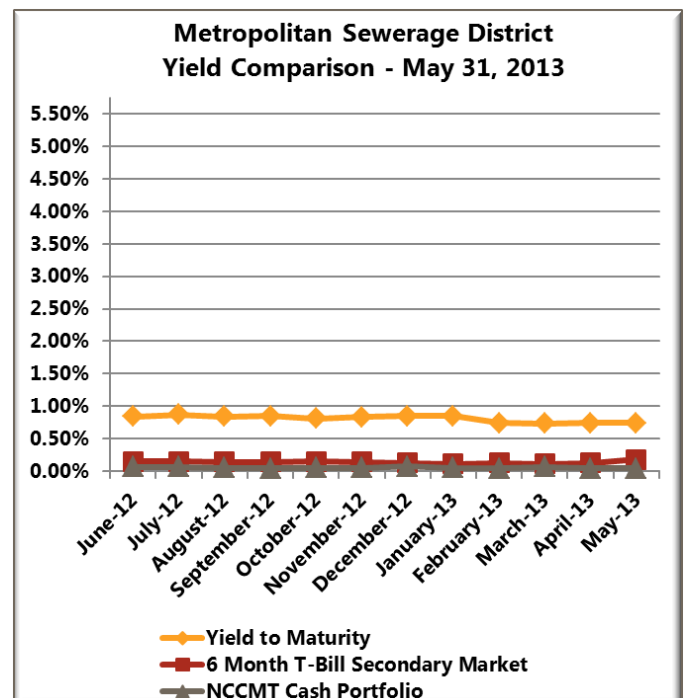
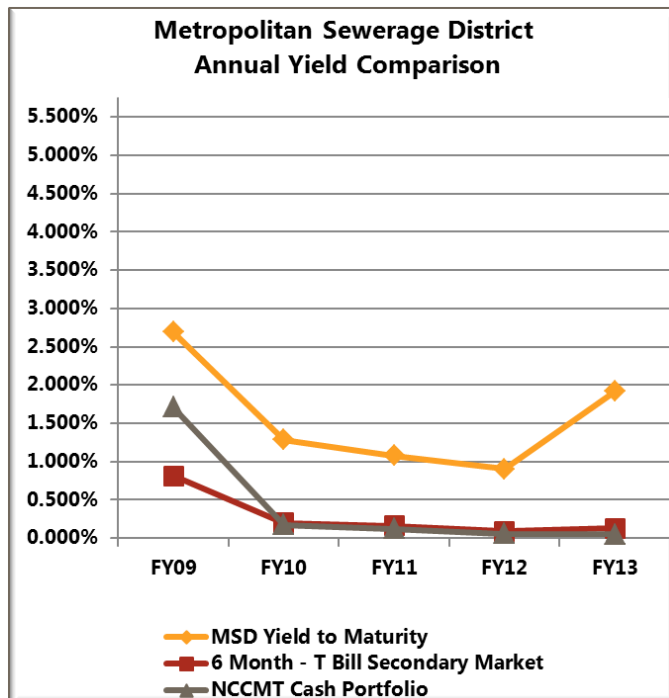
	Original Cost	Market	Interest Receivable
Beginning Balance	\$ 25,641,386	\$ 25,641,386	\$ 362,928
Capital Contributed (Withdrawn)	(160,292)	(160,292)	
Realized Income	802	802	
Unrealized/Accrued Income		-	16,139
Ending Balance	<u>\$ 25,481,896</u>	<u>\$ 25,481,896</u>	<u>\$ 379,067</u>

Value and Income by Maturity

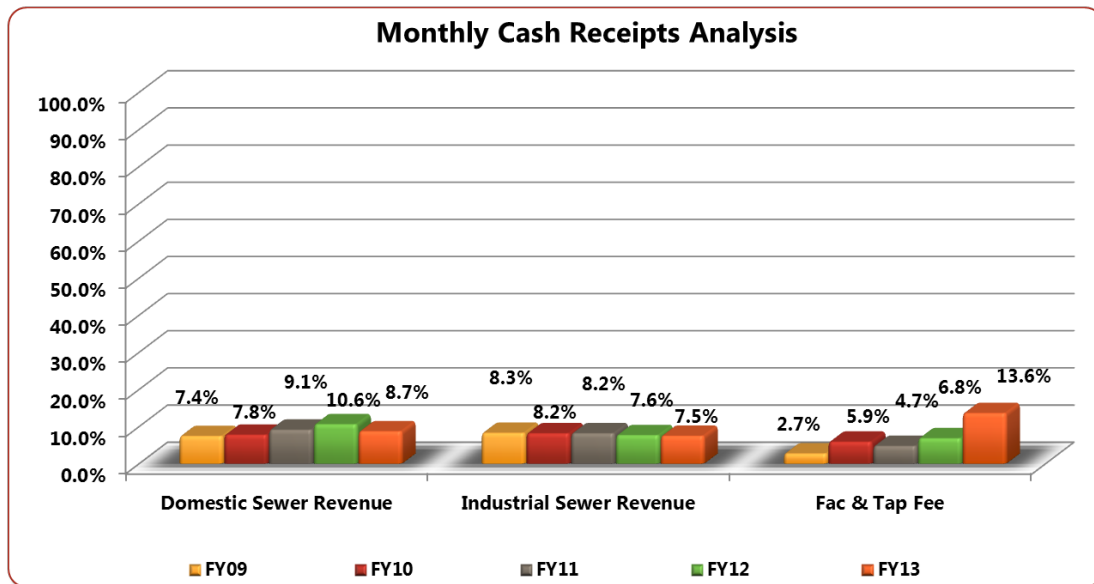
	Original Cost	Income
Cash Equivalents <91 Days	\$ 7,832,875	\$ 5,207
Securities/CD's 91 to 365 Days	17,649,021	11,733
Securities/CD's > 1 Year	-	-
	<u>\$ 25,481,896</u>	<u>\$ 16,940</u>

Month End Portfolio Information

Weighted Average Maturity	321
Yield to Maturity	0.74%
6 Month T-Bill Secondary Market	0.08%
NCCMT Cash Portfolio	0.04%

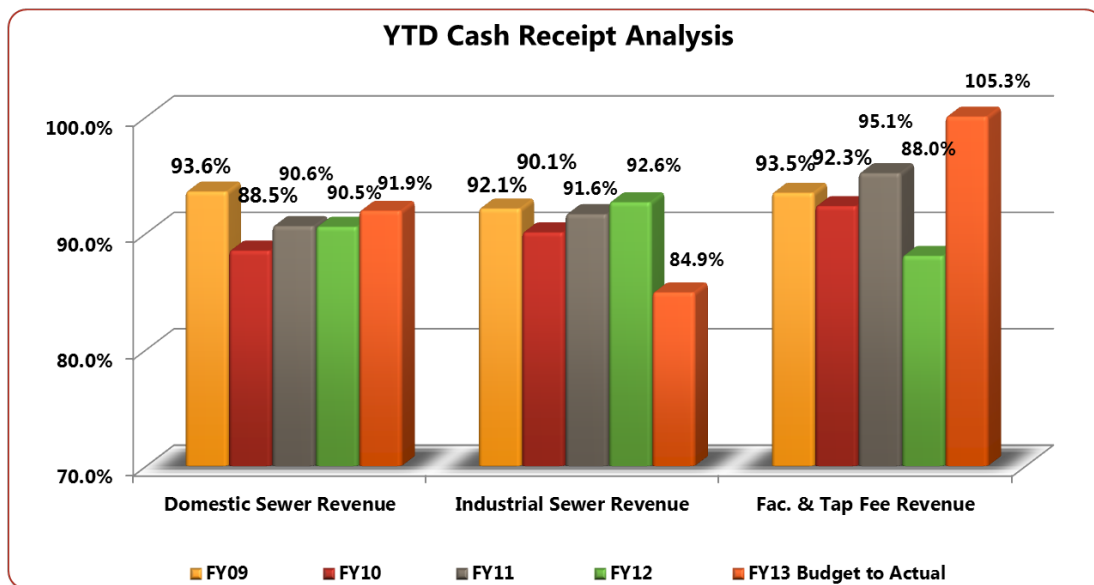


**METROPOLITAN SEWERAGE DISTRICT
ANALYSIS OF CASH RECEIPTS
AS OF May 31, 2013**



Monthly Cash Receipts Analysis:

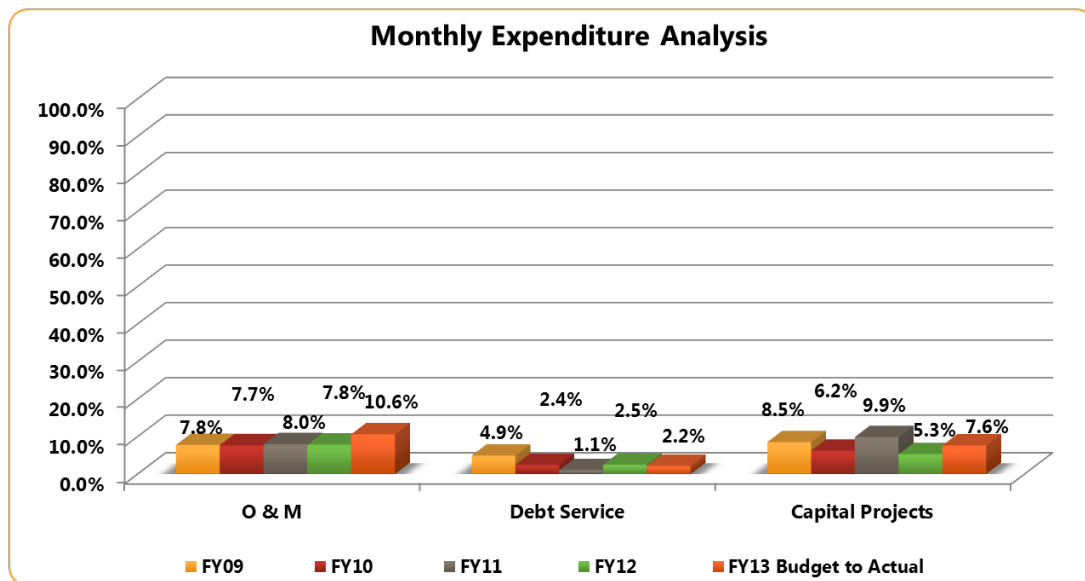
- Monthly domestic sewer revenue is considered reasonable based on timing of cash receipts in their respective fiscal periods.
- Monthly industrial sewer revenue is trending below budgeted expectations.
- Due to the unpredictable nature of facility and tap fee revenue, staff considers facility and tap fee revenue reasonable.



YTD Actual Revenue Analysis:

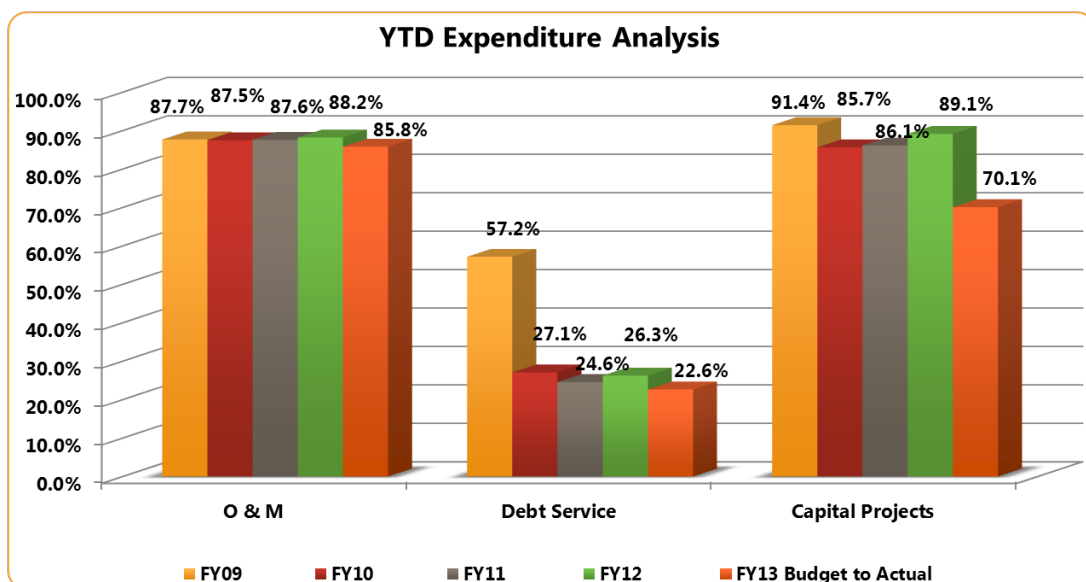
- YTD domestic sewer revenue is considered reasonable based on historical trends.
- YTD industrial sewer revenue is trending below budgeted expectations.
- Due to the unpredictable nature of facility and tap fee revenue, staff considers facility and tap fee revenue reasonable.

**METROPOLITAN SEWERAGE DISTRICT
ANALYSIS OF EXPENDITURES
AS OF MAY 31, 2013**



Monthly Expenditure Analysis:

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



YTD Expenditure Analysis:

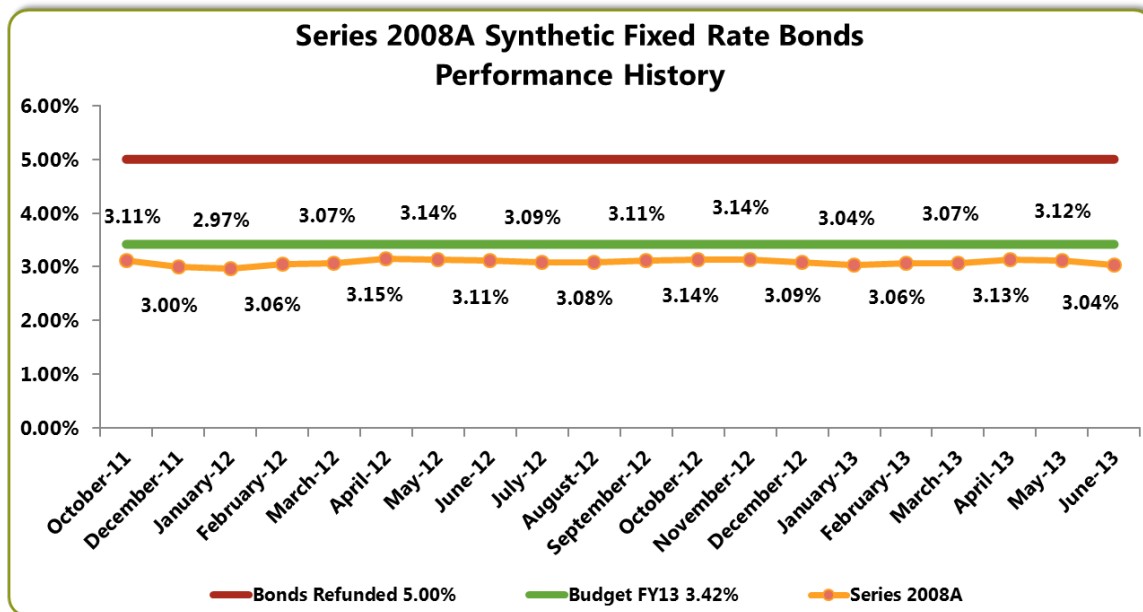
- * YTD O&M expenditures are considered reasonable based on historical trends.
- * Due to the nature of the variable rate bond market, YTD expenditures can vary year to year. Based on current variable interest rates, YTD debt service expenditures are considered reasonable.
- * Due to nature and timing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

Board Meeting: July 17, 2013

Subject: Cash Commitment/Investment Report-Month Ended May 31, 2013

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METROPOLITAN SEWERAGE DISTRICT
Variable Debt Service Report
As of June 30, 2013



Series 2008A:

- ✦ Savings to date on the Series 2008A Synthetic Fixed Rate Bonds is \$2,829,677 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 4.0475%, MSD will achieve cash savings of \$4,730,000 over the life of the bonds.
- ✦ MSD would pay \$4,890,500 to terminate the existing Bank of America Swap Agreement.

STATUS REPORTS



Pipeline Maintenance Totals By Date Completed - Monthly

From 5/1/2012 to 4/30/2013

	ML Wash Ftg:	SL Wash Ftg:	Contr. Ftg:	Rod Ftg:	Cleaned Ftg: *	Root Ftg: **	TV Ftg:	MH Loc:	Other:
May 2012									
	90,938	4,048	0	4,631	95,569	0	35,134	0	83
June 2012									
	91,927	2,103	0	11,103	103,030	0	27,092	0	78
July 2012									
	55,689	1,705	0	4,174	59,863	0	36,292	0	72
August 2012									
	109,314	2,120	0	8,175	117,489	0	42,335	0	69
September 2012									
	49,098	1,551	0	7,963	57,061	0	37,845	0	66
October 2012									
	88,408	2,389	0	4,262	92,670	0	37,456	0	67
November 2012									
	67,844	1,547	0	9,272	77,116	0	29,248	0	62
December 2012									
	39,645	3,301	0	7,846	47,491	0	30,034	0	64
January 2013									
	57,702	4,374	0	6,407	64,109	0	26,108	0	97
February 2013									
	50,686	2,705	0	10,439	61,125	0	27,232	0	75
March 2013									
	46,393	5,492	0	8,332	54,725	0	31,530	0	70
April 2013									
	42,385	4,511	0	12,574	54,959	0	43,816	0	94
Grand Total	790,029	35,846	0	95,178	885,207	0	404,122	0	897
Avg Per Month	65,836	2,987	0	7,932	73,767	0	33,677	0	75

* Total Cleaned ftg does NOT include SL ftg.

** Chemical Root Application.



Construction Rehab Totals By Date Completed - Monthly

From 5/1/2012 to 4/30/2013

	# IRS Repairs	IRS Ftg	IRS Acpt ftg:	Const Ftg	Const Acpt Ftg	Total Accept Ftg	D-R	D-R Ftg	#MH	PB ML Ftg:	Bore ML Ftg:	Total Rehb Ftg
May 2012												
	8	1,087	870	600	600	1,470	3	898	7	0	316	2,684
June 2012												
	2	275	275	96	96	371	3	795	8	430	463	2,059
July 2012												
	4	622	622	242	242	864	1	747	1	0	855	2,466
August 2012												
	5	339	311	0	0	311	2	1,524	8	0	0	1,835
September 2012												
	1	182	0	103	103	103	3	1,210	6	0	0	1,313
October 2012												
	1	7	0	107	107	107	1	1,140	10	0	0	1,247
November 2012												
	0	0	0	346	346	346	2	1,549	12	0	0	1,895
December 2012												
	1	28	28	0	0	28	5	1,040	11	0	0	1,068
January 2013												
	1	117	117	389	389	506	1	120	1	0	0	626
February 2013												
	0	0	0	4	353	353	4	1,300	15	340	400	2,393
March 2013												
	0	0	0	19	19	19	4	1,206	9	506	0	1,731
April 2013												
	0	96	0	469	469	469	3	625	8	1777	0	2,871
Grand Total	23	2,753	2223	2,375	2724	4,947	32	12,154	96	3053	2034	22,188

System Services Construction - FY 12-13 Project Schedule

PROJECT NAME	ESTIMATED FOOTAGE	ESTIMATED PROJECT DATES	WO#	CREW	COMPLETION DATE	ACTUAL FOOTAGE	Notes
Weaverville FM Ph. 3* (P/N 2011121)	680	6/21/12 - 7/5/12	449362	631	7/5/2012	747	Complete
Rowland Road* (P/N 2004034, in Swannanoa)	968	7/8/12 - 8/5/12	449111	631	8/21/2012	988	Complete
76 Chapel Park Place (P/N 2002107, in Asheville)	1000	7/13/12 - 7/25/12	449382	667	7/23/2012	685	Complete
275 Pisgah View Road (In W. Asheville)	218	7/24/2012 - 7/30/12	449381	667	7/30/2012	170	Complete
Huffman Road (In W. Asheville)	800	8/6/12 - 9/1/12	449397	667	8/16/2012	536	Complete
9 Oak Park Rd (P/N 2011097, in Asheville)	485	8/14/12 - 9/21/12	433533	667	9/21/2012	510	Complete
Wellington (in Asheville)	145	9/11/12 - 9/21/12	448978	631	9/21/2012	144	complete
Weaverville FM Ph. 2* (P/N 2011120)	472	8/28/12 - 9/21/12	457553	631	9/26/2012	500	complete
73 Cambridge Road Phase 2 (in Asheville)	1363	9/25/12 -10/31/12	433529	631	10/31/2012	1140	complete. Did final inspection on 1/2/13
Pine Meadows (in Asheville)	820	9/25/12 - 10/23/12	433524	667	11/28/2012	1110	Complete
Coleman Avenue (In Weaverville)	835	12/3/12 - 1/7/13	433532 / 442364	667	1/10/2013	872	Complete
Woodfin Street (in Asheville)	200	12/3/12 - 12-17/12	449755	631	12/3/2012	200	Complete
Dunkirk Rd (in Asheville)	75	12/4/12-12/6/12	448980	631	12/6/2012	73	Complete
Crowfields (in S. Asheville)	60	12/7/12-12/7/12	449483	631	12/7/2012	64	Complete
Mt. Vernon (in Asheville)	1057	12/17/12 - 2/15/13	449787	631	2/13/2013	1057	Complete
Logan Ave (Craven St in Asheville)	450	1/8/3-2/28/13	449866	667	2/5/2013	327	Complete
Logan Ave (Craven St in Asheville) Ph. 2	600	2-6-13 - 2-28-13	442366	667	2/28/2013	600	Complete
Broad St (In Asheville)	250	2/28/13 - 2/29/13	448984	631	3/4/2013	340	Complete
Craven Street at Georgia Street (In Asheville)	292	3/4/13-3/15/13	448989	667	3/12/2013	586	Complete
Walker Street (In Black Mountain)	300	3/4/13-3/8/13	448990	631	3/26/2013	515	Complete
Ravenna Street (In Asheville)	490	3/15/13-3/31/13	448981	667	3/14/2013	564	Complete
Forest Hill (In Asheville)	250	4/1/13-4/15/13	433542	667	4/26/2013	275	Complete - punchlist inspection 5/3/13
Hiwassee Avenue (In Black Mountain)	350	3/27-13 - 4/9/13	449826	631	4/9/2013	350	Complete
1230 Northfork Road (In Black Mtn)	1215	4/15/13 - 4/19/13	448992	631	4/19/2013	930	Complete - pipeburst
1245 Northfork Rd(In Black Mtn)	954	4/22/13 - 4/29/13	448996	631	4/29/2013	847	Complete - pipeburst
Westchester Dr. @ Chiles Ave (In Asheville)	685	4/16/13-6/13/13	433540 / 450456	667	6/13/2013	708	Complete
1230 NorkFork Road (In Black Mtn) Dig and Replace	500	4/29/13 - 5/15/13	448997	631	5/10/2013	345	Complete
Blair Street Pipe Burst (In Asheville)	300	5/21/13 - 5/24/13	449000	631	5/31/2013	367	Complete
202 Asheland Ave (In Asheville)	140	6/4/13 - 6/5/13	449383	631	6/5/2013	108	complete
41 Walnut Lane (Woodfin)	1260	5/27/13 - 6/30/13	441589	631			Work in progress
Macon Ave at Latrobe (In Asheville)	100	6/19/13 - 6/26/13	449463	667			Ready to Start



Construction Totals By Date Completed - Monthly

From 5/1/2012 to 4/30/2013

	DigUps	EM Digups	Dig Up Ftg	MH Repair	Taps	ROW Ftg	SL Bore Ftg	SL Burst
May 2012								
	41	10	837	44	18	0	0	0
June 2012								
	30	9	780	39	20	3,594	0	0
July 2012								
	29	13	678	31	13	855	0	0
August 2012								
	34	18	828	36	18	3,500	0	0
September 2012								
	15	6	590	27	21	30,845	86	0
October 2012								
	32	18	629	22	13	9,500	0	0
November 2012								
	21	9	588	25	17	453	8	0
December 2012								
	21	10	452	35	10	400	0	0
January 2013								
	26	19	478	27	10	0	0	0
February 2013								
	39	16	778	28	22	480	0	0
March 2013								
	34	15	1,086	31	20	525	0	0
April 2013								
	36	14	833	32	19	0	0	0
Grand Total	358	157	8,557	377	201	50,152	94	0

Right of Way Section 4th Quarter Summary Open Projects

<i>Project</i>	<i>Total ROW Budget</i>	<i>Total Expends to Date</i>	<i>Comment</i>
Broadway Street @ Bordeaux Place GSR	\$30,872		Only two parcels; same owner. Project engineer working with owner's civil engineer to tweak alignment.
Campus Drive @ UNCA GSR			Only one parcel across UNCA. No compensation as this is state property. Awaiting Governor's signature.
Dingle Creek Interceptor (formerly Ph II)	\$64,657	\$48,004	Access 100% complete with 74% of Total Budget expended to date. One condemnation filed with judgment pending. Construction moved out from 7/10 to 7/18.
Emory Road GSR	\$10,395		One parcel. Owned by Vrabel heirs who forced MSD to condemn on Old Haywood Road project in 1999. Easement for this project small and heirs agreed to grant. Owners live all over the US and local family rep is coordinating signatures. SSD to construct.
Indiana Avenue GSR	\$35,666	\$9,961	Access 44% complete with 28% of Total Budget expended to date.
Kanawha Drive GSR	\$15,066	\$3,267	Access 67% complete with 22% of Total Budget expended to date.
Lower Smith Mill Creek Rehabilitation	\$350,324	\$315,620	Access 100% complete with 90% of Total Amended Budget expended to date. Ten condemnations filed; two dismissed and seven settled prior to trial. One remaining case. Issues hearing scheduled for 4/29 was cancelled; Billy Clark to reschedule.
Macon Ave @ Sunset Parkway GSR	\$39,284	\$14,506	Access 83% complete with 37% of Total Budget expended to date. One condemnation anticipated.
Merrimon Avenue @ Stratford Road GSR	\$55,854	\$44,030	Access 100% complete with 79% of Total Budget expended to date. One condemnation filed with judgment pending. Construction moved out from 7/1/11 to 7/1/13.
Old Haywood Road @ Starnes Cove Road	\$24,935		Just started - intro letters out 6/26/13.
Old US 70 @ Pine Circle GSR	\$17,844	\$10,366	Access 80% complete with 58% of Total Budget expended to date. Construction moved up from 7/1/15 to 7/1/14.
Rash Road Sewer Rehabilitation	\$11,688	\$7,320	Access 80% complete with 62% of Total Budget expended. One condemnation anticipated. SSD to construct.
Shadowlawn Drive GSR	\$50,935	\$9,487	Access 33% complete with 18% of Total Budget expended to date.

<i>Project</i>	<i>Total ROW Budget</i>	<i>Total Expends to Date</i>	<i>Comment</i>
Short Coxe @ Southside	\$165,652	\$109,953	Access 100% complete with 66% of Total Budget expended to date. Five condemnations/declaratory judgments filed. Two settled for appraised damages; three judgements pending.
Town Mountain Road 4" Main Rehabilitation	\$14,992	\$5,500	Access 100% complete with 37% of Total Budget expended to date. One condemnation filed with judgment pending. Trial scheduled week of 9/16.
West French Broad Interceptor Extension	\$179,993	\$179,993	Access 100% complete with 100% of Total Amended Budget expended to date. One condemnation filed and judgement pending. This is a developer driven, interceptor extension project; i.e. new encumbrances to the land where no sewer existed previously.

CAPITAL IMPROVEMENT PROGRAM

STATUS REPORT SUMMARY

July 9, 2013

PROJECT	CONTRACTOR	AWARD DATE	NOTICE TO PROCEED	ESTIMATED COMPLETION DATE	*CONTRACT AMOUNT	*COMPLETION STATUS (WORK)	COMMENTS
BRADLEY BRANCH ROAD PHASE II	TBD	TBD	TBD	TBD	TBD	0%	Project has been advertised and scheduled to bid on July 30th.
CROCKETT ROAD (PRP 36002)	TBD	TBD	TBD	TBD	TBD	0%	Project has been advertised and scheduled to bid on July 30th.
GIVENS ESTATES	Terry Brothers	10/17/2012	10/24/2012	7/19/2013	\$770,098.50	95%	Mainline construction is complete. Final paving in progress.
MERRIMON AVENUE @ COLONIAL PLACE	TBD	TBD	TBD	TBD	TBD	0%	Project has been advertised and scheduled to bid on July 25th.
MOORE CIRCLE (PRP 45001)	Bryant's Land & Development	2/20/2013	3/18/2013	8/15/2013	\$240,640.58	85%	Mainline construction near complete. Site restoration remains.
MOUNT VERNON PLACE PHASE I	TBD	TBD	TBD	TBD	TBD	0%	Project has been advertised and scheduled to bid on July 25th.
PIPE RATING CONTRACT #7 (LINING)	Southeast Pipe Survey, Inc.	12/12/2012	1/14/2013	7/15/2013	\$863,111.81	80%	Lining on original contract is complete. Pipe bursting at Oak Forest is in progress (Change Order work). Subcontractors are doing manhole rehab and paving.
SCENIC VIEW DRIVE (PRP 29020)	Carolina Specialties	9/19/2012	10/29/2012	7/30/2013	\$249,450.00	98%	Construction is complete except for final paving, which will be done when COA completes their waterline project.
SHORT COXE AVENUE AT SOUTHSIDE AVENUE	Cana Construction	7/18/2012	9/4/2012	7/17/2013	\$888,998.01	90%	DIP mainline is complete. Working on concrete work and paving.
WRF - CRAGGY HYDRO FACILITY REPAIRS - CONTROL COMPONENTS UPGRADE	Innovative Solutions of NC	7/12/2012	N/A	8/1/2013	\$100,717.72	80%	This is to upgrade the old control panel at the Hydro Facility. In addition to this, Turbine No. 2 is being repaired as well.
WRF - ELECTRICAL IMPROVEMENTS	Haynes Electric	8/15/2012	9/10/2012	8/1/2013	\$1,061,900.00	90%	Project has been placed on temporary hold, pending bypass pump setup for influent pumps.
WRF - FILTER BACKWASH PIPING	TBD	TBD	TBD	TBD	TBD	0%	Accepting bids on July 19, 2013
WRF - PAVING IMPROVEMENTS	Trace and Company	2/27/2013	N/A	6/30/2013	\$119,985.00	100%	Project Complete
WRF - RAW SEWAGE PUMP STATION SUMP PUMP REPLACEMENT	TBD	TBD	TBD	TBD	TBD	0%	Accepting bids on July 19, 2013

*Updated to reflect approved Change Orders and Time Extensions

Planning and Development Projects Status Report
July 9, 2013

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
	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
	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
	New Salem Studios	2011119	Black Mountain	5	36	5/21/2012	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
	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
	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
	Myers Project	2013007	Asheville	5	147	2/14/2013	Complete-Waiting on final documents
	Cottonwood Townhomes	2009110	Black Mtn.	8	580	10/20/2009	Complete-Waiting on final documents
	Goldmont St	2012087	Black Mtn.	6	91	1/11/2013	Complete-Waiting on final documents
	Berrington Village Apartments	2008164	Asheville	308	4,690	5/5/2009	Complete-Waiting on final documents
	Bradley Street		Asheville			2/14/2003	Complete-Waiting on final documents
	Carolina Truck and Body (Cooper)	2012075	Asheville	Comm.	298	10/30/2012	Complete-Waiting on final documents
	Ridgefield Business Park	2004188	Asheville	18	758	2/16/2005	Complete-Waiting on final documents
			Subtotal	901	21,615		

Planning and Development Projects Status Report
July 9, 2013

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
	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	Project will not be built
	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
	Onteora Oaks Subdivison	2012026	Asheville	28	1,222	1/4/2013	Under construction
	Camp Dorothy Walls - Ph. 2	2007294	Black Mtn.	Comm.	593	6/16/2009	Pre-con held, ready for construction
	Harris Teeter - Merrimon Ave.	2011045	Asheville	Comm.	789	3/27/2012	Ready for final inspection
	Pisgah Manor Skilled Nursing Facility	2012008	Candler	Comm.	131	4/9/2011	Ready for final inspection
	Ardmion	2011107	Asheville	5	208	4/16/2013	Under construction
	Biltmore Lake Block "J"	2013013	Enka	32	3,918	4/16/2013	Pre-con held, ready for construction
	Bradley Street - Phase II	2013031	Asheville	12	194	2/14/2013	Under construction
	Waynesville Ave (Pittman)	2013046	Asheville	15	332	5/23/2013	Pre-con held, ready for construction
	Aldi (Weaverville)	2013048	Asheville	Comm.	302	5/10/2013	ready for construction
	Brookgreen at Crest Mtn. Phase 1D	2013076	Woodfin	3	370	5/29/2013	ready for construction
	Subtotal			2206	71,626		
	Total Units:			3,107			
	Total LF:				93,241		