

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
AUGUST 21, 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 August 21, 2013. Chairman VeHaun presided with the following members present: Ashley, Bryson, Frost, Kelly, Manheimer, Pelly, Root, Russell, Stanley and Watts. Mr. Belcher was absent.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill with McGill Associates, P.A., Marcus Jones with Henderson County, Karen Tessier with Market Connections, Nick Dierkes with Brown & Caldwell, David Collins with CDM Smith and MSD Staff Stan Boyd, Peter Weed, Ed Bradford, Scott Powell, Mike Stamey, Ken Stines, Matthew Walter, Jim Hemphill, Angel Banks, Pam Thomas, Julie Willingham and Sondra Honeycutt.

Mr. Vehaun welcomed new Board Member Matt Ashley, appointed by the Town of Montreat to fill the unexpired term of Steve Aceto. Mr. Ashley said he has been a part of the Town of Montreat since 1975 and when asked by the Mayor of Montreat if he was interested in filling the term of Steve Aceto, he checked with Steve to see what level of satisfaction he might gain from serving. He said Steve spoke very highly of the Board and Staff and he is honored to have been chosen and looks forward to serving. He further stated he has been a carpenter and builder for the last 30 years and last February signed on with Greybeard Realty after obtaining his Brokers license in Real Estate. Vice Chair Glenn Kelly presented Mr. Ashley with the traditional manhole puller.

2. Inquiry as to Conflict of Interest:

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

3. Approval of Minutes of the July 17, 2013 Board Minutes:

Mr. VeHaun asked if there were any changes to the Minutes of the July 17, 2013 Board Meeting. With no changes, Ms. Frost moved for approval of the minutes as presented. Mr. Stanley 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. VeHaun welcomed Ms. Tessier, Mr. Dierkes, Mr. Collins and Mr. Jones. There was no public comment.

6. Report of General Manager:

Mr. Hartye reported that earlier this month Chairman VeHaun gave CIBO an update on the activities of MSD and there was a lot of talk about the impacts of recent rains and how that affects storm water and sanitary sewers. He further reported that on today's agenda is a large project that involves the emissions systems for the incinerator which is a two phase project. The first phase is rehab and the second phase is an upgrade pursuant to new regulatory requirements being mandated by the EPA which require more stringent air emission requirements. Although the new Federal Rule is being challenged in court, it currently remains standing. By the way of background, he stated that the treatment plant originally constructed in 1968, was a 25 MGD plant, and was upgraded

in the mid 1990's to a 40 MGD plant. During the last ten years MSD has replaced various process components throughout the plant. He called on Mr. Bradford for a presentation on some of the larger projects.

Mr. Bradford reported he will give a short presentation on the MSD Water Reclamation facility improvements since 1999. He presented an aerial view of the treatment facility showing the location of various treatment processes. He presented slides showing the Influent Barscreens (1999-2000), and Influent Pump Station. He stated that all of the influent that comes into the plant comes to the main influent pump station. He presented slides showing the Sodium Hypochlorite Facility (2000-2001); the facility from Riverside Drive; a view from the opposite side of the building showing tank bays and the interior showing the tanks containing hypochlorite, which is liquid chlorine, used to disinfect. He presented slides showing the Septage Receiving Facility completed in 2005. This is where MSD Vac Trucks and Septage Haulers dump their waste and is also a revenue generating facility for MSD. During the last fiscal year this facility generated approximately \$244,000. Mr. Bradford presented a slide showing the Grit & Grease Process completed in 2008, which was a Facilities Plan recommendation and a slide showing the grit dumpsters. He presented slides showing the Rotating Biological Contractors (RBC's) and blowers for the RBC's, which were replaced. He stated MSD is the largest RBC plant in the world by number of shafts. He presented a slide showing the Dechlorination Facility, which is a requirement of the State. This facility was designed and constructed in 2008 by staff. He presented a slide showing the Intermediate Pump Replacement project of 2011 and slides showing the old system, hydraulic drive units and the intermediate pumps. He stated the new pumps are more efficient and far quieter than the old hydraulic-driven system, and is a Facilities Plan replacement project; saving the District about \$72k per year. Mr. Bradford presented a slide showing the final Microscreen Replacement-AquaDisk Filtration System of 2013; a Facilities Plan recommendation, and slides showing the old system; building interior prior to construction and when construction was complete. He stated that this system resulted in a 60% reduction in Total Suspended Solids (TSS) since coming on-line last year.

Regarding the Plant Electrical System (full backup power), Mr. Bradford reported that originally some work was done in 1999 and some is being done now. The original item that went on-line is the back-up generator in 1999. The Auto-transfer Switch and Broadway interconnect is now complete. The Internal Power Distribution System and full Backup Power, to power the entire plant during a power outage, will be complete in the fall. He presented a slide showing the Hydroelectric facility, which offsets \$30k per month of electrical use at the plant as well as MSD receiving energy conservation credits. He presented slides showing one of three turbines at the facility; replacement of the Variable Pitch Turbine, and the Control Panel to be replaced.

Mr. Bradford presented slides showing the Incineration Facility; the outside of the facility; the Dewatering facility – Belt Filter Press; replacement of the refractory lining and the incinerator from the top and bottom floors. He reported that the emissions project being considered today was presented to the CIP Committee in April, 2013, with the main driver being the new Federal rule from EPA. Also, some rehabilitation is required. He further reported that MSD issued an RFQ for this project and four (4) well-qualified consultants responded, which will be reviewed under the agenda item following the Consolidated Motion Agenda. Regarding the Facilities Plan, he stated this is a detailed document which assesses the condition, performance and future needs of the various unit processes at the plant that has guided multiple projects. The last project to be completed was the AquaDisk installation. Also, Staff will issue an RFQ/RFP in October, 2013. He presented a summary of Plant Capital Improvements since 1999 and stated \$24.6 million is being reinvested back into plant processes. The Incinerator System Rehabilitation and Emissions Systems Upgrades are estimated at \$7.9 million, however, with the challenge in court that may change. Mr. VeHaun stated that throughout the presentation, he was impressed at how clean the plant is and for anyone who has not yet

toured the facility it is worthwhile. Mr. Hartye suggested the Board take a tour of the plant following the October Board Meeting.

Mr. Hartye reported the next regular Board Meeting will be September 18th at 2 p.m. There will not be an August ROW Committee meeting. The next Right of Way Meeting will be held September 25th at 9 a.m.

7. Report of Committees:

Personnel Committee

Mr. Stanley reported the Personnel Committee met August 1, 2013 to consider the evaluation of the General Manager. Mr. Hartye presented MSD's 2013 Goals and Objectives and a discussion was held regarding the potential organizational structure of the District if MSD were to obtain the Water Department. He stated that Mr. Hartye has done a great job of handling situations under less than favorable conditions. He further reported the Personnel Committee recommends giving Mr. Hartye a 2.1% salary increase along with a 6% one-time bonus. He moved the Board approve the recommendation of the Personnel Committee. Mr. Watts seconded the motion. Mr. Russell suggested going into closed session to discuss the evaluation of the General Manager for the benefit of those Board Members who were not in attendance. Mr. Stanley moved that the Board go into closed session. Ms. Manheimer said she would appreciate that opportunity and seconded the motion. Voice vote in favor of the motion was unanimous.

At 2:26 p.m. the Board went into closed session to discuss the evaluation of the General Manager.

At 2:40 p.m. the Board went back into open session.

With no further discussion regarding the motion and second to approve the recommendation of the Personnel Committee, Mr. VeHaun called for the question. Roll call vote was as follows: 9 Ayes; 2 Nays, Ms. Manheimer and Mr. Pelly.

8. Consolidated Motion Agenda:

a. Consideration of Bids for Sanitary Sewer Rehabilitation Projects - Mount Vernon Place Phase I and Merrimon Avenue @ Colonial Place:

Mr. Hartye reported these projects are for the replacement of aged eight-inch vitrified clay and PVC sewer lines. The lines are located in North Asheville and are comprised of 981 linear feet of 8-inch DIP. The contract was advertised and the following bids were received on July 25th: Cana Construction with a total bid of \$438,512.00; Huntley Construction Company with a total bid of \$364,594.95 and Terry Brothers Construction Co., with a total bid of \$276,365.00. Staff recommends award of this contract to Terry Brothers Construction Co. in the amount of \$276,365.00, subject to review and approval by District Counsel.

b. Consideration of Bids for Sanitary Sewer Rehabilitation Project – Bradley Branch Road Phase II:

Mr. Hartye reported this project is located in South Asheville and is for the replacement of an aged six and eight-inch vitrified clay sewer line which has caused multiple SSO's and repeated maintenance over time. The line is comprised of 3,231 linear feet of 8-inch & 10-inch DIP, and 8-inch HDPE. The contract was advertised and the following informal bids were received on July 30th: Huntley Construction Co. with a total bid of \$468,543.50; Buckeye Construction Co., with a total bid of \$398,224.70 and Terry Brothers Construction Co., with a total bid of \$314,860.00.

Staff recommends award of the contract to Terry Brothers Construction Co. in the amount of \$314,860.00, subject to review and approval by District Counsel.

c. Procurement of New Vactor Truck Model 2115-18 Plus Vacuum Jet Rodding Machine – Fleet Replacement:

Mr. Hartye reported that System Services has an on-going preventative maintenance program utilizing a combination of sewer cleaners. MSD is required by the State DWQ Waste Water Permit to clean 10% (600,000lf) of the entire system every year. The purchase of this Vactor will replace MSD's first Vactor Truck, which has been in MSD's fleet for over 13 years and has cleaned 2.5 million feet of sewer line. MSD annually evaluates the condition of fleet vehicles. At the March 12, 2013 Fleet Replacement Committee meeting, members recommended the purchase of one (1) New Vactor Replacement. This purchase was included in the FY2013-2014 Budget. He further reported that pursuant to North Carolina Purchasing Statute G.S. 143-129(e)(3) and MSD Purchasing Procedures, MSD, as a local government, is allowed to purchase from suppliers who are selected through a group purchasing program that is a "formally organized program that offers competitively obtained purchasing products or services at discount prices to two or more public agencies." The National Joint Powers Alliance (NJPA) is one such group purchasing program. Vactor Manufacturing, a manufacturer of SewerVac Trucks, was awarded a contract under the NJPA cooperative. Public Works Equipment, Monroe, NC is the Vactor authorized distributor for their Southeast territory. The cost per the NJPA contract for the Vactor Truck is \$344,980.65, offering a savings to MSD of over \$40,000 from regular dealer pricing. Staff recommends award of the bid from Public Works Equipment in the amount of \$344,980.65.

d. Reimbursement Resolution for Bond Projects:

Mr. Powell reported, to be in compliance with IRS regulations concerning tax-exempt financing, all expenditures made with non-MSD bond funds and to be reimbursed from MSD bond funds, must be properly identified and authorized. The proposed reimbursement resolution identifies major projects intended to be solely or substantially financed by bonds to be issued in FY 13-14. Board approval is required to obtain the tax-exemption of interest paid on MSD bonds by authorizing reimbursement from bond proceeds for the expenditures for the attached project listing.

e. Fourth Quarter Budget to Actual Review – FY 2013:

Mr. Powell reported Domestic Revenue is at budgeted expectations. Staff believes Domestic User Fee variance will end up around 101% when June accounts receivable data is received from its Member Agencies in September. Industrial Revenue trended below budgeted expectation due to decreased consumption from two (2) of its industrial users. Facility and Tap Fees are above budgeted expectations. This is due to the District receiving \$780,000 from one development at the end of the year as well as the conservative nature in which these funds are budgeted. Interest and miscellaneous income are above budgeted expectations. This is a direct result of the District selling renewable energy credits associated with the Hydroelectric Facility as well as receiving \$314,000 from the termination of the District's forward delivery agreement in August 2012. Investment income is still experiencing recessionary pressures on the fixed income market. O&M expenditures are at 92.9% of budget. This amount may vary slightly from audited numbers due to final accruals. Bond principal and interest are slightly better than budgeted expectations. This is a direct result of variable rate interest savings. Capital project expenditures are at approximately 84% of budget. This amount will increase when final accruals are accounted for.

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

Mr. Powell reported that Page 30 is the makeup of the District's Investment Portfolio. Page 31 is the MSD Investment Manager Report as of the month of June. The weighted average maturity of the investment portfolio is 381 days. The yield to maturity is .81% and exceeds MSD bench marks of the 6 month T-Bill and NCCMT cash portfolio. Page 34 is the MSD Variable Debt Service Report. The 2008 A Series are performing better than budgeted expectations. As of the end of July, the issue saved District rate payers \$2.9 million dollars in debt service since April, 2008.

Mr. VeHaun called for discussion. Mr. Russell asked why the Investment Portfolio shows a cash reserve of \$0 beginning in April, 2013. Mr. Powell stated this is due to the timing of the Revenue Bond Refunding beginning in April, 2013. With no further discussion, Mr. VeHaun called for a motion. Mr. Watts moved the Board approve the Consolidated Motion Agenda as presented. Mr. Russell seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays. Mr. Stanley was absent during the vote.

9. Consideration of Incinerator Emissions System Rehabilitation & Upgrade Project – Design and Construction Services Contract:

Mr. Hartye introduced Hunter Carson, Project Manager for MSD to give a background presentation for this item. Mr. Carson reported that during Phase 1 of the project they will be repairing or replacing some failing components of the incinerator; specifically the Venturi Scrubber, Heat Exchanger and Exhaust Duct Work. He presented a slide showing the Venturi Scrubber which is an integral part of the particulate removal system and is subject to high velocities in the system; high temperatures and sees a lot of grit that is collected into the system. He stated with all of this combined they are seeing erosion of this unit and over the past two years, repairs to this unit have been made four or five times. He presented a slide showing the Heat Exchanger, which is a waste heat recovery system. He stated there are a lot of corrosion issues in the Heat Exchanger Vessel due to acidic gasses that come through the incinerator system. Those gasses condense on the inside of the unit deteriorating the steel from the inside out, so this unit will be replaced as well.

Mr. Carson reported that Phase II will include the implementation of control strategies for Maximum Achievable Control Technology (MACT) standards. He stated the MACT were passed by the EPA in 2011 and included new emission limits for ten (10) constituents. The rules were recently appealed by NACWA. A decision was made yesterday that the EPA will go back and look at the scientific and technical basis of those standards. As it stands now, MSD must comply with the limits by March 21, 2016. Since this ruling is not finalized, Phase II is still somewhat up in the air. However, several constituents will have to be removed to lower levels from MSD emissions, which our current technology does not take care of; Mercury being the biggest one. MSD will have to upgrade its system to include a Carbon Bed Absorber. Sulfur Dioxide is another one where MSD will have to add a Caustic Storage and Feed System to the Incinerator system. Also, EPA has reduced the effluent limit for particulate matter, which MSD cannot achieve with its existing Venturi Scrubber, so MSD will have to put in a Multi-Venturi Scrubber which will bring down the limits to MACT standards.

Regarding the selection process, Mr. Carson reported that MSD used a typical process for public agencies and issued a Request for Qualifications (RFQ) in June. A month later the design firms submitted qualification packages which were reviewed to determine what firms were qualified to do the work. The firms that were selected were interviewed and the Selection Committee selected the most qualified firm and negotiated a proposal. He further reported the RFQ contents included background information on the Incinerator system; introduced the two-phased approach to the project; identified the new MACT limits and added a disclaimer about Phase II in the event the NACWA ruling does overturn the EPA rule. Also, they added a General Scope of Work for the Design

Firm that includes a Preliminary Engineering Report; design plans and specs; cost estimate, permitting and part-time construction inspection and technical report. They also added a few specific requests to the RFQ that include working closely with MSD staff during the design and equipment selection process; evaluate all treatment technologies; minimize incinerator system down time; utilize existing footprint of the Incinerator building and complete Phase II work in a timely manner and meet all compliance dates.

Mr. Carson reported that Statement of Qualifications (SOQ's) was received from the following firms: ARCADIS, CDM Smith, GHD and Hazen & Sawyer. He stated that all four firms were deemed qualified and all firms were interviewed. He stated the firms were ranked using a Consultant Evaluation Form with weighted scoring. The Selection Committee decided that the most qualified candidate was CDM Smith who had extensive incinerator system experience. During the past 10 years they have permitted and designed eleven (11) Fluidized Bed Incinerators (FBI's). Also, CDM Smith focused on existing maintenance issues and how they will be addressed and, they addressed all requests from the RFQ; specifically the construction approach and sequence. The Selection Committee recommends CDM Smith be awarded the design contract. Mr. Watts ask if there is any market for the heat coming off the Heat Exchanger. Mr. Hartye stated at one time there was a boiler with the incinerator, but the cost associated with the upkeep of the boiler outweighed the benefits. However, there is a great deal of heat recovered and used and recycled within the wind box at the bottom of the incinerator. Mr. Hartye went over the attachments for this item. He reported that Staff recommends award of the design and construction management services contract to CDM Smith in the amount of \$764,065.00, subject to review and approval by District Counsel. He stated that Phase II, regarding the emissions requirements, will be initiated only if the court allows the EPA Federal Rule to stand. Ms. Manheimer asked what the cost of Phase II will be. Mr. Hartye said \$6.7 million, which is largely equipment costs. With no further discussion, Ms. Manheimer moved the Board approve the recommendation of Staff. Mr. Russell seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

10. Old Business:

None

11. New Business:

None

12. Adjournment:

With no further business, Mr. VeHaun called for adjournment at 3:12 p.m.

Jackie W. Bryson, Secretary/Treasurer

MSD

Regular Board Meeting

Metropolitan Sewerage District
of Buncombe County, NC

AGENDA FOR 8/21/13

✓	Agenda Item	Presenter	Time	
	Call to Order and Roll Call	VeHaun	2:00	
	01. Inquiry as to Conflict of Interest	VeHaun	2:05	
	02. Approval of Minutes of the July 17, 2013 Board Meeting.	VeHaun	2:10	
	03. Discussion and Adjustment of Agenda	VeHaun	2:15	
	04. Informal Discussion and Public Comment.	VeHaun	2:25	
	05. Report of General Manager	Hartye	2:35	
	06. Report of Committees a. Personnel Committee – Bill Stanley		2:50	
	07. Consolidated Motion Agenda		3:05	
	a. Consideration of Bids for Sanitary Sewer Rehabilitation Projects: Mount Vernon Place – Phase I, and Merrimon Avenue @ Colonial Place.	Hartye		
	b. Consideration of Bids for Sanitary Sewer Rehabilitation Project – Bradley Branch Road Phase II.	Hartye		
	c. Consideration of Procurement of New Vector Truck Model 2115-18 Plus Vacuum Jet Rodding Machine	Hartye		
	d. Consideration of Reimbursement Resolution for Bond Projects.	Powell		
	e. Fourth Quarter Budget to Actual Review FY2013.	Powell		
	f. Cash Commitment Investment Report – Month Ended June 30, 2013.	Powell		
	08. Consideration of Incinerator Emissions System Rehabilitation & Upgrade Project – Design and Construction Services Contract.	Hartye		
	09. Old Business	VeHaun	3:20	
	10. New Business	VeHaun	3:30	
	11. Adjournment (Next Meeting (9/18/13))	VeHaun	3:35	
	STATUS REPORTS			

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 Pineroft 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.

MEMORANDUM

TO: MSD Board
FROM: Thomas E. Hartye, P.E., General Manager
DATE: August 14, 2013
SUBJECT: Report from the General Manager

- Treatment Plant Improvements

On the agenda is an item for Board consideration regarding a contract for design services for an estimated \$8 million project to rehab and upgrade the existing incinerator emissions system at the plant.

By the way of background, the treatment plant was originally constructed in 1968 and went through a major upgrade (to 40 MGD) in the mid 1990's. Recently MSD has replaced, rehabilitated and upgraded several process components throughout the treatment plant. Staff will give a short slide presentation regarding some of the larger projects.

Later this fiscal year MSD will retain a consultant to update its Treatment Facilities Plan, which was last done in 2007. This plan will provide guidance and recommendations regarding the treatment facility improvements going forward to meet future demands and regulations.

- Kudos

- Patricia Burdett wrote the attached email in praise of Mitchell Metcalf for going above and beyond to provide customer service.
- MSD received a call from Vicky McKnight at 328 Richmond Avenue in Swannanoa. She wanted us to know how much she appreciated the help she received from Ken Stines and Ricky Bates. She said they are very professional, caring, decent, and honest people. She wants everyone to know what a great job they did. They both went out of their way and were very responsive to her calls. She also said the crew that installed the tap was very nice and professional too. This included Roy Lytle, Robert Denny, Dale Dillingham, John Gosnell, and John Mull.
- Attached is an email from Maggie Edens of 97 Beverly Rd. regarding the quick and effective service provided by Eric Bryant and Shane Meadows.

- Board/Committee Meetings

The next Regular Board Meeting will be September 18th, at 2 pm. There will not be an August ROW Committee meeting. The next Right of Way Meeting will be held September 25th at 9am.

Subject: FW: Mitchell Metcalf

Date: Thursday, July 25, 2013 6:01:04 PM Eastern Daylight Time

From: Tolley, Lisa

To: Hartye, Tom

FYI

From: Stamey, Mike

Sent: Thursday, July 25, 2013 4:07 PM

To: Tolley, Lisa

Subject: Fwd: Mitchell Metcalf

Sent from my U.S. Cellular® Smartphone

----- Original message -----

From: Patsy Burdett <patsyburdett@gmail.com>

Date: 07/25/2013 11:26 AM (GMT-05:00)

To: "Stamey, Mike" <MStamey@msdbc.org>

Subject: Mitchell Metcalf

Please accept my sincere congratulations on having hired and trained such a stellar employee as Mitchell Metcalf. He is truly an exceptional human being and an over-the-top asset to your organization.

My husband and I have just purchased my childhood home at 238 Texas Spur Road. The first thing to go was the sewer system, which we fixed two weeks ago for about \$2000. This morning, Mitchell was driving by our new clean out on his way to another job when he noticed we had a problem. Instead of simply calling the town of Montreat and reporting a sewage leak, he stopped and investigated. Not only that, but he called his supervisor to ask permission to get your heavy equipment out here to find the source of the problem. Once his team discovered an incorrect plumbing solution (from two weeks ago), Mitchell again called in and received permission to replace the clean out with the proper one for the circumstances.

I may be saying all the wrong things technically, but from a human standpoint, I just have to say that if it weren't for the fine character of Mitchell Metcalf, I would have had a flooded house (again) (fourth time in as many weeks), and my life would have been absolutely miserable.

Thank you for hiring such a fine person, thank you for giving him permission to go above and beyond what was required of him. Please put this letter in his personnel file and give him a promotion as soon as you can!

God bless you and thank you. Sincerely,

Patricia Tubbs Burdett
(Mrs. N. Bruce)

Subject: FW: A note of appreciation
Date: Thursday, July 25, 2013 6:01:54 PM Eastern Daylight Time
From: Tolley, Lisa
To: Hartye, Tom

From: Stines, Ken
Sent: Wednesday, July 24, 2013 7:59 PM
To: Pete Edens
Cc: Meeks, Kathy; Tolley, Lisa
Subject: Re: A note of appreciation

Mrs. Edens

Thanks for your kind words. I will pass this on to our general manager. Give us a. All anytime for any issues or concerns. Thanks again Ken Stines

Ken Stines
Director of System Service Maintenance

Sent from my iPhone

On Jul 24, 2013, at 7:52 PM, "Pete Edens" <edenspestcontrol@gmail.com> wrote:

Thank you for such a quick and effective response to my call of July 24th. Eric Bryant (?), I believe his title includes handling evening calls and service, was very helpful and professional in dealing with my problem and requests.

This is twice I have encountered your personnel and both times I have been impressed. The first time was when a neighbor had a break in their line that resulted in a leak into my yard – each man on the crew sent out to assess and then fix the problem was efficient and polite the whole time they were working on the site. Shane is a name I remember. I wish I could remember his last name – from Madison County. At any rate, both times it seemed to me that the job done was of the highest quality – no messes or cut corners. Your employees are to be commended for presenting a high standard of concern and proficiency. Have a great weekend. Maggie Edens, 97 Beverly Rd.

PERSONNEL COMMITTEE MEETING

August 1, 2013

9:00 a.m.

1. Call to Order

Chairman Stanley called the meeting to order at 9:05 am in the W.H. Mull Building of the Metropolitan Sewerage District. In attendance, were the following members: Robert Watts, Jackie Bryson, and Bill Russell. Also present were Tom Hartye, Jim Hemphill, and Pam Thomas.

2. Inquiry as to Conflict of Interest

Mr. Stanley stated there was none at this time.

3. General Manager's Evaluation

Mr. Stanley stated everyone has a copy of the salary comparisons from other like municipalities, Mr. Hartye's salary history, and a copy of two evaluations. Mr. Stanley also stated that he and the Board are very pleased with Mr. Hartye's performance and would recommend a salary increase. Mr. Stanley also stated that Mr. Hartye has had a tough year but keeps the Board informed of what is happening with the District. Mr. Russell asked when is the hearing about the water issue? Mr. Hartye stated the hearing has been postponed until September and it will be a month after that before we hear anything. Mrs. Bryson asked if Mr. Hartye had anything to add for the group other than his goals and objectives. Mr. Hartye stated no, but if anyone had any questions on the long and short term goals he would go over them. A discussion was held about the potential organizational structure of the District, if MSD were to obtain the water department.

Mr. Stanley stated he would like to go into closed session to talk about Mr. Hartye's evaluation.

Closed session began at 9:13 a.m.

Closed session ended at 9:26 a.m

Recommendation:

Mr. Stanley stated that the Personnel Committee recommends giving Mr. Hartye a 2.1% salary increase along with a 6% one-time bonus. Voice vote was unanimous in favor of the recommendation.

4. Adjourn

With no further business, the meeting was adjourned at 9:34 a.m. No future meeting has been scheduled.

2013 Goals and Objectives

Objectives

To lead MSD in its mission to

- Provide Environmental Stewardship
- Provide Long Term Comprehensive Fiscal Management
- Provide Excellent Customer Service
- Continually Improve

Long Term Goals

- A. Keep the MSD Business Plan on track including the 3 major components of financial stability, environmental health and capital reinvestment.
- B. Meet all environmental permit requirements and to improve the water quality of the plant discharge beyond what is required by permit.
- C. Partner in the Community by collaborating with other agencies where possible.
- D. Provide Long Term Planning and Value Added Engineering for the Operation.
- E. Provide for secure electrical supply to the Treatment Plant.
- F. Ensure that MSD implements Master Planning Document and updates as needed.

Short Term Goals/Milestones

- Complete construction and start operation of (\$10M) Secondary Filtering Project: Completed Project and put into operation in fall of 2012. Reducing average solids in effluent by 60%.
- Plant Electrical Project (\$2.5million) switchgear improvements, redundancy, and additional generator backup: Auto transfer switch installed, Broadway interconnect added. Internal improvements to old switchgear and multiple loop feeds to upgrade the existing radial feed system. Added 2MW to the existing 2MW to provide for continuous full emergency back-up operation.
- Keep within FY 13 operating budget: Will be under budget for Fiscal Year.
- Replace or rehab 43,000 LF of sewer main: Rehabbed or replaced 43,519 feet of sewer lines with 20,552 feet being constructed by in-house crews.

- Preventative Maintenance of > 500,000 LF of sewers: *Performed PM Cleaning on approximately 820,000 feet of sewer mains.*
- Meet environmental permit regulations for FY 13: *Met all Air Quality and NPDES permit conditions and had good inspection reports. Met all Collection system permit conditions except for April 30 spill and had good inspection report for program including permit conditions delineated above.*
- Update Financial Forecast and parity plan and assist Board in understanding assumptions, inputs and impacts: *Kept rate as projected even with increased retirement contributions along with new major unfunded mandates in the plant and continued capital reinvestment in the collection system.*
- Partnerships:
 - Partnering with the City of Asheville for pavement restoration services.
 - Cooking oil recycle program.
 - West French Broad Interceptor – Biltmore Park.
 - Water /sewer project coordination.
- Implementation of next generation of Operational Control and Asset Management Software: *New CMMS City Works software is up and running along with Granite software for the CCTV video capture, data management and assessment tools. Currently reviewing and adjusting data entry and report parameters for best fit to MSD process.*
- Water/Sewer Consolidation Impact Study: *In advance of the promulgation of any legislation by the North Carolina legislature, MSD used a qualifications based selection process to choose a national firm experienced in Water/Sewer merger studies. MSD retained ARCADIS G&M of North Carolina (ARCADIS) to conduct a detailed study of the potential financial impact to MSD ratepayers of a proposed merger of the City water system and other water systems in Buncombe County with MSD (Report).*

The study was conducted in two phases:

*Phase I – City water system, including the former Buncombe County water system.
Phase II - Town of Biltmore Forest, Town of Montreat and Town of Weaverville.*

The purpose of the Report was to study, identify and quantify financial impacts to MSD rate-payers associated with the proposed merger of these water systems with the MSD. In accordance with the schedule outlined by the MSD, the findings and conclusions of Phase I of this study were presented to the MSD Planning Committee and MSD Board in November 2012 and Phase II of this study were presented to the MSD Planning Committee in February 2013.

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

BOARD MEETING DATE: August 21, 2013

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

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

SUBJECT: Sanitary Sewer Rehabilitation Projects: Mount Vernon Place – Phase 1, Project No. 2010085, and Merrimon Avenue @ Colonial Place, Project No. 2012084

BACKGROUND: These projects are for the replacement of aged eight-inch vitrified clay and PVC sewer lines. They are both located in North Asheville, and are comprised of 981 linear feet of 8-inch DIP.

The contract was advertised and three informal bids were received on Thursday, July 25, 2013 at 2:00 PM as follows:

<u>Contractor</u>	<u>Bid Amount</u>
1) Cana Construction Company	\$438,512.00
2) Huntley Construction Company	\$364,594.95
3) Terry Brothers Const. Co.	\$276,365.00

The apparent low bidder is Terry Brothers Construction Co. with a bid amount of \$276,365.00. Terry Brothers has completed numerous MSD rehabilitation projects, and their work quality has been excellent to date.

Please refer to the attached documentation for further details.

FISCAL IMPACT: The combined FY13-14 Construction Budget is \$256,000.00. Sufficient funds are available within the CIP budget for the overage.

STAFF RECOMMENDATION: Staff recommends award of this contract to Terry Brothers Construction Co. in the amount of \$276,365.00, subject to review and approval by District Counsel.

Interoffice Memorandum

TO: Ed Bradford, CIP Manager

FROM: Shaun Armistead, Project Manager
Hunter Carson, Project Manager

DATE: July 25, 2013

RE: Mount Vernon Place – Phase 1, Project # 2010085
Merrimon Avenue @ Colonial Place, Project # 2012084

The Mount Vernon Place – Phase 1 and Merrimon Avenue @ Colonial Place Sewer Rehabilitation Projects are located in North Asheville near Merrimon Avenue. These projects consist of a total of 981 linear feet of 8-inch DIP.

The existing lines are 8-inch VCP and PVC, and are in poor structural condition. Both projects have a history of backups and SSO's due to fractured pipe in multiple locations.

Three bids were received on Thursday, July 25, 2013, as follows:

<u>Contractor</u>	<u>Bid</u>
1) Cana Construction Company	\$438,512.00
2) Huntley Construction Company	\$364,594.95
3) Terry Brothers Construction Co.	\$276,365.00

The total construction budget for this project is \$256,000. Bid amounts were higher than expected due to additional footage being added to the Merrimon Avenue @ Colonial Place project, and due to a NCDOT permit requirement mandating night construction in Merrimon Avenue, after the budget estimates were developed.

Terry Brothers Construction Company is the apparent low bidder for this contract with a bid amount of \$276,365.00. Terry Brothers Construction Company has extensive experience with District rehabilitation projects and has an excellent performance history.

Staff recommends award of this contract to Terry Brothers Construction Company, Inc. contingent upon review and approval by District Counsel.

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

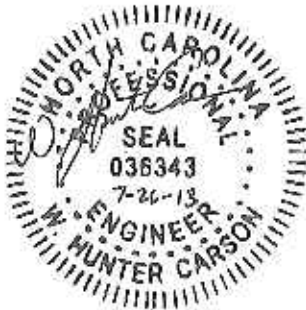
SEWER REPLACEMENT PROJECTS

**MOUNT VERNON PLACE, PHASE I, PROJECT NO 2010085
MERRIMON AVENUE @ COLONIAL PLACE, PROJECT NO. 2012084**

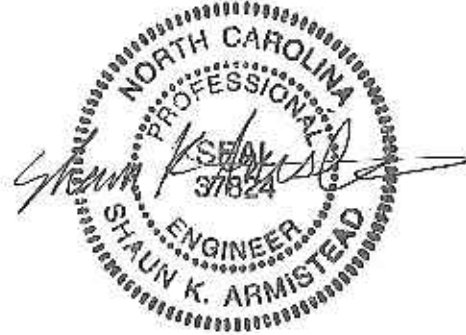
**BID TABULATION
July 25, 2013**

BIDDER	Bid Bond	MBE Form	Bid Forms (Proposal)	Mount Vernon Place Phase I	Merrimon Avenue @ Colonial Place	Combined Total Bid Amount
Cana Construction Company Waynesville, NC	N/A	1	Yes	\$170,818.00	\$267,694.00	\$438,512.00
Huntley Construction Company Asheville, NC	N/A	1	Yes	\$132,705.74	\$231,889.21	\$364,594.95
Terry Brothers Construction Co. Leicester, NC	N/A	1	Yes	\$96,347.00	\$180,018.00	\$276,365.00

APPARENT LOW BIDDER



W. Hunter Carson, P.E.
Project Engineer - Mount Vernon
Metropolitan Sewerage District of
Buncombe County, North Carolina



Shaun Armistead, P.E.
Project Engineer - Merrimon @ Colonial Place
Metropolitan Sewerage District of
Buncombe County, North Carolina

This is to certify that the bids tabulated herein were publicly opened and read aloud at 2:00 p.m. on the 25th Day of July, 2013, in the W.H. Mull Building at the Metropolitan Sewerage District of Buncombe County, Asheville, North Carolina. This was an informal bid and no bid bond was required.



METROPOLITAN SEWERAGE DISTRICT
of
BUICK COUNTY, NORTH CAROLINA

Budget Map

Mount Vernon Place Phase 1 Project No. 2010085

NOT TO SCALE

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

BUDGET DATA SHEET - FY 2013 - 2014

PROJECT:	Mount Vernon Place Ph. 1	LOCATION:	Asheville
TYPE:	General Sewer Rehab.	DATE OF REPORT:	January 2013
PROJECT NO.	2010085	TOTAL L.F.:	458
PROJECT BUDGET:	\$170,400.00	PROJECT ORIGIN:	SSO's, Access, Lino Condition

DESCRIPTION	ESTIMATED PROJECT COST	TOTAL EXPENDS THRU 12/31/12	EST. COST JAN - JUNE 2013	EST. BUDGET FY 13-14
55310 - PRELIM. ENGINEERING				
55320 - SURVEY - DESIGN	\$21,900.00	\$20,157.00	\$1,743.00	
55330 - DESIGN				
55340 - PERMITS				
55350 - SPECIAL STUDIES				
55360 - EASEMENT PLATS	\$8,400.00	\$8,385.00		
55370 - LEGAL FEES	\$11,500.00	\$11,445.00		
55380 - ACQUISITION SERVICES	\$12,800.00	\$12,720.00		
55390 - COMPENSATION	\$12,500.00	\$12,506.00		
55400 - APPRAISAL				
55410 - CONDEMNATION				
55420 - CONSTRUCTION	\$102,000.00			\$102,000.00
55430 - CONST. CONTRACT ADM.				
55440 - TESTING	\$500.00			\$500.00
55450 - SURVEY - ASBUILT	\$2,800.00			\$2,800.00
TOTAL AMOUNT	\$170,400.00	\$63,213.00	\$1,743.00	\$106,300.00

ENGINEER:	MSD	ESTIMATED BUDGETS - FY '14-'23	
R.O.W. ACQUISITION:	Consultant	# PLATS: [17]	FY 14-15 \$0.00
CONTRACTOR:			FY 15-16 \$0.00
CONSTRUCTION ADM:	MSD		FY 16-17 \$0.00
INSPECTION:	MSD		FY 17-18 \$0.00
			FY 18-19 \$0.00
PROJECT DESCRIPTION:	This project is located in north Asheville, along Horizon Hill Place.		FY 19-20 \$0.00
	It consists of replacing approximately 458 LF of 4-inch and 6-inch vitrified clay pipe with new 8-inch ductile		FY 20-21 \$0.00
	iron pipe. The existing sewer is in poor condition and has experienced numerous leaks.		FY 21-22 \$0.00
	System Services constructed approx. 918 LF in 2012.		FY 22-23 \$0.00
SPECIAL PROJECT NOTES:			



Merrimon Avenue at Colonial Place Project No. 2012084

NOT TO SCALE



METROPOLITAN SEWERAGE DISTRICT
OF
BRUNSWICK COUNTY, NORTH CAROLINA

Budget Map

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

BUDGET DATA SHEET - FY 2013 - 2014

PROJECT:	Merrimon Ave. at Colonial Place	LOCATION:	N. Asheville
TYPE:	General Sewer Rehab.	DATE OF REPORT:	January 2013
PROJECT NO.:	2012084	TOTAL L.F.:	457
PROJECT BUDGET:	\$193,900.00	PROJECT ORIGIN:	Work Orders, Line Condition

DESCRIPTION	ESTIMATED PROJECT COST	TOTAL EXPENDS THRU 12/31/12	EST. COST JAN - JUNE 2013	EST. BUDGET FY 13-14
65310 - PRELIM. ENGINEERING				
65320 - SURVEY - DESIGN	\$2,500.00	\$2,265.00	\$235.00	
65330 - DESIGN				
65340 - PERMITS				
65350 - SPECIAL STUDIES				
65360 - EASEMENT PLATS	\$600.00		\$600.00	
65370 - LEGAL FEES	\$1,000.00		\$1,000.00	
65380 - ACQUISITION SERVICES				
65390 - COMPENSATION	\$35,000.00		\$35,000.00	
66400 - APPRAISAL				
66410 - CONDEMNATION				
66420 - CONSTRUCTION	\$154,000.00			\$154,000.00
66430 - CONST. CONTRACT ADM.				
66440 - TESTING	\$500.00			\$500.00
66450 - SURVEY - ASBUILT	\$300.00			\$300.00
TOTAL AMOUNT	\$193,900.00	\$2,265.00	\$36,835.00	\$154,800.00

ENGINEER:	MSD	ESTIMATED BUDGETS - FY '14-'23	
R.O.W. ACQUISITION:	MSD	# PLATS: [1]	FY 14-15 \$0.00
CONTRACTOR:			FY 15-16 \$0.00
CONSTRUCTION ADM:	MSD		FY 16-17 \$0.00
INSPECTION:	MSD		FY 17-18 \$0.00
			FY 18-19 \$0.00
PROJECT DESCRIPTION:	This project is located in North Asheville and is comprised of 457 LF of ductile iron pipe. The existing pipe is 6-inch vitrified clay pipe in poor condition and in danger of collapse.		FY 19-20 \$0.00
			FY 20-21 \$0.00
			FY 21-22 \$0.00
			FY 22-23 \$0.00

SPECIAL PROJECT NOTES:

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

BOARD MEETING DATE: August 21, 2013

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

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

SUBJECT: Sanitary Sewer Rehabilitation Project: Bradley Branch Road Ph. II,
Project No. 2007319

BACKGROUND: This project is for the replacement of an aged six and eight-inch vitrified clay sewer line. The line is in poor structural condition, which has caused multiple SSO's and repeated maintenance calls over time.

It is located in South Asheville near the Walmart on Airport Road. The rehabilitation project is comprised of 3,231 linear feet of 8-inch & 10-inch DIP, and 8-inch HDPE.

The contract was advertised and three informal bids were received on Tuesday, July 30, 2013 at 2:00 PM as follows:

<u>Contractor</u>	<u>Bid Amount</u>
1) Huntley Construction Co.	\$468,543.50
2) Buckeye Construction Co.	\$398,224.70
3) Terry Brothers Construction Co.	\$314,860.00

The apparent low bidder is Terry Brothers Construction Co. with a bid amount of \$314,860.00. Terry Brothers has completed numerous MSD rehabilitation projects, and their work quality has been excellent to date.

Please refer to the attached documentation for further details.

FISCAL IMPACT: The FY13-14 Construction Budget for this project is \$379,000.00.

STAFF RECOMMENDATION: Staff recommends award of this contract to Terry Brothers Construction Co. in the amount of \$314,860.00, subject to review and approval by District Counsel.

Interoffice Memorandum

TO: Tom Hartye, General Manager

FROM: Ed Bradford, CIP Manager
Roger Watson, Project Manager

DATE: July 31, 2013

**RE: Bradley Branch Road – Phase 2 Sanitary Sewerage Rehabilitation, MSD
Project No. 2007319**

This project includes 1860 LF 10” DIP; 907 LF 8” DIP and 464 LF 8” HDPE for a total of 3231 LF of main line pipe. This project will complete the rehabilitation of this sewer main from the South French Broad Interceptor up to and through the Wal-Mart property on Airport Road. This line is in poor structural condition and has had numerous SSO’s. It extends through areas which are high sources of ground water infiltration.

Bids were received at 2:00 PM on Tuesday, July 30, 2013 for this project. Bids were received from three bidders as shown below:

<u>Contractor</u>	<u>Bid Amount</u>
1) Huntley Construction Co.	\$468,543.50
2) Buckeye Construction Co.	\$398,224.70
3) Terry Brothers Construction Co.	\$314,860.00

Terry Brothers Construction Company of Leicester, NC is the low bidder with a bid of \$314,860.00. The FY13-14 Construction Budget for this project is \$379,000.00.

Terry Brothers Construction Company has bid previous jobs for MSD and their work quality has been excellent to date. Staff therefore recommends that this contract be awarded to Terry Brothers Construction Company in the amount of \$ 314,860.00, contingent upon review and approval by District Counsel.


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

**BRADLEY BRANCH ROAD PHASE II SEWER REPLACEMENT
PROJECT NO. 2007319**

**BID TABULATION
July 30, 2013**

BIDDER	Bid Bond	MBE Form	Bid Forms (Proposal)	Total Bid Amount
Huntley Construction Company Asheville, NC	N/A	1	Yes	\$468,543.50
Buckeye Construction Company Canton, NC	N/A	1	Yes	\$398,224.70
Terry Brothers Construction Co. Leicester, NC	N/A	1	Yes	\$314,860.00

APPARENT LOW BIDDER


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



This is to certify that the bids tabulated herein were publicly opened and read aloud at 2:00 p.m. on the 30th day of July, 2013, in the W.H. Mull Building at the Metropolitan Sewerage District of Buncombe County, Asheville, North Carolina. This was an informal bid and no bid bond was required.

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

BUDGET DATA SHEET - FY 2013 - 2014

PROJECT:	Bradley Branch Road Ph. 2	LOCATION:	Ashville
TYPE:	General Sewer Rehab.	DATE OF REPORT:	January 2013
PROJECT NO.	2007319	TOTAL L.F.:	2,665
PROJECT BUDGET:	\$470,775.00	PROJECT ORIGIN:	SSO's, Access, Line Condition

DESCRIPTION	ESTIMATED PROJECT COST	TOTAL EXPENDS THRU 12/31/12	EST. COST JAN - JUNE 2013	EST. BUDGET FY 13-14
66310 - PRELIM. ENGINEERING				
66320 - SURVEY - DESIGN	\$13,900.00	\$13,890.00		
55330 - DESIGN				
55340 - PERMITS	\$200.00	\$195.00		
55350 - SPECIAL STUDIES				
55360 - EASEMENT PLATS	\$5,200.00	\$5,185.00		
55370 - LEGAL FEES	\$10,500.00	\$10,444.00		
55380 - ACQUISITION SERVICES				
55390 - COMPENSATION	\$50,875.00	\$50,875.00		
66400 - APPRAISAL	\$2,400.00	\$2,400.00		
55410 - CONDEMNATION				
55420 - CONSTRUCTION	\$379,000.00			\$379,000.00
55430 - CONST. CONTRACT ADM.				
55440 - TESTING	\$2,000.00			\$2,000.00
55450 - SURVEY - ASBUILT	\$6,700.00			\$6,700.00
TOTAL AMOUNT	\$470,775.00	\$82,989.00	\$0.00	\$387,700.00

ENGINEER:	MSD	ESTIMATED BUDGETS - FY '14 -'23	
R.O.W. ACQUISITION:	MSD	# PLATS: [7]	FY 14-15 \$0.00
CONTRACTOR:			FY 15-16 \$0.00
CONSTRUCTION ADM:	MSD		FY 16-17 \$0.00
INSPECTION:	MSD		FY 17-18 \$0.00
			FY 18-19 \$0.00
PROJECT DESCRIPTION:	This project extends from the end of Lake Julian Ph. 4 to serve a large mobile home park, commercial subdivisions, and the Walmart store (Airport Road), as well as other properties. System Services has experienced numerous service calls and SSO's on this line.		FY 19-20 \$0.00
			FY 20-21 \$0.00
			FY 21-22 \$0.00
			FY 22-23 \$0.00
SPECIAL PROJECT NOTES:	Phase 1 was completed in FY 12-13.		

Metropolitan Sewerage District of Buncombe County Board Action Item

Meeting Date: August 21, 2013

Subject: Procurement of New Vactor Truck Model 2115-18 Plus Vacuum Jet Rodding Machine – Fleet Replacement

Prepared by: Ken Stines; Division Director
Peter Weed; Division Director
Julie Willingham, CLGPO; Purchasing Supervisor

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

Background: System Services has an on-going preventive maintenance program utilizing combination sewer cleaners. MSD is required by the State DWQ Waste Water Permit to clean 10% (600,000lf) of the entire system every year. Last year System Services cleaned in excess of 800,000lf of sewer line utilizing combination trucks. Sewer line cleaning plays an important role in the reduction of SSO's and customer complaints, as well prolonging the life of the system. The purchase of this Vactor will replace MSD's first Vactor truck. This truck has been in MSD's fleet for over 13 years and has cleaned 2.5 million feet of sewer line - equivalent to 47% of MSD's system. The new truck will be equipped with 800lf of 1" sewer hose capable of delivering 80gpm of water at 2500psi. The truck will have a 15 cubic yard debris body and a water capacity of 1500 gallons. The fuel efficiency on the new Vactor 2115-18 Plus has been significantly increased to reduce fuel consumption by 20 to 30 percent.

MSD's policy is to annually evaluate the condition of fleet vehicles using parameters such as age, miles on vehicles, hours on equipment, and repair costs. At the March 12, 2013, Fleet Replacement Committee meeting, the members recommended the purchase of one (1) New Vactor Replacement, as presented to this Board for approval. This purchase was included in the FY2013-2014 Budget.

Discussion: Pursuant to North Carolina Purchasing Statute G.S. 143-129(e)(3) and MSD Purchasing Procedures, MSD, as a local government, is allowed to purchase from suppliers who are selected through a group purchasing program that is a "formally organized program that offers competitively obtained purchasing [products or] services at discount prices to two or more public agencies." NJPA – National Joint Powers Alliance – is one such group purchasing program. Vactor Manufacturing, a manufacturer of SewerVac Trucks, was awarded a contract under the NJPA cooperative. Public Works Equipment, Monroe, NC is the Vactor authorized distributor for their Southeast territory. The cost per the NJPA contract for the Vactor Truck is \$344,980.65, offering a savings to MSD of over \$40,000.00 from regular dealer pricing. Because the cost of this truck exceeds \$90,000.00, the procurement requires Board approval.

Fiscal Impact: The total cost of this contract will be \$344,980.65. \$350,000.00 was budgeted for this item in the FY2013-2014 Fleet Replacement Fund.

Staff Recommendation: Staff recommends that the bid from Public Works Equipment be awarded.

Metropolitan Sewerage District of Buncombe County BOARD ACTION ITEM

Meeting Date: August 21, 2013
Submitted By: Thomas E. Hartye, PE., General Manager
Prepared By: W. Scott Powell, CLGFO, Director of Finance
Subject: Reimbursement Resolution for Bond Projects

Background

To be in compliance with IRS regulations concerning tax-exempt financing, all expenditures made with non-MSD bonds funds and to be reimbursed from MSD bond funds must be properly identified and authorized. The proposed reimbursement resolution identifies a major project intended to be solely or substantially financed by bonds anticipated to be issued in FY 13-14. Board approval is required to obtain the tax-exemption of interest paid on MSD bonds by authorizing reimbursement from bond proceeds of the expenditures for this project.

However, this resolution does not take the place of an annual budget or capital projects ordinance as mandated by North Carolina General Statutes required authorizing any expenditures irrespective of source of the funds. The project has been or will be included in the District's annual budget process.

In addition to this current reimbursement resolution, additional resolutions may be submitted for other projects when their anticipated costs may be more accurately projected.

Discussion

\$28 million of bonds are planned to be issued in FY 13-14, and this reimbursement resolution is intended to preserve for the District the ability to issue the bonds as tax-exempt bonds and to reimburse itself from their proceeds for the temporary cash outlay made for the projects identified in the reimbursement resolutions.

Engineering Staff have identified several upcoming projects detailed on the attached exhibit, which could be reimbursed from the upcoming revenue bonds. Estimated reimbursable expenditures for these projects total \$18,361,100.

Fiscal Impact

Allows for reimbursement of project expenses with bond proceeds. This reimbursement resolution does not obligate the District to use bond proceeds for these projects, nor does it create an obligation for expenditure of the funds for the identified projects. Authorization for these project expenditures is provided by the annual budget ordinance or capital projects ordinance.

Staff Recommendation

Approval.

Action Taken

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

Board Meeting: August 21, 2013

Subject: Reimbursement Resolution for Bond Projects

Page -2-

**Metropolitan Sewerage District of Buncombe County
Attachment to Reimbursement Resolution
August 21, 2013**

Project	Project #	Estimated Expenditures on and after June 21, 2013
South French Broad Int - Grouting	2011033	\$ 313,000
Bradley Branch Road Phase 2	2007319	387,700
Forest Ridge Road	2006013	575,000
Indiana Avenue	2007017	415,500
Macon Ave At Sunset Parkway	2006016	810,000
Merrimon Ave at Colonial Place	2012084	154,800
Merrimon Ave at Stratford Road	2004252	813,100
Mount Vernon Place Phase 1	2010085	105,300
Old US 70 at Grovemont Ave.	2007322	890,500
Brookcliff Drive - PRP 59001	2004267	395,100
Crockett Road - PRP 36002	2010110	367,200
Sycamore Terrace - PRP 34012	2007014	664,900
Slide Gate Repair	2010024	600,000
Incinerator System Emissions Upgrades	2013059	7,900,000
SSD Rehabilitation and Replacement	2002101	3,969,000
		<u>\$ 18,361,100</u>

Note: Amounts rounded to nearest thousand

REIMBURSEMENT RESOLUTION

RESOLUTION OF THE DISTRICT BOARD OF THE METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA DECLARING ITS INTENTION TO REIMBURSE ITSELF FROM THE PROCEEDS OF ONE OR MORE TAX-EXEMPT FINANCINGS FOR CERTAIN EXPENDITURES MADE AND/OR TO BE MADE IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION AND/OR EQUIPPING OF CERTAIN CAPITAL IMPROVEMENTS

WHEREAS, the Metropolitan Sewerage District of Buncombe County, North Carolina (the "Issuer") is a body politic and corporate organized and existing under the laws of the State of North Carolina; and

WHEREAS, the Issuer has paid, beginning June 21, 2013, and will pay, on and after the date hereof, certain expenditures (the "Expenditures") in connection with the acquisition, design and construction of the projects on the attached Exhibit (the "Projects"); and

WHEREAS, the District Board of the Issuer (the "Board") has determined that those monies previously advanced no more than 60 days prior to the date hereof and to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Issuer for the Expenditures from the proceeds of one or more issues of tax-exempt bonds (the "Bonds");

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. The Board hereby declares the Issuer's intent to reimburse the Issuer with the proceeds of the Bonds for the Expenditures with respect to the Project made on and after August 21, 2013 which date is no more than 60 days prior to the date hereof. The Issuer reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds.

Section 2. Each Expenditure was and will be either (a) of a type properly chargeable to capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Issuer so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the Issuer.

Section 3. The maximum principal amount of the Bonds expected to be issued for the Projects is \$18,361,100.

Section 4. The Issuer will make a reimbursement allocation, which is a written allocation by the Issuer that evidences the Issuer's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Projects are placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The Issuer recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" (based on the year of issuance and not the year of expenditure) and expenditures for construction projects of at least five years.

Section 5. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 21th day of August, 2013

Jerry Vehaun
Chairman of the Board

Attested to:

Jackie Bryson, Secretary/Treasurer

Metropolitan Sewerage District of Buncombe County

BOARD INFORMATIONAL ITEM

Meeting Date: August 21, 2013
Submitted By: Thomas E. Hartye, PE., General Manager
Prepared By: W. Scott Powell, CLGFO, Director of Finance
Subject: Fourth Quarter Budget to Actual Review – FY2013

Background

At the end of each quarter, actual revenue and expenditure amounts are compared with the budget to evaluate performance. The fourth quarter report is analyzed to estimate year-end results, and project revenues and expenditures for the subsequent year's budget. See the attached schedule for comparison of year-to-date actual amounts at June 30, 2013 with original budget for FY 2013.

Discussion

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

- Domestic are at budgeted expectations. Staff believes Domestic User Fee variance will end up around 101% when June accounts receivable data is received from its Member Agencies in September. Industrial Revenue trended below budgeted expectation due to decrease consumption from two industrial users. Staff monitors consumption trends as they have a direct effect on the District's current and future revenue projections.
- Facility and Tap Fees are budgeted conservatively. This leads to actual revenues being significantly higher than budget. The unusually large variance as of the end of the second quarter is due to receiving unanticipated revenue of \$780,000 from one development.
- Interest and miscellaneous income are above budgeted expectations. This is a direct result of the District selling renewable energy credits associated with the Hydroelectric Facility. Investment income is still experiencing recessionary pressures on the fixed income market.
- Rental income reflects slightly better than expected earnings.
- Actual and encumbered O&M expenditures appear reasonable but once accruals and adjustments are made, may vary slightly in the final audit.
- Bond principal and interest are better than budgeted expectations. This is a direct result variable rate interest savings as well as the Series 2003 and Series 2008B refundings.
- Capital project expenditures are at approximately 84.5% of budget. This is due to projects receiving continued favorable pricing as well as project delays due to weather.

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:	

Board Meeting: August 21, 2013

Subject: Fourth Quarter Budget to Actual Review – FY2013

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**Metropolitan Sewerage District
Budget to Actual Revenue and Expenditure Report**

For the twelve months ended June 30, 2013

UNAUDITED--NON-GAAP

	Budget	Actual to Date	% Budget to Actual
REVENUES			
Domestic User Fees ¹	\$ 26,171,162	\$ 26,192,608	100.08%
Industrial User Fees	1,696,137	1,573,352	92.76%
Facility Fees ²	1,250,000	2,253,595	180.29%
Tap Fees ³	105,000	313,040	298.13%
Billing and Collection	677,544	699,532	103.25%
Interest and Misc. Income ⁴	325,659	791,314	242.99%
Employee Contribution to Health Ins.	413,000	408,344	98.87%
City of Asheville (Enka Bonds)	37,000	37,023	100.06%
Rental Income	67,872	70,356	103.66%
Use of Available Funds ⁵	11,201,767	5,596,037	49.96%
Total Revenues⁶	\$ 41,945,141	\$ 37,935,202	90.44%
EXPENDITURES			
Operations and Maintenance ⁷	\$ 14,688,640	\$ 13,648,277	92.92%
Bond Principal and Interest	8,238,321	8,138,321	98.79%
Capital Equipment (Other than O&M) ⁷	654,000	632,432	96.70%
Capital Projects ⁷	17,364,180	15,516,172	84.49%
Contingency	1,000,000	-	
Total Expenditures	\$ 41,945,141	\$ 37,935,202	90.44%

Notes:

¹ Revenues are on the cash basis

² Increase in number of Taps requiring Bore Fees

³ Increase due to unanticipated revenue from a development

⁴ Increase in interest due to termination of forward delivery agreement

⁵ Pay-as-go funds to be used for CIP

⁶ Budget-to-Actual Ratio does not include use of available funds

⁷ Includes encumbered amounts as well as actual insurance expenditures

Metropolitan Sewerage District of Buncombe County

BOARD INFORMATIONAL ITEM

Meeting Date: August 21, 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 June 30, 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 June 30, 2013 were \$28,014,972. The detailed listing of accounts is available upon request. The average rate of return for all investments is 1.753%. 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 June 30, 2013 do not reflect contractual commitments or encumbrances against said funds. Shown below are the total investments as of June 30, 2013 reduced by contractual commitments, bond funds, and District reserve funds. The balance available for future capital outlay is \$(22,108,545).

Total Cash & Investments as of 06/30/2013		28,014,972
Less:		
FY14 O & M Expenditures approved June 12, 2013	(14,946,966)	
FY14 Construction Expenditures approved June 12, 2013	<u>(16,737,527)</u>	
		(31,684,493)
Bond Restricted Funds		
Bond Service (Funds held by trustee):		
Funds in Principal & Interest Accounts	(4,964,614)	
FY14 Principal & Interest Due	<u>(8,502,191)</u>	
		(13,466,805)
District Reserve Funds		
Fleet Replacement	(431,431)	
WWTP Replacement	(523,659)	
Maintenance Reserve	<u>(913,049)</u>	
		(1,868,139)
District Insurance Funds		
General Liability	(462,041)	
Worker's Compensation	(365,579)	
Post-Retirement Benefit	(1,071,651)	
Self-Funded Employee Medical	<u>(1,204,809)</u>	
		(3,104,080)
Designated for Capital Outlay		<u><u>(22,108,545)</u></u>

Staff Recommendation

None. Information Only.

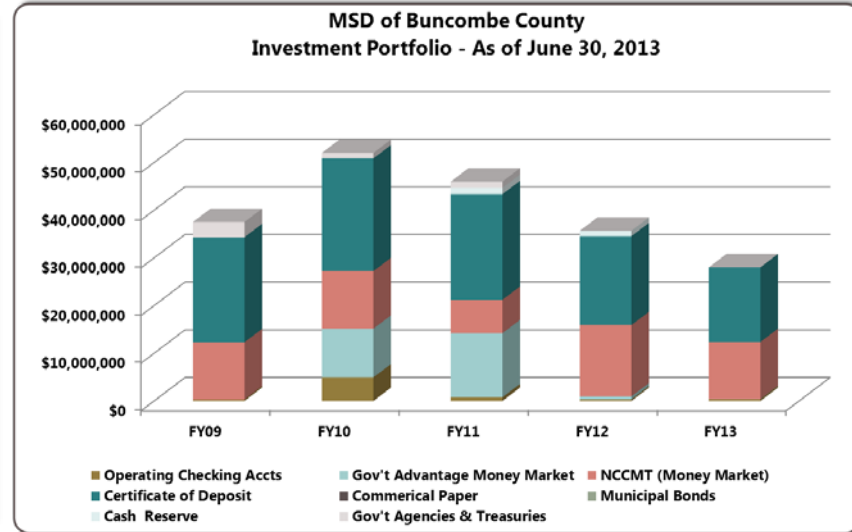
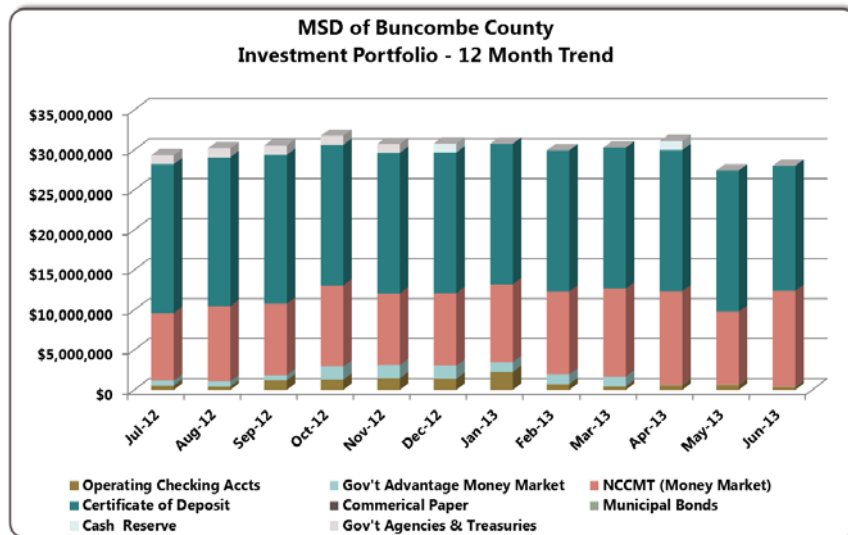
Action Taken

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	\$ -	\$ -	\$ 4,964,614	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,964,614
Held by MSD	359,327	46,647	6,993,800	15,650,584	-	-	-	-	23,050,358
	<u>\$ 359,327</u>	<u>\$ 46,647</u>	<u>\$ 11,958,414</u>	<u>\$ 15,650,584</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,014,972</u>

<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%	55.87%	The District 's YTM of .81% 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%	42.69%	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		1.28%	
Gov't Advantage Money Market		0.17%	



Board Meeting: August 21, 2013

Subject: Cash Commitment/Investment Report-Month Ended June 30, 2013

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**METROPOLITAN SEWERAGE DISTRICT
INVESTMENT MANAGERS' REPORT
AT June 30, 2013**

Summary of Asset Transactions

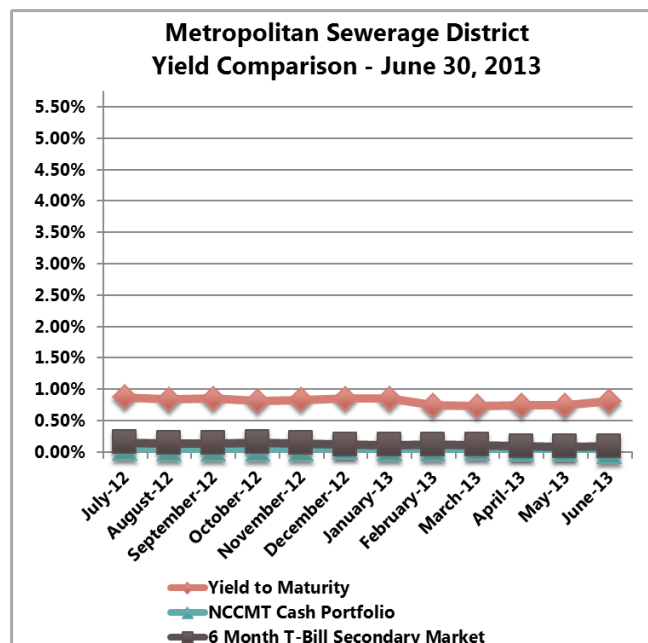
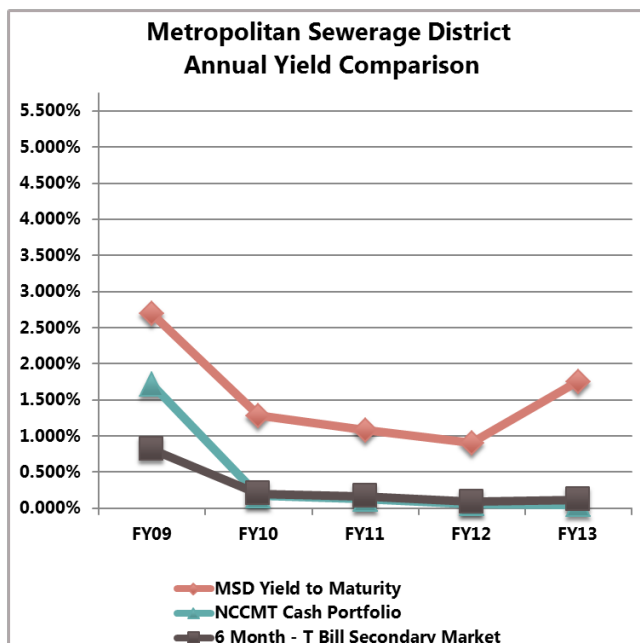
	Original Cost	Market	Interest Receivable
Beginning Balance	\$ 25,481,896	\$ 25,481,896	\$ 379,067
Capital Contributed (Withdrawn)	(4,053,349)	(4,053,349)	
Realized Income	10,030	10,030	(9,519)
Unrealized/Accrued Income		-	15,358
Ending Balance	\$ 21,438,577	\$ 21,438,577	\$ 384,906

Value and Income by Maturity

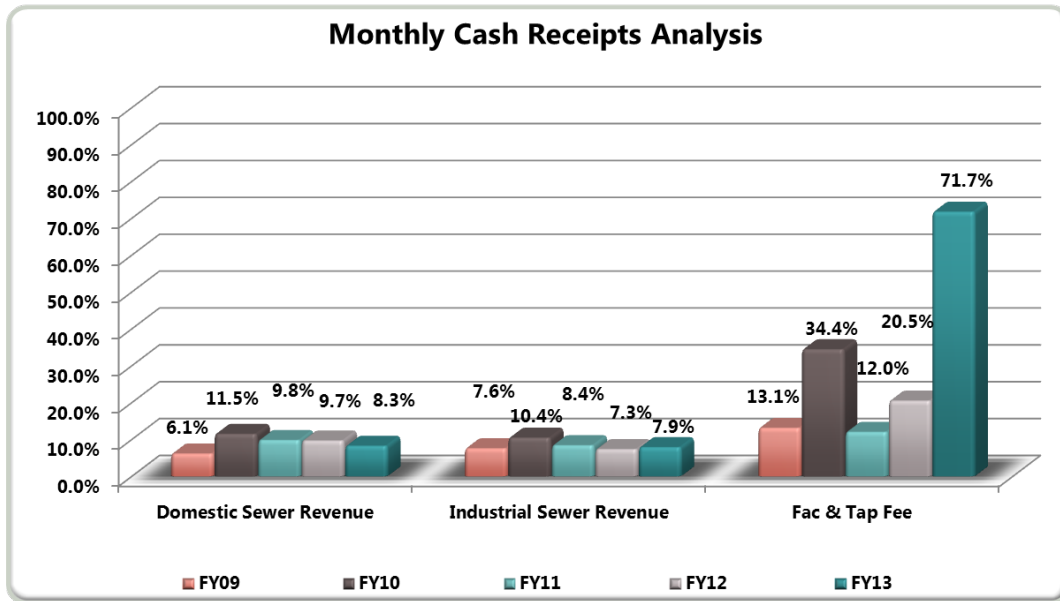
	Original Cost	Income
Cash Equivalents <91 Days	\$ 5,787,993	\$ 4,284
Securities/CD's 91 to 365 Days	15,650,584	\$ 11,585
Securities/CD's > 1 Year	-	\$ -
	\$ 21,438,577	\$ 15,869

Month End Portfolio Information

Weighted Average Maturity	381
Yield to Maturity	0.81%
6 Month T-Bill Secondary Market	0.09%
NCCMT Cash Portfolio	0.01%

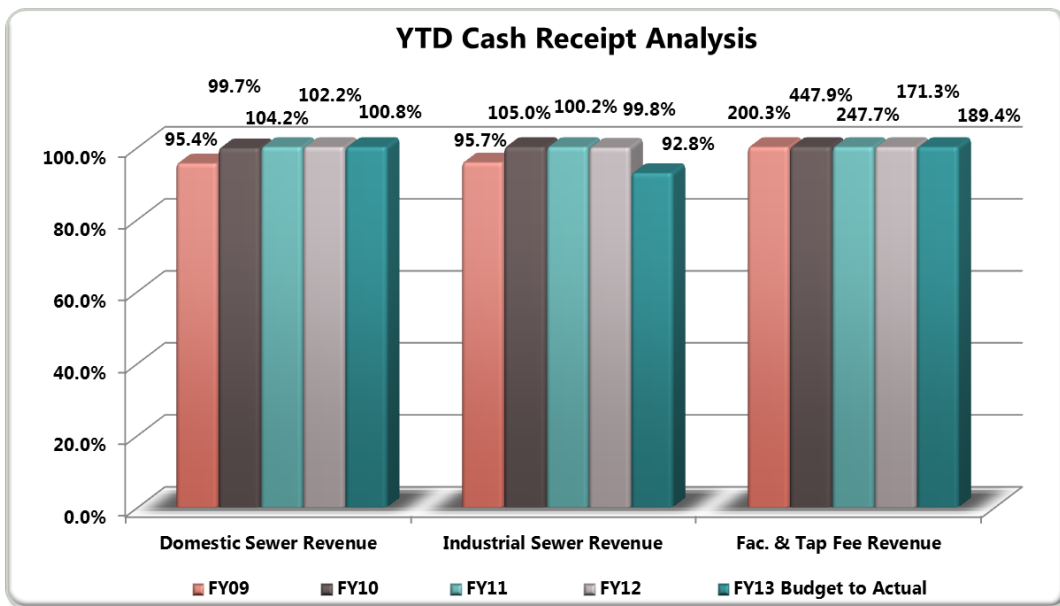


**METROPOLITAN SEWERAGE DISTRICT
ANALYSIS OF CASH RECEIPTS
AS OF June 30, 2013**



Monthly Cash Receipts Analysis:

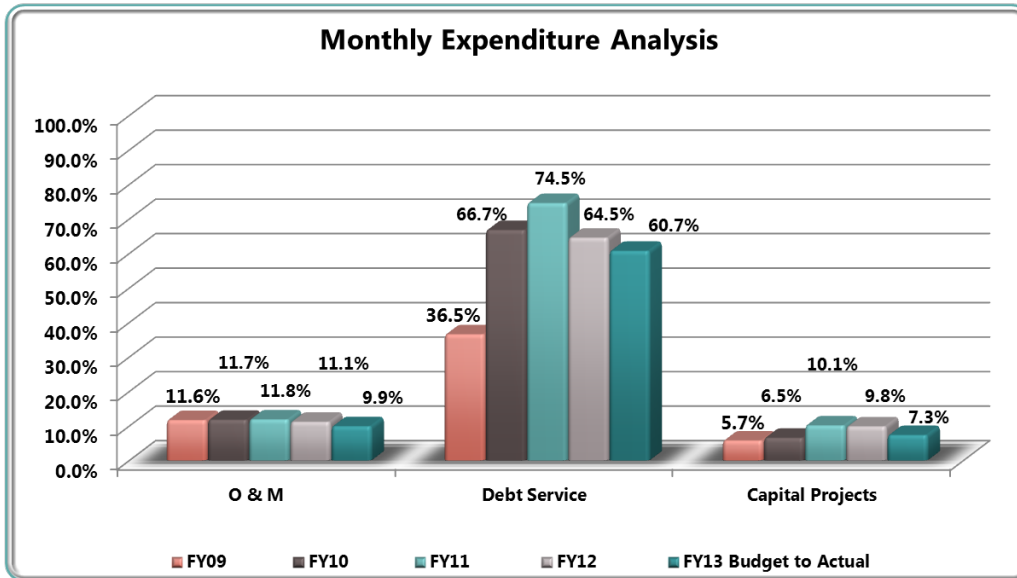
- ◀ Monthly domestic sewer revenue is considered reasonable based on timing of cash receipts in their respective fiscal periods.
- ◀ Monthly industrial sewer revenue is trending below budgeted expectations.
- ◀ Due to the unpredictable nature of facility and tap fee revenue, staff considers facility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



YTD Actual Revenue Analysis:

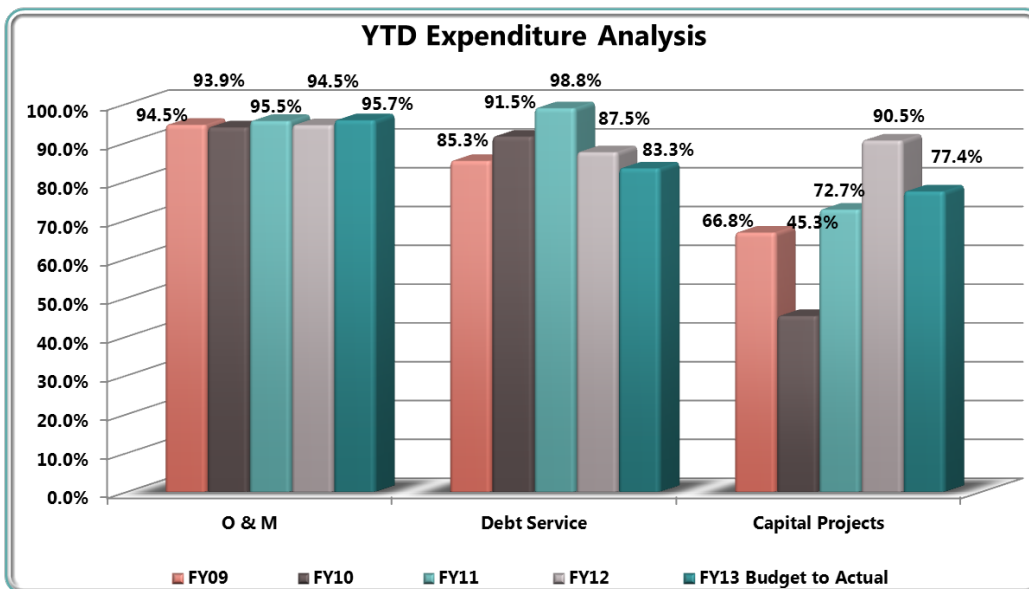
- ◀ YTD domestic sewer revenue is considered reasonable based on historical trends.
- ◀ YTD industrial sewer revenue is trending below budgeted expectations.
- ◀ Due to the unpredictable nature of facility and tap fee revenue, staff considers facility and tap fee revenue reasonable.

**METROPOLITAN SEWERAGE DISTRICT
ANALYSIS OF EXPENDITURES
AS OF JUNE 30, 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:

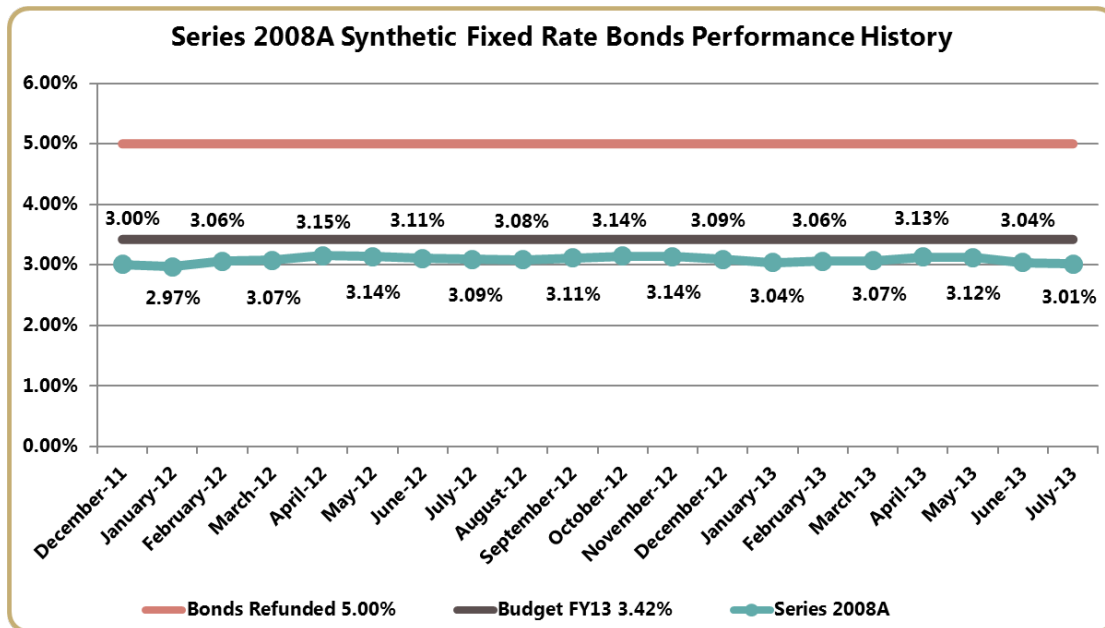
- YTD O&M expenditures are considered reasonable based on historical trends.
- Due to the nature of the variable rate bond market, YTD expenditures can vary year to year. Based on current variable interest rates, YTD debt service expenditures are considered reasonable.
- Due to nature and timing of capital 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: August 21, 2013

Subject: Cash Commitment/Investment Report-Month Ended June 30, 2013

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**METROPOLITAN SEWERAGE DISTRICT
Variable Debt Service Report
As of July 31, 2013**



Series 2008A:

- Savings to date on the Series 2008A Synthetic Fixed Rate Bonds is \$2,877,657 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 \$4,518,500 to terminate the existing Bank of America Swap Agreement.

Metropolitan Sewerage District of Buncombe County

BOARD ACTION ITEM

BOARD MEETING DATE: August 21, 2013

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

REVIEWED BY: Gary McGill, P.E. - Engineer of Record
Billy Clarke - District Counsel

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

SUBJECT: Incinerator System Rehabilitation and Emissions Upgrades Project - Design & Construction Services Contract, MSD Project Number 2013059

BACKGROUND: Summary of Project

The Sewage Sludge Incinerator (SSI) is located at the Water Reclamation Facility (WRF) and plays a crucial role in the District's management of biosolids. Biosolids are a residual of all wastewater treatment plants.

The original incinerator was constructed in 1992, and a major rehabilitation project was completed in 2004. Several components within the system have now reached the end of their useful lives and must be repaired/replaced.

In addition to the rehabilitation, there are new regulatory requirements being mandated by the EPA which require far more stringent air emission requirements for SSI's. This new Federal Rule is currently being challenged in court; however it currently remains standing. In addition, there is a short timeline for its implementation.

This project was presented to the CIP Committee on April 25, 2013. It is divided into two phases. Phase I is for the required rehabilitation work, while Phase II is for the new EPA mandated emissions requirements. Phase II will be implemented only if the court allows the current federal rule to stand without adjustment or delay.

Selection of Design Firm

Staff advertised a Request for Qualifications in June 2013, and received responses from four consulting firms - Arcadis, CDM Smith, GHD, and Hazen & Sawyer. All four firms were well qualified, and each had significant experience with incineration facilities.

The staff selection committee interviewed all four firms, and carefully considered the various strengths that each offered. Ultimately, CDM Smith was chosen as the most qualified firm for this project.

CDM Smith is an established, global firm. They have performed work for the District in the past, most recently the Facilities Plan for the WRF. This plan has been used as a guide for several significant projects at the WRF.

Please refer to the attached documentation for further details.

FISCAL IMPACT: The FY14 & FY15 design and construction management budgets for this project total \$900,000.00.

STAFF RECOMMENDATION: Staff recommends award of the design and construction management services contract to CDM Smith, in the amount of \$764,065.00 subject to review and approval by District Counsel

Phase II, regarding the emissions requirements, will be initiated only if the court allows the EPA Federal Rule to stand.

Interoffice Memorandum

TO: Tom Hartye, General Manager

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

DATE: August 2, 2013

RE: Incinerator System Rehabilitation & Emissions Upgrade
MSD Project No. 2013059

The Sewage Sludge Incinerator (SSI), located at MSD's Water Reclamation Facility (WRF) plays a crucial role in the management of solids. Constructed in 1992, the SSI is permitted to process up to 40 dry tons of sludge per day. The system utilizes fluidized bed technology, a process which suspends a mix of solid fuel (e.g. dewatered sludge) and sand media in upward-blowing jets of air during the combustion process. Temperatures inside the SSI hearth can exceed 1,300 °F. MSD's incinerator system includes a waste heat recovery system (i.e. heat exchanger) which helps to reduce the amount of supplementary gaseous fuel required for combustion. Emissions from the SSI are controlled with a water quenching and scrubbing system (herein referred to as the venturi scrubber) for removal of particulates, metals, and gaseous pollutants.

The Incinerator System Rehabilitation & Emissions Upgrade project includes the replacement and/or rehabilitation of failing SSI components, as well as the addition of new emission control devices. The project will take a phased approach as discussed below. Phase I will consist of replacing and/or modifying existing components which have reached the end of their useful life. Phase II includes the addition of new emissions control equipment in response to new mandated performance standards as set by the U.S. Environmental Protection Agency (EPA).

Phase I:

Due to the nature of the sludge and intensity of the incineration process (extreme heat and corrosive gases), erosion and corrosion is a continuous problem within the system, specifically targeting the venturi scrubber, heat exchanger, and incinerator exhaust duct. These components have historically required frequent repairs to maintain their performance level and structural integrity. Since 1992, the venturi scrubber, which is subject to high velocities, has been repaired or replaced approximately nine times. The most problematic sections of the exhaust duct and heat exchanger have required multiple welded steel patches or bracing for added structural support where the shell has either thinned or been compromised. The manufacturer's recommended useful life of the heat exchanger is seven years; MSD's unit is

currently ten years old.

While the unit has continued to perform well despite the numerous repairs, it is recommended that the existing venturi, heat exchanger and exhaust duct be replaced due to their age and condition.

Phase II:

In 2011, the EPA finalized new source performance standards and emission guidelines for new and existing SSI units located at publicly owned wastewater treatment works. These standards are based on Maximum Available Control Technology (MACT) provisions of the Clean Air Act Section 129, subjecting SSIs to more stringent air emission requirements. The regulations, as currently set forth, set a time limit of March 21, 2016 for demonstrating compliance. The rule establishes two sets of emission limits; one for “existing” and one for “new/modified” units, the latter being more restrictive. MSD has evaluated the MACT rule criteria for determining new versus existing status and has confirmed that its SSI unit is classified as “existing”.

While MSD’s existing SSI system meets the proposed MACT standards for several constituents (i.e. lead and carbon monoxide), additional measures of reduction will be required for mercury and sulfur dioxide. Particulate matter, cadmium and nitrogen oxide levels have historically been below the MACT standards; but only slightly. It is recommended that additional treatment controls be added for particulate matter and cadmium reduction, while nitrogen oxide levels can likely be controlled by modifying operational procedures.

The National Association of Clean Water Agencies (NACWA) is currently challenging EPA’s final MACT rule on both its legal and technical basis and is requesting that the court vacate the rule as a violation of EPA’s authority under the Clean Air Act. The case, *NACWA v. EPA*, was initiated in 2011 shortly after the MACT ruling was finalized; a court decision is expected by late summer 2013. If NACWA is successful in overturning the proposed EPA legislation, Phase II of this project will not proceed.

Design Firm Selection

A Request for Qualifications (RFQ) was advertised in mid-June and qualification packages were submitted to MSD on July 12, 2013. Packages were received from the following four design firms; ARCADIS, CDM Smith, GHD, and Hazen & Sawyer. Following presentations/interviews from each firm, the MSD selection committee agreed that CDM Smith was the most qualified candidate. CDM Smith addressed all requests made in the RFQ and presented a conceptual design strategy and construction approach that will meet the requirements of Phase I and II of this project.

For Phase I, CDM Smith will first conduct a thorough assessment of the existing incinerator system, including metal thickness and surface temperature readings to evaluate current operating conditions and structural integrity. If corrosion is found to be localized, the useful life of the heat exchanger and exhaust duct may be extended with additional patching. If thickness readings suggest otherwise, these units will be replaced in their entirety. Repairs costs to the exhaust duct and heat exchanger have been estimated at approximately \$80,000. Repairing these components may be a viable alternative for short term operation; however, replacement is recommended as the long term solution.

It is believed that low steel temperatures on the surface of the heat exchanger and ductwork have contributed to corrosion issues and weakening of the metal. Surface temperatures below the acid dew point (300-350 °F) result in condensation of acidic gases, leading to corrosion on the inside of the vessel. The existing SSI was designed to maintain surface temperatures at approximately 150 °F. When the heat exchanger is replaced, CDM Smith recommends that the vessel contain less refractory insulation (resulting in higher steel temperatures) and a corrosion-resistant mastic lining. Replacement of the heat exchanger has been estimated to cost approximately \$1.0M.

Based on maintenance history of the existing venturi scrubber, CDM Smith has recommended replacing the unit with a new multi-venturi scrubber as part of the Phase I improvements. The multi-venturi scrubber operates at a lower velocity than the existing unit, and incorporates a more sophisticated water quenching and filtration system for particulate removal. Multi-venturi units have been installed around the country at other SSI units and are performing well. This unit will provide a level of particulate removal necessary to meet proposed MACT standards, and is believed to be much less maintenance intensive. Installation of the multi-venturi unit has been estimated at \$375,000.

For Phase II, CDM Smith has proposed to install a carbon bed adsorber and caustic storage and feed system for mercury removal and sulfur dioxide removal, respectively. These are tried

and true methods for controlling the constituents at hand and were the same technologies recommended by all four design firms interviewed. Given the size of the carbon bed adsorber and associated components, this system will be installed under a canopy shelter adjacent to the existing Sludge Handling building. Estimated costs of Phase II (including design fees and installation) are approximately \$6.7M.

CDM Smith has been tasked with the following objectives:

- Generate a preliminary engineering report, design plans, specifications and budget for all necessary upgrades to MSD's SSI as described in Phase I and II.
- Assist MSD by submitting and acquiring all applicable permits prior to construction.
- Provide shop drawing review and approvals, consultation, part-time inspection, and technical support services throughout the construction phase.
- Complete Phase II work in a timely manner to meet all compliance dates and deadlines as set forth in the MACT rules.

CDM Smith has submitted a proposal for the work as outlined above and in the RFQ in the amount of \$764,065.00.

CDM Smith has extensive experience with District planning projects, including the RBC Blower Replacement Assessment in 2004, Weaverville Pump Station Analysis in 2004, Grit & Grease Removal Study in 2005, and WRF Facilities Plan in 2006. To date, CDM Smith has not completed a process design and construction project for MSD; however, they hold a lengthy resume of water and wastewater treatment plant projects across the country, as well as abroad. The team assembled for the Incinerator System Rehabilitation & Emissions Upgrade project has a deep understanding of fluidized bed technology, and has completed ten (10) similar incinerator projects across the United States in the past 10 years.

Staff recommends award of the design and construction services contract to CDM Smith contingent upon review and approval by District legal counsel.

EXHIBIT A
SCOPE OF SERVICES

ENGINEER will provide planning, design, permitting, bidding and construction administration services for the **Incinerator System Rehabilitation & Emissions Upgrade**.

PROJECT DESCRIPTION AND OBJECTIVES

The OWNER owns and operates a 40 mgd WRF located along the French Broad River. Major processes at the plant include: Screening, Grit and Grease Removal, Biological Treatment via seven-stage RBC's, Intermediate Clarification, Cloth Media Filtration, Disinfection, Gravity Thickening, Belt Filter Press Dewatering, and Sewage Sludge Incineration (SSI).

The original SSI unit was placed into service in 1992 and is designed to process up to 40 dry tons of sludge per day. The system utilizes fluidized bed technology with a waste heat recovery system (i.e. heat exchanger). The emission control system consists of water quenching and scrubbing (via variable-throat venturi and tray tower scrubbers) for removal of particulates, metals, and gaseous pollutants. The SSI is currently permitted under the Western North Carolina Regional Air Quality Agency (WNCRAQA).

The PROJECT will take a two phased approach to improvements to the existing SSI. Upon execution of this contract, the ENGINEER will be authorized to proceed with Phase I of the project. Phase II may be authorized separately by the OWNER. This approach is further defined as follows:

Phase I

Various components of the SSI have been repaired or replaced since the original installation. As a result of these upgrades, the SSI has continued to perform well and consistently meets air permit limits. However, due to the nature of the process, erosion and corrosion is a continuous problem within the system specifically with the venturi scrubber and incinerator exhaust duct. In addition, the existing heat exchanger is approaching the end of its recommended useful life and will most likely need to be replaced.

Phase I will include an evaluation of the condition of the existing incinerator exhaust duct work, and the existing heat exchanger to determine initial repairs and upgrades necessary for the existing SSI to continue to function to meet current emission standards. Phase I improvements will include the preparation of design documents to detail necessary repairs, the replacement of the existing heat exchanger and the replacement of the existing variable-throat venturi with a new multi-venturi with demister. The scope of work will also include permitting services, bid phase services and construction phase services.

Phase II

The 2011 EPA Maximum Available Control Technology (MACT) provisions of the clean air act have established new emission guidelines for new and existing SSI units located at publicly owned wastewater treatment works. The provisions require demonstrated compliance with new emission standards by March 21, 2016. The MACT rule has established separate emissions criteria for both

“existing” and “new/modified” units. The OWNER has verified that the existing SSI is classified as “existing”.

Phase II will include preliminary design, final design, permitting, bidding, and construction phase services for improvements to the existing SSI in order to meet the MACT emission requirements by the deadline. Improvements may include, but are not limited to, a carbon adsorber, caustic feed system and secondary heat exchanger with the final scope of improvements to be determined during preliminary design.

The current MACT rule is being challenged by the National Association of Clean Water Agencies (NACWA) on both its legal and technical basis and is requesting the court vacate the rule as a violation of EPA’s authority under the Clean Air Act. The court decision is expected by late summer 2013. Should NACWA be successful in overturning the EPA MACT legislation, Phase II of the project will not be required. As such, the scope of work has been separated into Phase I and Phase II components below.

Basic Services to be provided by the ENGINEER under this Task Order shall be limited to the following:

Phase I

- Task 100 – Project Management and Meetings
- Task 200 – Preliminary Design
- Task 300 – Final Design
- Task 400 – Bid Phase Services
- Task 500 - Permitting
- Task 600 – Construction Phase Services

Phase II

- Task 100 – Project Management and Meetings
- Task 200 – Preliminary Design
- Task 300 – Final Design
- Task 400 – Bid Phase Services
- Task 500 – Permitting
- Task 600 – Construction Phase Services

The detailed scope of services for the basic services included under this Agreement for Phase I (Tasks 100 through 600) and Phase II (Tasks 100 through 600) are as follows:

Phase I Improvements

Task 100 Project Management and Meetings

The project management task includes those activities involved with the detailed planning and subsequent monitoring and control of the project. In addition to the ENGINEER's normal in-house staff management and job tracking procedures, the following subtasks will be considered project management services:

101 Project Kick-Off /Coordination Meeting

A project kick-off meeting will be held with the OWNER to discuss project schedule, administrative procedures, respective responsibilities, communications, OWNER contacts, OWNER expectations, progress reporting, data collection, and other project matters as appropriate.

102 Deliverable Review Meetings

The ENGINEER shall meet with the OWNER after submittal of the major deliverables on the project as described under Task 300. This will include meetings following delivery of the draft Preliminary Design Report, 60-percent design deliverable, and 100-percent design deliverable to receive OWNER comments before proceeding to the next project milestone.

Task 200 Preliminary Design

The ENGINEER will prepare a preliminary design report summarizing the evaluation of the condition of the existing SSI infrastructure and recommendations for initial improvements for the SSI to continue to operate to meet current permit limits as well as preliminary engineering requirements for the replacement of the existing heat exchanger and existing venturi with new multi-venturi and demister. The following subtasks will be considered part of this task:

201 Site Visit, Data Collection and Equipment Inspection

With assistance from the OWNER, the ENGINEER shall collect and review pertinent data and information associated with the existing SSI. This shall include, but is not necessarily limited to the following:

- Plant operation, maintenance, and performance data.
- Inspection of existing SSI equipment.
Thickness testing of existing duct work and insulation. ENGINEER will utilize a subconsultant to take metal thickness readings of the incinerator, the exhaust ducts, the primary heat exchanger and the venturi scrubber
- Plant drawings and specifications (not already in ENGINEER's possession).
- Other information as needed.

202 Data Evaluation

The ENGINEER shall utilize the data collected under Task 201 to evaluate the condition of the existing SSI infrastructure to determine alternatives for rehabilitation necessary for the equipment to continue to function to meet current permit limits.

203 Equipment Selection

ENGINEER will investigate the equipment needed to upgrade/replace the existing heat exchanger and venturi. ENGINEER will conduct a workshop with the OWNER to discuss the pros and cons associated with different equipment manufacturers required to achieve current limits as well as possible future MAC1 limits and how the equipment will impact these limits. During the workshop ENGINEER will also determine the preferred method of instrumentation and control to coordinate with the existing plant system.

204 Preliminary Design Report Preparation

The ENGINEER shall prepare a Preliminary Design Report that summarizes the work completed in Tasks 201 through 203 and documents decisions made during the evaluation process. ENGINEER will make recommendations regarding the repairs and upgrades necessary for the existing SSI to continue to function to meet current emission standards and recommendations for heat exchanger and multi-venturi system installation.

The Preliminary Design report will include a 30-percent opinion of probable construction cost and schedule for implementation of the improvements. The ENGINEER shall review scheduling constraints with respect to time and project completion.

The ENGINEER shall provide the OWNER with five copies of the draft Preliminary Design Report. After the OWNER reviews the Preliminary Design Report, the OWNER and ENGINEER shall meet (Task 102) to make final decisions on the recommendations. The ENGINEER will provide ten copies of the final Report for the record.

The Preliminary Design Report shall serve as the basis for the final design improvements to be prepared under Task 300.

205 Preliminary Design Report Technical Review

During the course of the preliminary design process, the ENGINEER shall conduct one technical review meeting to ensure that the recommendations are technically sound and complete. This review meeting shall be attended by a Technical Review Committee (TRC) of senior experienced engineers.

Task 300 Final Design

Following the OWNER'S review and approval of the final Preliminary Design Report, the ENGINEER shall proceed with the final design of the improvements. This agreement assumes that no modifications to the existing HVAC system are required and that no fire suppression system is required. If during the development of the Preliminary Design Report HVAC or Fire Suppression systems are required then an amendment to this agreement will be required. It is also assumed that no surveying will be required for the project and that drawings can be prepared from existing

record information or pre-existing survey data made available by the Owner. This Agreement scope of services includes preparation of one set of Contract Documents for the Phase I improvements of the SSI. Final design services provided by the ENGINEER are described as follows:

301 60 Percent Drawings and Specifications

The ENGINEER shall provide 60 percent plan and section drawings and technical specifications detailing the improvements recommended under Task 200. The drawings will show the proposed improvements to the existing SSI, new features including the heat exchanger and multi-venturi with demister and relevant features impacting construction in adequate detail to define the extent of the work.

The ENGINEER shall provide a 60 percent opinion of probable construction cost and schedule for implementation of the improvements. The ENGINEER shall review scheduling constraints with respect to time and project completion.

The ENGINEER shall conduct one technical and constructability review workshop to ensure that the 60 percent design is technically sound and cost-effective. These reviews shall be attended by a Technical Review Committee (TRC) of senior experienced engineers. The OWNER is encouraged and expected to participate in this review session.

302 100 Percent Drawings and Specifications

The ENGINEER shall provide 100 percent plan and section drawings and technical specifications incorporating the comments provided to the 60 percent deliverable and developing the documents to a draft complete state. The documents will include all necessary drawings, technical specifications and bidding documents necessary for a complete and final review by the OWNER.

The ENGINEER shall provide a final opinion of probable construction cost and schedule for implementation of the improvements. The ENGINEER shall review scheduling constraints with respect to time and project completion.

303 Final Bidding Documents

The ENGINEER shall provide final documents suitable for bidding by the Owner incorporating the comments provided to the 100 percent deliverable.

Task 400 Bidding and Award

Following receipt of authorization from OWNER, ENGINEER shall perform the following services related to Bidding and Award. One bidding phase for one construction contract is included as part of this scope of services. It is assumed that the OWNER will coordinate all bidding activities, distribute addenda and correspond with the prospective bidders.

401 Assist with the preparation of addenda specifically related to the technical aspects of the work and as appropriate to interpret, clarify, or further define the Contract Documents. Addenda will be issued by OWNER.

- 402 Consult with and advise OWNER to determine the acceptability of substitute materials and equipment proposed by Contractor(s) when substitution prior to the award of contracts is allowed by the Contract Documents.
- 403 Attend the bid opening and certify the bid tabulation prepared by the OWNER. Assist OWNER in contract award process.

Task 500 Permitting

The ENGINEER will assist the OWNER in obtaining the required regulatory approvals/ permits for the Phase I improvements.

501 Regulatory Review, Meetings, and Coordination

Following the completion of the Preliminary Engineering Report (Task 200), the ENGINEER will finalize the list of permit and approval requirements needed for the construction phase of the work. This will include a strategy and schedule for resolving any obstacles that will prevent timely permit acquisition to ensure the overall project can proceed unimpeded.

Once permit applications are submitted, the ENGINEER will support the OWNER by attending meetings with regulators as necessary including two regulatory/city agency meetings either onsite or at the regulatory offices to resolve any issues necessary to permit the project.

502 Prepare and Submit Permit Applications

As the design documents approach the 90-percent completion stage, the ENGINEER will begin preparing permit application forms and securing appropriate permitting fees from the OWNER with the goal of submitting the 90-percent documents to the necessary permitting agencies for review and approval. Should any major revisions be identified during the review meeting with the OWNER, the ENGINEER will coordinate these changes with the appropriate agencies to ensure the permitting process is not delayed. Applications for the required permits and approvals shall be prepared for submittal to the respective agencies. Where acceptable, the ENGINEER will make applications directly to the permitting agencies of behalf of the OWNER. The following permits are assumed to be required for Phase I improvements:

- NCDENR Authorization to Construction
- Buncombe County/City of Asheville Building Department
- WNCRAQA Permit Modification

Task 600 Construction Contract Administration

The ENGINEER shall provide Contract Construction Administration services for the construction PROJECT over an estimated 8-month construction period. Resident Project Representative Services will be provided by the OWNER. This Agreement would need to be amended to provide additional compensation should an increase in the 12-month construction period duration occur.

For the purposes of Task 600, "Work" means the entire completed construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work

includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction, and furnishing, installing, and incorporating all materials and equipment into such construction, all as required by the Contract Documents.

- 601 ENGINEER shall consult with and advise OWNER. Instructions to the Contractor(s) shall be issued through the OWNER. ENGINEER shall attend all monthly progress meetings. It is assumed that 4 of those progress meetings will be in conjunction with the weekly site visits. The progress meeting will be run by the OWNER including the development of the agenda and meeting minutes.
- 602 ENGINEER shall make visits to the site at intervals appropriate to the stage of construction, or otherwise agreed to by ENGINEER in writing, to observe as an experienced and qualified design professional the progress and quality of the Work and to determine if the Work is proceeding in accordance with the Contract Documents. ENGINEER's observation of the Work shall not be intended to involve work beyond the responsibility specifically assigned to ENGINEER in this Agreement and the Contract Documents. On the basis of site observations, ENGINEER shall keep the OWNER informed of the progress and quality of the Work and shall alert the OWNER to defects and deficiencies in the Work of the Contractor. ENGINEER shall not have control or charge of and shall not be responsible for construction means, methods, techniques, sequences, or procedures of construction selected by Contractor or for safety and environmental programs and precautions incidental to the Work. ENGINEER shall not be responsible for the failure of the Contractor, his Subcontractors, or any other persons performing any of the Work to comply with laws, rules, regulations, ordinances, code, or orders, or for failure of any of them to carry out the Work in accordance with the Contract Documents except as otherwise expressly provided herein.

The purpose of ENGINEER's visits to the site will be to enable ENGINEER to better carry out the duties and responsibilities assigned to and undertaken by ENGINEER during the Construction Phase, and, in addition, by the exercise of ENGINEER's efforts as an experienced and qualified design professional, to provide for OWNER a greater degree of confidence that the completed work of Contractor will conform to the Contract Documents, and that the integrity of the design concept of the completed PROJECT as a functioning whole as indicated in the Contract Documents has been implemented and preserved by Contractor.

For the purposes of the Phase I improvements the ENGINEER has assumed 6 site visits by a senior engineer and 3 site visits by a senior technical expert for the purposes of observing the construction work for compliance with the Contract Documents and startup of new equipment.

- 603 ENGINEER shall review and approve or take other appropriate action with respect to Shop Drawings, samples, and other data which Contractor is required to submit, but only for conformance with the design concept of the completed PROJECT as a functioning whole as indicated in the Contract Documents and in compliance with the information given in the Contract Documents. Such reviews or other action shall not include means, methods, techniques, sequences, or procedures of construction or safety programs and precautions incident thereto.

- 604 ENGINEER shall review and recommend Change Orders and Work Change Directives to OWNER as appropriate to be prepared and issued by the OWNER.
- 605 ENGINEER shall evaluate and determine the acceptability of substitute materials and equipment proposed by Contractor.
- 606 ENGINEER shall make recommendations to OWNER regarding the advisability of requiring special inspections or testing of the Work and have authority to receive and review all certificates of inspections, testing, and approvals required by laws, rules, regulations, ordinances, codes, orders, or the Contract Documents to determine generally that their content complies with the requirements of, and the results certified indicate compliance with, the Contract Documents.
- 607 Following notice from Contractor that Contractor considers the entire work ready for its intended use, ENGINEER and OWNER, accompanied by Contractor, shall conduct an inspection to determine if the work is substantially complete.
- 608 ENGINEER shall prepare a set of reproducible record prints of Record Drawings showing those changes made during the construction process based on the marked-up prints, shop drawings, drawings, and other data furnished by the Contractor to ENGINEER. The record prints shall also incorporate the OWNER's Representative's observation of changes made during construction. These record drawings shall be prepared on reproducible hard copies and on disk (in the latest version of AutoCAD or such version as the parties agree) for delivery to the OWNER.

Phase II Improvements

Task 100 Project Management and Meetings

The project management task includes those activities involved with the detailed planning and subsequent monitoring and control of the project. In addition to the ENGINEER's normal in-house staff management and job tracking procedures, the following subtasks will be considered project management services:

101 Project Kick-Off /Coordination Meeting

A project kick-off meeting will be held with the OWNER to discuss project schedule, administrative procedures, respective responsibilities, communications, OWNER contacts, OWNER expectations, progress reporting, data collection, and other project matters as appropriate.

102 Deliverable Review Meetings

The ENGINEER shall meet with the OWNER after submittal of the major deliverables on the project as described under Task 300. This will include meetings following delivery of the draft Preliminary Design Report, 60-percent design deliverable, 90-percent design deliverable and 100-percent design deliverable to receive OWNER comments before proceeding to the next project milestone.

Task 200 Preliminary Design

The ENGINEER will prepare a Preliminary Design Report summarizing the recommendations for improvements to the existing SSI in order to meet the MACT emission requirements by the regulatory deadline. Improvements may include, but are not limited to a carbon adsorber, caustic feed system and secondary heat exchanger. The following subtasks will be considered part of this task:

201 Equipment Selection

ENGINEER will investigate the equipment needed to comply with the MACT standards. ENGINEER will conduct a workshop with the OWNER to discuss the pros and cons associated with different equipment manufacturers required to comply with the MACT standards. During the workshop ENGINEER will also determine the preferred method of instrumentation and control to coordinate with the existing plant system.

202 Preliminary Design Report Preparation

The ENGINEER shall prepare a Preliminary Design Report that summarizes the equipment selected including 30% design drawings.

The Preliminary Design report will include a 30 percent opinion of probable construction cost and schedule for implementation of the improvements. The ENGINEER shall review scheduling constraints with respect to time and project completion.

The ENGINEER shall provide the OWNER with five copies of the draft Preliminary Design Report. After the OWNER reviews the draft Preliminary Design Report, the OWNER and ENGINEER shall meet (Task 102) to make final decisions on the recommendations. The ENGINEER will provide ten copies of the final Preliminary Design Report for the record.

The Preliminary Design Report shall serve as the basis for the final design improvements to be prepared under Task 300.

203 Preliminary Design Report Technical Review

During the course of the evaluation and recommendations process, the ENGINEER shall conduct one technical review meeting to ensure that the recommendations are technically sound and complete. This review meeting shall be attended by a Technical Review Committee (TRC) of senior experienced engineers.

Task 300 Final Design

Following the OWNER'S review and approval of the final Preliminary Design Report, the ENGINEER shall proceed with the final design of the improvements. It is also assumed that no surveying will be required for the project and that drawings can be prepared from existing record information or pre-existing survey data made available by the Owner. This Agreement scope of services includes preparation of one set of Contract Documents for the Phase II improvements of the SSI. Final design services provided by the ENGINEER are described as follows:

301 60 Percent Drawings and Specifications

The ENGINEER shall provide 60 percent plan and section drawings and technical specifications detailing the improvements recommended under Task 200. The drawings will show the proposed MACT compliance improvements and relevant features impacting construction in adequate detail to define the extent of the work.

The ENGINEER shall provide a 60 percent opinion of probable construction cost and schedule for implementation of the improvements. The ENGINEER shall review scheduling constraints with respect to time and project completion.

The ENGINEER shall conduct one technical and constructability review workshop to ensure that the 60 percent design is technically sound and cost-effective. These reviews shall be attended by a Technical Review Committee (TRC) of senior experienced engineers. The OWNER is encouraged and expected to participate in this review session.

302 90 Percent Drawings and Specifications

The ENGINEER shall provide 90 percent plan and section drawings and technical specifications incorporating the comments provided to the 60 percent deliverable and developing the documents to a draft complete state. The documents will include all necessary drawings, technical specifications and bidding documents necessary for a complete and final review by the OWNER.

The ENGINEER shall provide a 90 percent opinion of probable construction cost and schedule for implementation of the improvements. The ENGINEER shall review scheduling constraints with respect to time and project completion.

303 100 Percent Drawings and Specifications

The ENGINEER shall provide 100 percent plan and section drawings and technical specifications incorporating the comments provided to the 90 percent deliverable and developing the documents to a draft complete state. The documents will include all necessary drawings, technical specifications and bidding documents necessary for a complete and final review by the OWNER.

The ENGINEER shall provide a final opinion of probable construction cost and schedule for implementation of the improvements. The ENGINEER shall review scheduling constraints with respect to time and project completion.

304 Final Bidding Documents

The ENGINEER shall provide final documents suitable for bidding by the Owner incorporating the comments provided to the 100 percent deliverable.

Task 400 Bidding and Award

Following receipt of authorization from OWNER, ENGINEER shall perform the following services related to Bidding and Award. One bidding phase for one construction contract is included as part of this scope of services. It is assumed that the OWNER will coordinate all bidding activities, distribute addenda and correspond with the prospective bidders.

- 401 Assist with the preparation of addenda specifically related to the technical aspects of the work and as appropriate to interpret, clarify, or further define the Contract Documents. Addenda will be issued by OWNER.
- 402 Consult with and advise OWNER to determine the acceptability of substitute materials and equipment proposed by Contractor(s) when substitution prior to the award of contracts is allowed by the Contract Documents.
- 403 Attend the bid opening and certify the bid tabulation prepared by the OWNER. Assist OWNER in contract award process.

Task 500 Permitting

The ENGINEER will assist the OWNER in obtaining the required regulatory approvals/ permits for the Phase II improvements.

501 Regulatory Review, Meetings, and Coordination

Following the completion of the Preliminary Engineering Report (Task 200), the ENGINEER will finalize the list of permit and approval requirements needed for the construction phase of the work. This will include a strategy and schedule for resolving any obstacles that will prevent timely permit acquisition to ensure the overall project can proceed unimpeded.

Once permit applications are submitted, the ENGINEER will support the OWNER by attending meetings with regulators as necessary including two regulatory/city agency meetings either onsite or at the regulatory offices to resolve any issues necessary to permit the project.

502 Prepare and Submit Permit Applications

As the design documents approach the 90-percent completion stage, the ENGINEER will begin preparing permit application forms and securing appropriate permitting fees from the OWNER with the goal of submitting the 90-percent documents to the necessary permitting agencies for review and approval. Should any major revisions be identified during the review meeting with the OWNER, the ENGINEER will coordinate these changes with the appropriate agencies to ensure the permitting process is not delayed. Applications for the required permits and approvals shall be prepared for submittal to the respective agencies. Where acceptable, the ENGINEER will make applications directly to the permitting agencies of behalf of the OWNER. The following permits are assumed to be required for Phase II improvements:

- NCDENR Authorization to Construction
- Buncombe County/City of Asheville Building Department
- Title V Air Operation Permit
- NCDENR Sediment and Erosion Control Permit (if required)

Task 600 Construction Contract Administration

The ENGINEER shall provide Contract Construction Administration services for the construction PROJECT over an estimated 12-month construction period. Resident Project Representative

Services will be provided by the OWNER. This Agreement would need to be amended to provide additional compensation should an increase in the 12-month construction period duration occur.

For the purposes of Task 600, "Work" means the entire completed construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction, and furnishing, installing, and incorporating all materials and equipment into such construction, all as required by the Contract Documents.

- 601 ENGINEER shall consult with and advise OWNER as set forth herein. Instructions to the Contractor(s) shall be issued through OWNER. ENGINEER shall attend monthly progress meetings. The progress meeting will be run by the OWNER including the development of the agenda and meeting minutes.
- 602 ENGINEER shall make visits to the site at intervals appropriate to the stage of construction, or otherwise agreed to by ENGINEER in writing, to observe as an experienced and qualified design professional the progress and quality of the Work and to determine if the Work is proceeding in accordance with the Contract Documents. ENGINEER's observation of the Work shall not be intended to involve work beyond the responsibility specifically assigned to ENGINEER in this Agreement and the Contract Documents. On the basis of site observations, ENGINEER shall keep the OWNER informed of the progress and quality of the Work and shall alert the OWNER to defects and deficiencies in the Work of the Contractor. ENGINEER shall not have control or charge of and shall not be responsible for construction means, methods, techniques, sequences, or procedures of construction selected by Contractor or for safety and environmental programs and precautions incidental to the Work. ENGINEER shall not be responsible for the failure of the Contractor, his Subcontractors, or any other persons performing any of the Work to comply with laws, rules, regulations, ordinances, code, or orders, or for failure of any of them to carry out the Work in accordance with the Contract Documents except as otherwise expressly provided herein.

The purpose of ENGINEER's visits to the site will be to enable ENGINEER to better carry out the duties and responsibilities assigned to and undertaken by ENGINEER during the Construction Phase, and, in addition, by the exercise of ENGINEER's efforts as an experienced and qualified design professional, to provide for OWNER a greater degree of confidence that the completed work of Contractor will conform to the Contract Documents, and that the integrity of the design concept of the completed PROJECT as a functioning whole as indicated in the Contract Documents has been implemented and preserved by Contractor.

For the purposes of the Phase II improvements the ENGINEER has assumed 1 site visit per week during an active construction period of 24 weeks of a senior engineer for the purposes of observing the construction work for compliance with the Contract Documents and 3 site visits by a senior technical expert

- 603 ENGINEER shall review and approve or take other appropriate action with respect to Shop Drawings, samples, and other data which Contractor is required to submit, but only for conformance with the design concept of the completed project as a functioning whole as indicated in the Contract Documents and in compliance with the information given in the Contract Documents. Such reviews or other action shall not include means, methods,

techniques, sequences, or procedures of construction or safety programs and precautions incident thereto.

- 603 ENGINEER shall review and recommend Change Orders and Work Change Directives to OWNER as appropriate to be prepared and issued by the OWNER.
- 604 ENGINEER shall evaluate and determine the acceptability of substitute materials and equipment proposed by Contractor.
- 605 ENGINEER shall make recommendations to OWNER regarding the advisability of requiring special inspections or testing of the Work and have authority to receive and review all certificates of inspections, testing, and approvals required by laws, rules, regulations, ordinances, codes, orders, or the Contract Documents to determine generally that their content complies with the requirements of, and the results certified indicate compliance with, the Contract Documents.
- 606 Following notice from Contractor that Contractor considers the entire work ready for its intended use, ENGINEER and OWNER, accompanied by Contractor, shall conduct an inspection to determine if the work is substantially complete. ENGINEER has assumed equipment start-up services of 3 days of a senior technical engineer.
- 607 ENGINEER shall prepare a set of reproducible record prints of Record Drawings showing those changes made during the construction process based on the marked-up prints, shop drawings, drawings, and other data furnished by the Contractor to ENGINEER. The record prints shall also incorporate the OWNER's Representative's observation of changes made during construction. These record drawings shall be prepared on reproducible hard copies and on disk (in the latest version of AutoCAD or such version as the parties agree) for delivery to the OWNER.

SCHEDULE

The schedule is attached for both Phase 1 and Phase 2 of the project.

METHOD OF PAYMENT

For the services described above in this Task Authorization, OWNER agrees to pay ENGINEER a lump sum fee of \$329,565 for Phase I of the project and a lump sum fee of \$434,500 for Phase II of the project, and the estimated schedule of values associated with each task is shown in Table 1. If the EPA ruling is upheld and Phase I can be combined with Phase II then the total engineering fees would be reduced by \$55,000 by eliminating many of the duplicative efforts. Partial payments are to be made on a monthly basis according to the percentage of work completed during that month with the balance due upon completion of the work.

Description	Total Hours	Labor Cost		Outside Professionals	Other Direct Costs	TOTAL TASK BUDGET
		Phase I Improvements	Phase II Improvements			
- Project Management and Meetings	158	\$28,805	\$0	\$8,500	\$37,305	
- Preliminary Design (30%)	254	\$42,025	\$8,500	\$1,800	\$52,325	
- Final Design	515	\$132,275	\$4,000	\$2,620	\$138,895	
- Bidding Assistance	74	\$11,830	\$0	\$550	\$12,380	
- Permitting	65	\$10,750	\$0	\$450	\$11,200	
- Construction Phase Services	439	\$66,160	\$0	\$11,300	\$77,460	
TOTALS	1506	\$291,845	\$12,500	\$25,220	\$329,565	

Description	Total Hours	Labor Cost		Outside Professionals	Other Direct Costs	TOTAL TASK BUDGET
		Phase I Improvements	Phase II Improvements			
- Project Management and Meetings	352	\$30,220	\$0	\$10,000	\$40,220	
- Preliminary Design (30%)	236	\$37,110	\$2,000	\$1,600	\$40,710	
- Final Design	4072	\$150,525	\$7,000	\$3,020	\$160,545	
- Bidding Assistance	110	\$17,150	\$0	\$550	\$17,700	
- Permitting	193	\$29,715	\$0	\$550	\$30,265	
- Construction Phase Services	909	\$132,760	\$0	\$12,800	\$145,060	
TOTALS	2622	\$396,980	\$9,000	\$25,220	\$494,500	

Description	Total Hours	Labor Cost		Outside Professionals	Other Direct Costs	TOTAL TASK BUDGET
		Phase I Improvements	Phase II Improvements			
Total Project - Phase I and Phase II						
TOTALS	4528	\$688,825	\$21,500	\$53,740	\$764,065	



Incinerator System Emissions Upgrades Project No. 2013059

NOT TO SCALE



METROPOLITAN SEWERAGE DISTRICT
of
BURDETTE COUNTY, NORTH CAROLINA

Budget Map

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

BUDGET DATA SHEET - FY 2013 - 2014

PROJECT:	Incinerator System Emissions Upgrades	LOCATION:	MSD-Treatment Plant
TYPE:	Treatment Plant	DATE OF REPORT:	January 2013
PROJECT NO.	2013059	TOTAL L.F.:	0
PROJECT BUDGET:	\$7,925,000.00	PROJECT ORIGIN:	New Regulatory Requirements

DESCRIPTION	ESTIMATED PROJECT COST	TOTAL EXPENDS THRU 12/31/12	EST. COST JAN - JUNE 2013	EST. BUDGET FY 13-14
55310 - PRELIM. ENGINEERING	\$25,000.00	5,920.00	\$18,080.00	
55320 - SURVEY - DESIGN				
55330 - DESIGN	\$800,000.00			\$550,000.00
55340 - PERMITS				
55350 - SPECIAL STUDIES				
55360 - EASEMENT PLATS				
55370 - LEGAL FEES				
55380 - ACQUISITION SERVICES				
55390 - COMPENSATION				
55400 - APPRAISAL				
55410 - CONDEMNATION				
55420 - CONSTRUCTION	\$7,000,000.00			
55430 - CONST. CONTRACT ADM.	\$100,000.00			
55440 - TESTING				
55450 - SURVEY - ASBUILT				
TOTAL AMOUNT	\$7,925,000.00	\$6,920.00	\$18,080.00	\$650,000.00

ENGINEER:	MSD	ESTIMATED BUDGETS - FY 14-23	
R.O.W. ACQUISITION:	N/A	# PLATS: [0]	FY 14-15 \$4,800,000.00
CONTRACTOR:			FY 15-16 \$7,550,000.00
CONSTRUCTION ADM.:	MSD		FY 16-17 \$0.00
INSPECTION:	MSD		FY 17-18 \$0.00
			FY 18-19 \$0.00
PROJECT DESCRIPTION:	This project is required as a result of new emissions regulations which will go into effect March 2016.		FY 19-20 \$0.00
			FY 20-21 \$0.00
			FY 21-22 \$0.00
			FY 22-23 \$0.00

SPECIAL PROJECT NOTES: Cost estimated based on "Capital Improvements Plan for MACT Compliance" (Hezen & Sawyer April 2013).

STATUS REPORTS



Construction Rehab Totals By Date Completed - Monthly

From 7/1/2012 to 6/30/2013

	# 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
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
May 2013	4	822	822	158	158	980	4	658	4	367	0	2,005
June 2013	0	7	0	0	0	0	5	994	7	108	0	1,102
Grand Total	17	2,220	1900	1,837	2186	4,086	35	12,113	92	3098	1255	20,552



Construction Totals By Date Completed - Monthly

From 7/1/2012 to 6/30/2013

	DigUps	EM Digups	Dig Up Ftg	MH Repair	Taps	ROW Ftg	SL Bore Ftg	SL Burst
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
May 2013	35	8	1,184	33	18	14,500	0	0
June 2013	29	10	1,204	15	18	167	0	0
Grand Total	351	156	9,328	342	199	61,225	94	0



Pipeline Maintenance Totals By Date Completed - Monthly

From 7/1/2012 to 6/30/2013

	ML Wash Ftg:	SL Wash Ftg:	Contr. Ftg:	Rod Ftg:	Cleaned Ftg: *	Root Ftg: **	TV Ftg:	MH Loc:	Other:
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
May 2013	60,695	3,523	0	9,767	70,462	0	41,361	0	94
June 2013	41,239	2,026	0	7,193	48,432	0	36,180	0	56
Grand Total	709,098	35,244	0	96,404	805,502	0	419,437	0	886
Avg Per Month	59,092	2,937	0	8,034	67,125	0	34,953	0	74

* Total Cleaned ftg does NOT include SL ftg.

** Chemical Root Application.

FY 12-13 Projects

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	ready
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. Dig 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 - permit 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
Macon Ave at Latrobe (In Asheville)	100	6/19/13 - 6/26/13	449463	667	6/28/2013	268	complete

CAPITAL IMPROVEMENT PROGRAM

STATUS REPORT SUMMARY

August 14, 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%	Bids were opened on July 30th and Terry Brothers is the apparent low. Project will be presented at the August Board meeting.
GIVENS ESTATES	Terry Brothers	10/17/2012	10/24/2012	7/19/2013	\$770,098.50	100%	Project is complete and in close out.
MERRIMON AVENUE @ COLONIAL PLACE	TBD	TBD	TBD	TBD	TBD	0%	Bids were opened on July 25th and Terry Brothers is the apparent low. Project will be presented at the August Board meeting.
MERRIMON AVENUE @ STRATFORD ROAD	TBD	TBD	TBD	TBD	TBD	0%	Project is scheduled to bid on August 29, 2013.
MOORE CIRCLE (PRP 45001)	Bryant's Land & Development	2/20/2013	3/18/2013	8/30/2013	\$240,640.58	95%	Mainline construction and final paving is complete. Restoration in progress.
MOUNT VERNON PLACE PHASE I	TBD	TBD	TBD	TBD	TBD	0%	Bids were opened on July 25th and Terry Brothers is the apparent low. Project will be presented at the August Board meeting.
PIPE RATING CONTRACT #7 (LINING)	Southeast Pipe Survey, Inc.	12/12/2012	1/14/2013	8/30/2013	\$863,111.81	90%	All mainline work is complete; manhole rehab continues. Final TV inspection and restoration in progress.
SCENIC VIEW DRIVE (PRP 29020)	Carolina Specialties	9/19/2012	10/29/2012	7/30/2013	\$249,450.00	100%	Project is complete and in close out.
SHORT COXE AVENUE AT SOUTHSIDE AVENUE	Cana Construction	7/18/2012	9/4/2012	8/16/2013	\$888,998.01	95%	Paving should be completed by 8/16/13; Project is substantially complete.
WRF - CRAGGY HYDRO FACILITY REPAIRS - CONTROL COMPONENTS UPGRADE	Innovative Solutions of NC	7/12/2012	N/A	1/1/2014	\$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	11/1/2013	\$1,061,900.00	90%	Final testing/startup will re-start early September.
WRF - FILTER BACKWASH PIPING	Ruby-Collins	7/22/2013	TBD	TBD	\$61,245.00	0%	Project was awarded to Ruby-Collins. NTP has not been established yet.
WRF - RAW SEWAGE PUMP STATION SUMP PUMP REPLACEMENT	Ruby-Collins	7/22/2013	TBD	TBD	\$54,000.00	0%	Project was awarded to Ruby-Collins. NTP has not been established yet.
WRF - SLIDE GATE REPLACEMENT	TBD	TBD	TBD	TBD	TBD	0%	Project is scheduled to bid on August 29, 2013.

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

Planning and Development Projects Status Report
August 14, 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
	Waynesville Ave (Pittman)	2013046	Asheville	15	332	5/23/2013	Complete-Waiting on final documents
	Ridgefield Business Park	2004188	Asheville	18	758	2/16/2005	Complete-Waiting on final documents
	Subtotal			916	21,947		

Planning and Development Projects Status Report
August 14, 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	Testing
	Bradley Street - Phase II	2013031	Asheville	12	194	2/14/2013	Under construction
	Thoms Estate 3B & 4	2013052	Asheville	35	4,690	7/26/2013	Pre-con held, ready for construction
	Ramble at Parkway	2013100	Biltmore Forest	TBD	335	7/26/2013	Pre-con held, ready for construction
	Aldi (Weaverville)	2013048	Asheville	Comm.	302	5/10/2013	Pre-con held, ready for construction
	Brookgreen at Crest Mtn. Phase 1D	2013076	Woodfin	3	370	5/29/2013	ready for construction

Subtotal	2256	76,983
Total Units:	3,172	
Total LF:		98,930