

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT**  
**April 19, 2017**

**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 2pm Wednesday, April 19, 2017. Chairman VeHaun presided with the following members present: Ashley, Bryson, Collins, Creighton, Kelly, Manheimer, Pelly, Pressley, Root and Wisler. Ms. Frost was absent.

Others present were: Thomas E. Hartye, PE, General Manager; William Clarke, General Counsel; Forrest Westall with McGill Associates; Ed Bradford, Scott Powell, Mike Stamey, Jim Hemphill, Matthew Walter, Spencer Nay and Pam Nolan, MSD.

**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 March 15, 2017 Board Meeting:**

Mr. VeHaun asked if there were any changes to the Minutes of the March 15, 2017 Board Meeting. Mr. Creighton moved for approval of the minutes as presented. Ms. Bryson seconded the motion. Voice vote in favor of the motion was unanimous.

**4. Discussion and Adjustment of Agenda:**

None

**5. Informal Discussion and Public Comment:**

There was no discussion or public comment.

**6. Report of General Manager:**

Mr. Hartye reported that attached is a copy of House Bill 764, introduced by Representative McGrady on Wednesday, April 11<sup>th</sup>. The intent was to provide possibly 2 or 3 representatives to Henderson County should they come into the District. Current legislation provides 3 representatives for one county. If there is more than one county then the largest county gets 2 representatives and the smaller counties get 1 representative. It appears that the procedure for inclusion remains the same. Mr. Hartye stated that this Board would still have a say as to whether or not another entity in another county could become part of the District. He then asked Mr. Clarke for further comments. Mr. Clarke stated that Mr. Hartye had explained it very well, but he would be glad to answer any questions. Mr. Kelly asked who initiates the process. Mr. Clarke answered that County Commissioners of another county or a group of interested citizens could petition for inclusion into the District. This Board would then vote yes or no. The Environmental Management Commission also has to weigh in on it.

Mr. Pelly asked what is the status of the bill. Mr. Hartye answered that it is in Rules and Procedures Committee right now. Mr. Clarke stated that this bill doesn't purport to expand the District; it simply talks about representation if a metropolitan sewerage district (msd) were to expand into another county. It talks about how many members the county into which the MSD expanded would have on an MSD board. Ms. Manheimer commented that she has been communicating with Representative McGrady about this bill, and he wanted to know if Asheville had any concerns about a bill like this. She stated no, that they had reviewed the bill as well and understood the concept. She stated that they did have a meeting with Representative McGrady, Senator Edwards, Senator Van Duyn and Representative John Ager, with representatives from Hendersonville and Henderson County, Asheville and all of the managers and staff. Discussion was regarding a number of things, water is still a continuing discussion. There was some discussion regarding this bill and it seems that it is a non-controversial issue and hopefully will move forward. The other bill that was introduced at the same time by Representative McGrady was to restrict cities from differential water rates and enterprise fund transfers. She stated that he was not sure if he was going to move forward with that bill because it has a lot of issues.

Mr. Hartye reported on the FY 2018 Budget process and Committee Meetings. As a part of developing the preliminary budget, the Personnel Committee will meet on April 25<sup>th</sup> to consider Cost of Living/Merit pay and Benefit Allocations, and review the Self-Funded Medical and Dental Programs. The CIP Committee will meet on April 27<sup>th</sup> to consider an update of the Ten-Year Capital Improvement Program and the FY 2018 Construction Fund Budget. The Finance Committee will meet May 4<sup>th</sup> to consider a Preliminary Budget with an updated 10 year business plan which will incorporate the recommendations from Personnel and CIP Committees along with the proposed FY18 Operating Budget and Sewer Rates.

Mr. Hartye reported that the Personnel Committee meeting on April 25<sup>th</sup> will be held at 9 am. The CIP Committee meeting on April 27<sup>th</sup> will be held at 8:30 am and the Finance Committee meeting on May 4<sup>th</sup> will be held at 9 am. The next Right of Way Committee meeting will be held on April 26<sup>th</sup> at 9am. The next regular Board Meeting will be held on May 17<sup>th</sup> at 2 pm.

## **7. Report of Committees:**

### **Finance Committee:**

Mr. Kelly reported that the Finance Committee met on March 15, 2017 to hear Mr. Powell's presentation regarding the FY18 Refunding and Issuance of New Money Debt opportunities. He stated that after the Finance Committee Meeting, Mr. Powell presented a short version to the Board and e-mailed a PowerPoint presentation. There was no discussion.

**8. Consolidated Motion Agenda:**

**a. Consideration of Developer Constructed Sewer Systems: AB Tech Fernihurst; Cheshire Pocket Village; Rose Briar Townhomes; Serenity:**

Mr. Hartye reported that the AB Tech Fernihurst project included relocating approximately 470 linear feet and extending approximately 141 linear feet of 8-inch public gravity sewer to serve the new development.

Mr. Hartye reported that the Cheshire Pocket Village project is located in the Town of Black Mountain and included extending approximately 376 linear feet of 8-inch public gravity sewer to serve the 15 single family home residential development.

Mr. Hartye reported that the Rose Briar Townhomes project is located in the Town of Black Mountain and included extending approximately 304 linear feet of 8-inch public gravity sewer to serve the 12 townhome residential development.

Mr. Hartye reported that the Serenity project is located in the Town of Woodfin and included extending approximately 2,593 linear feet of 8-inch public gravity sewer to serve the 45 tree house and single family home residential development.

Staff recommends acceptance of the aforementioned developer constructed sewer systems. All MSD requirements have been met.

**b. Cash Commitment/Investment Report Month ended February, 2017:**

Mr. Powell reported that Page 24 presents the makeup of the District's Investment Portfolio. There has been no change in makeup of the portfolio from the prior month. Additionally, the makeup of the Districts Investment Portfolio is in accordance to the Districts investment policy. Page 25 presents the MSD investment managers report for the month of February. The weighted average maturity of the investment portfolio is 158 days. The yield to maturity is .85% and exceeds our bench marks of 6 month T-Bill and North Carolina Capital Management Trust cash portfolio. Page 26 presents an analysis of the District's cash receipts. Monthly and YTD domestic and industrial revenue is considered reasonable based on timing of cash receipts in their respective fiscal periods. YTD Facility and Tap fees are considered reasonable based on timing of 6 development contributions in the current year in addition to the conservative budgeting approach of these fees. Page 27 presents the MSD Analysis of Expenditures. The District's O&M expenditures are considered reasonable based on historical trends and current year budgeted needs. Debt service expenditures are below budgeted expectations due to lower than expected interest rates on the District's

Series 2008A Revenue refunding Bonds. Due to the 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. Page 28 presents the MSD Variable Debt Service report. The 2008A Series bonds are performing at budgeted expectations. As of the end of March the 2008A bond series has saved the District rate payers approximately \$4.9 million in debt service since April, 2008. There were no questions pertaining to this item.

**c. Consideration of Resolution Authorizing Filing Application to LGC to Issue Refunding Bonds:**

Mr. Powell reported that all debt issued by local governmental entities in the State of NC must be authorized by the Local Government Commission (LGC). The LGC requires an application, approved by the entity's Board, to initiate the formal process. Approval of the enclosed resolution is a necessary step to issue debt required to augment pay-as-go financing for the District's Capital Improvement plan and refunding of the 2009 Series Bonds. Included is the financing schedule which outlines the overall process as well as a list of projects which will be funded and/or reimbursed based on previous board approved reimbursement resolutions authorizing the use of bond proceeds and the presentation to the March 15, 2017 Finance Committee.

Finance Committee and Staff recommend moving forward with the proposed 2009A refunding, the issuance of \$28 million in new money revenue bonds and approval of the attached resolution, "RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION WITH THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF THE ISSUANCE AND PRIVATE SALE OF METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE AND REVENUE REFUNDING BONDS SERIES 2017 AND RELATED ACTIONS".

Mr. VeHaun asked Mr. Clarke if he had any further comments. Mr. Clarke stated that this resolution does not obligate MSD to proceed with the financing if for some reason the market changes, but the resolution is required to proceed with the financing. The LGC has to approve any debt that is issued by MSD or any City or County in NC. He stated that this is consistent with the recommendation from the Finance Committee and the underwriters and municipal advisors from Davenport. He stated that he has reviewed the resolution, which was drafted by the District's Bond Counsel, and it is in order. He stated that if something were to happen after this meeting and the advisors, Mr. Hartye and Mr. Powell decided not to go forward, MSD would not be obligated to do so. The fee is non-refundable and would still have to be paid. Mr. Clarke recommended that this item be voted on separately from the Consolidated Motion Agenda.

Mr. VeHaun called for a motion to approve Item c. (Consideration of Resolution Authorizing Filing Application to LGC to Issue Refunding Bonds) of the Consolidated Motion Agenda. Mr. Kelly moved. Mr. Creighton seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

Mr. VeHaun called for a motion to approve items a. and b. of the Consolidated Motion Agenda. Ms. Wisler moved. Mr. Pelly seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

**9. Old Business:**

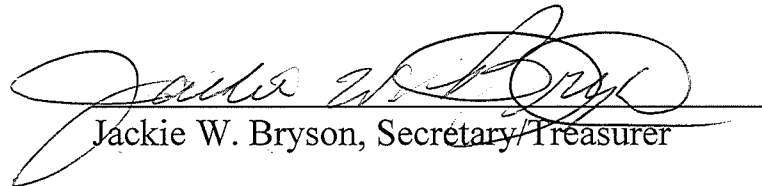
None

**10. New Business:**

None

**11. Adjournment:**

With no further business, Mr. VeHaun called for adjournment at 2:18 pm.



Jackie W. Bryson, Secretary/Treasurer

# MSD

## Regular Board Meeting

Metropolitan Sewerage District  
of Buncombe County, NC

### AGENDA FOR 4/19/17

✓	Agenda Item	Presenter	Time	
	Call to Order and Roll Call	VeHaun	2:00	
	01. Inquiry as to Conflict of Interest	VeHaun	2:05	
	02. <a href="#">Approval of Minutes of the March 15, 2017 Board Meeting</a>	VeHaun	2:10	
	03. Discussion and Adjustment of Agenda.	VeHaun	2:15	
	04. Informal Discussion and Public Comment	VeHaun	2:20	
	05. <a href="#">Report of General Manager</a>	Hartye	2:25	
	06. Report of Committees	VeHaun	2:35	
	a. <a href="#">Finance Committee - March 15, 2017</a>	Kelly		
	07. Consolidated Motion Agenda		2:45	
	a. Consideration of Developer Constructed Sewer Systems: <a href="#">AB Tech Fernihurst; Cheshire Pocket Village; Rose Briar Townhomes; Serenity</a>	Hartye		
	b. <a href="#">Cash Commitment/Investment Report-Month Ended February, 2017</a>	Powell		
	c. <a href="#">Consideration of Resolution Authorizing Filing Application to LGC to Issue Refunding Bonds</a>	Powell		
	08. Old Business:	VeHaun	3:00	
	09. New Business:	VeHaun	3:15	
	10. Adjournment: (Next Meeting 5/17/17)	VeHaun	3:25	
	<a href="#">STATUS REPORTS</a>			

## **BOARD OF THE METROPOLITAN SEWERAGE DISTRICT**

**March 15, 2017**

### **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 2pm Wednesday, March 15, 2017. Chairman VeHaun presided with the following members present: Ashley, Bryson, Collins, Creighton, Frost, Kelly, Manheimer, Pelly, Pressley and Wisler. Mr. Root was absent.

Others present were: Thomas E. Hartye, PE, General Manager; William Clarke, General Counsel; Joseph Martin with Woodfin Sanitary Water & Sewer District; Ed Bradford, Scott Powell, Mike Stamey, Jim Hemphill, Peter Weed, Ken Stines, Spencer Nay and Pam Nolan, MSD.

### **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 February 15, 2017 Board Meeting:**

Mr. VeHaun asked if there were any changes to the Minutes of the February 15, 2017 Board Meeting. Ms. Frost moved for approval of the minutes as presented. Mr. Pelly 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 Mr. Martin. There was no discussion or public comment.

### **6. Report of General Manager:**

Mr. Hartye reported that MSD has once again received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA). Many thanks to the great effort put forth by Teresa Gilbert and Scott Powell. MSD also received the National Recognition Award from the American Council of Engineering for the air emissions upgrade project that was recognized last month. Mr. Hartye reported that MSD received a call from Carolyn Jackson of Providence Road and an e-mail from Bill Hart at the North Fork Water Treatment Plant regarding our field crews. Mr. Hartye reported that Ed Bradford and Mike Stamey will give a brief update of the Capital Improvement/Construction Projects that are ongoing throughout the District. He stated that this year the CIP Budget is about \$22 million out of a total budget of about \$47 million. Mr. Hartye reported that about 64% of the money spent each year is construction related. He further reported that at this year's Utility

Management Conference, where most utilities were closer to 50% capital reinvestment in the good years, now they are about 1/3 or less, and that gives you an idea of what the District has been able to maintain as far as keeping capital spending up, which in turn keeps operation costs down.

Mr. Bradford reported on the Capital Improvement Program beginning with the Influent Pump Station Project. He presented an image of the project and stated that Staff is in a planned replacement for the three influent pumps which has been taking place over the last three years. The third one will take place in June of this year and is being manufactured now. Each of these can pump 35 million gallons every day which is 24,300 gallons every minute. If you were to fill a milk jug you would have to do that 405 times every second. Typically only one is run at a time on a normal day. What does 35 million gallons look like? It is enough to fill up an entire football field, including end zones, 81' tall. These older pumps have been in use since the mid 1980's and have been rebuilt several times but have reached the end of their functional life. He presented an image of the motors that power the pumps. These are 400 horsepower motors, are in very good operating condition and do not need replacing. What did need replacing were the adjustable frequency drives (AFD's) that power these pumps. They allow staff to ramp the pumps up and down as the flow goes up and down at the plant. That is how you run the big pump stations. It is much more energy efficient than having something that is full on or full off. The new AFD's are located outside of the pump station building. The old ones were located inside and due to the environment, had degraded to a point that had affected the components. This was completed last spring. The next project is the Bypass Pump Staging Areas. Mr. Bradford stated that this is another smaller project and he presented an image of the new Carrier Bridge location, which is so that Carrier Bridge can be by-passed if necessary. Most of the components are hidden due to the fact that this is at the park and there are a lot of kids and public going through here. It is buried 6" below the ground, covered, protected and located with GIS so that if we do have to by-pass it can be easily exposed. Mr. Hartye pointed out that the Carrier Bridge Pump Station is the District's largest pump station and on an average day it pumps about 8 million gallons and on a rainy day it pumps close to 17-20 million gallons. This station sits right in the middle of Carrier Bridge Park. The main reason this is being done is because, if you go over the bridge you can see the force main sticking out in the water. If anything should ever happen to that force main, there will be some type of emergency by-pass in place. Mr. Bradford then presented images of the by-pass pump at the treatment plant. He stated that the contractor did an excellent job and that there were a lot of constraints on the site. He also pointed out the purple martin houses and gave a little information on these birds. He presented images of the new south plant entrance which is also secured. This entrance allows system services and construction folks to go around the plant instead of through it.

Mr. Bradford then reported on the Incinerator Emissions Upgrades project. The EPA imposed an aggressive schedule upon the District to complete this project. The construction contract was awarded in February,



2015, and the total construction cost was \$5.8 million, which was reduced by approximately \$5 million by utilizing new technology. The project was operational ahead of schedule in December, 2015. The District was awarded a NACWA Environmental Achievement Award and a National Recognition Award from the American Council of Engineering in 2017 for this project as mentioned in Mr. Hartye's Report. Mr. Bradford presented images for this project, one of which was taken from three stories up in top of the incinerator, showing the sorbent panel layers. The close up image shows that the exhaust flows up through the baffles. They are impregnated with activated carbon and remove mercury. These are manufactured by Gore Industries (aka Gore-Tex).

Mr. Bradford then reported on the Plant Headworks Improvements Project which is coming up at the plant. This was the first project recommended by the Facilities Plan with replacement of the existing bar screens at the head of the plant; adding new fine screens with grit removal that works; and adding a surge system for peak flow conditions, utilizing the old abandoned tanks at 2.1 MG each. The Board awarded this project at the January, 2017 Board Meeting with a construction cost of \$8.4 million. Work is scheduled to begin the first week in April. He presented images showing the affected area with new bar screens, fine screens with grit removal and storage area, and the area where the building was demolished, which was done in order for the contractors not to have to bid the demolition work.

Mr. Bradford then reported on the High Rate Primary Treatment which was the mid-term project and the second one recommended by the Facilities Plan. He presented an image of the primary microscreens and stated that they do not work and never worked very well. This will add significant improvement to the plant internal process. There is not primary treatment after screening and grit removal at this time. This was a very tight fit due to site conditions with the mountain behind and the rest of the surrounding plant works. This will help the RBC's perform better and will also help the plant better treat peak flows because the treatment can be ramped up and down as necessary. The design process is underway with CDM with construction scheduled to begin in late Fall of 2018. The construction cost is currently estimated at \$12.5 million. Mr. Bradford presented the CIP Status Report, stating this report is posted on line and mirrors the current Capital Improvement Program with the status of each project included. This report is updated quarterly. With no questions, he turned the presentation over to Mike Stamey for a report on the Collection System.

Mr. Stamey highlighted the Construction Inspections Group who perform inspections for projects done by outside contractors constructing MSD projects. The first project was the Venable Pump Station Elimination Project which was completed in late 2016. This project is located on Brevard Road between Ingles Supermarket and Asheville Outlets. It included elimination of the Venable Pump Station, which used to pump wastewater in

a southerly direction along Brevard Road. This pump station was mechanical and there were a lot of issues with operation. It took a lot of money, resources and time to maintain. A new gravity sewer line consisting of 671 linear feet of 8" pipe was installed across Brevard Road and into the parking lot of the Asheville Outlets, where it tied into an existing sewer. Mr. Stamey presented various images showing the project area and some of the construction work. He pointed out a large 24" steel pipe in one of the images and stated that the District did not want to dig across Brevard Road so instead chose to utilize a trenchless technology method called "Bore and Jack". The large diameter pipe is jacked into place under the road and the smaller 8" dip sewer line is then inserted through the larger pipe under the road. The hole ends up being approximately 25' deep. He pointed out the 8" DIP with "spiders" which are commonly used to help position the sewer line inside the host pipe. One of the bigger issues on this project was traffic flow and traffic control in the Asheville Outlets parking lot. This was a huge issue for the mall management and MSD Staff worked very close with them throughout the project to address their needs, especially over big shopping week-ends such as holiday week-ends. After one such week-end, Staff received a thank you note from the Asheville Outlets Management, indicating there were approximately 42,000 vehicles in the center over the week-end and traffic flowed smoothly around the work site.

Mr. Stamey then reported on the South French Broad Interceptor Lining Project. The project was completed this week and consisted of lining approximately 6,195 lf of 36" concrete sewer interceptor line along the French Broad River and near the Biltmore Estate. He presented various images of the location, work performed, and of the pipe before and after lining.

Mr. Stamey then reported that there are six other CIP Projects on the radar for the inspections group. The two most active are Sand Hill Road @ Russell/Davenport and Stratford Road @ Oxford Court, both of which are near completion.

Mr. Stamey then highlighted some recent activities for the In-House Construction Crews. There are five crews within this group, three focus primarily on dig up point repairs, repairing manholes and installing taps for new homes or buildings within the City and County. Just within this year they have done 306 dig up point repairs, 208 manhole repairs and installed 181 taps. The other two crews perform the larger CIP rehabilitation projects, replacing sewer lines down an entire street or neighborhood. One such project that was just completed is Chestnut Ridge @ Lookout Road Sewer Rehabilitation in Woodfin, which included replacing approximately 1,280 LF of existing 4" and 6" sewer with new 8" DIP. He presented various images of the project and explained them. The big issue with this project was when the crews began excavating the trench in the road they ran into solid rock which could not be dug up with a track hoe bucket so they ended up using a rock hammer on a track hoe bucket to attempt to loosen some of the rock. He stated that the bigger success was found with a product called

Expando-mite. This is a chemical mixture of mortar mixed in the bucket. Holes are then drilled in the rock. This mixture is poured into the holes and sits for 24 hours. During this time it cures, expands and fractures the rock around it. You can then come back the next day and dig it up. He then presented images after construction and stated Staff was very happy with the outcome. He stated that the next project just completed was the Meadow Brook Drive Sewer Rehabilitation Project in Black Mountain. This project included replacing 1,391 LF of sewer with 8" DIP. He presented images of the project and explained that the big issue on this project is that most of the construction was through back yards which had trees grown over the existing sewer line. There were a lot of obstacles such as fences, playgrounds, gazebos and decks. Staff had to work very closely with the property owners. One such example was a house that had a sewer service to reconnect and the service was beneath the back deck. Crews had to disassemble part of deck, connect the service and re-assemble the deck. He presented an image showing final restoration in the back yards after work was complete and stated that to his knowledge all property owners were very happy with the outcome.

Mr. Stamey reported that two projects coming up are an Emergency Sewer Rehabilitation and Relocation project consisting of 760 LF on Nebraska and State Streets and replacement of 526 LF on Celia Place in North Asheville. There were no questions.

Mr. Hartye reported the next regular Board Meeting will be held on April 19<sup>th</sup> at 2pm. The next Right of Way Committee meeting will be held on April 26<sup>th</sup> at 9am.

## **7. Consolidated Motion Agenda:**

### **a. Consideration of Developer Constructed Sewer Systems: Cottages at Kenilworth; Givens Gerber Park Phase 1; Maple Trace Phase 1; Ramble at Parkway; Robinhood Sewer Relocation; Village @ Bradley Branch Phase 3:**

Mr. Hartye reported that the Cottages at Kenilworth project is located off Caledonia Road in the City of Asheville and included extending approximately 450 linear feet of 8-inch public gravity sewer to serve the 12 unit residential development.

Mr. Hartye reported that the Givens Gerber Park Phase 1 project is located off Gerber Road in the City of Asheville and included extending approximately 360 linear feet of 8-inch public gravity sewer to serve the 120 unit affordable housing complex.

Mr. Hartye reported that the Maple Trace Phase 1 project is located off Reems Creek Road in Buncombe County and included extending approximately 2,140 linear feet of 8-inch public gravity sewer to serve

the 331 single family homes for this phase of the residential development. This new system connects to the Reems Creek Master Plan Interceptor Phase II, which was accepted by the Board in August 2016.

Mr. Hartye reported that the Ramble @ Parkway project is located of the Blue Ridge Parkway at Dingle Creek in Buncombe County and included extending approximately 320 linear feet of 8-inch public gravity sewer to serve future phases of the Ramble Residential Development.

Mr. Hartye reported that the Robinhood Sewer Relocation project included relocating approximately 230 linear feet of 8-inch public gravity sewer and abandoning approximately 480 linear feet of 8-inch sewer to accommodate one of the houses in the 5 unit residential development.

Mr. Hartye reported that the Village @ Bradley Branch Phase 3 project included extending approximately 740 linear feet of 8-inch public gravity sewer to serve 34 townhomes for this phase of the residential development.

Staff recommends acceptance of the aforementioned developer constructed sewer systems. All MSD requirements have been met.

**b. Cash Commitment/Investment Report Month ended January, 2017:**

Mr. Powell reported that Page 25 presents the makeup of the District's Investment Portfolio. The only change in the District's portfolio was the purchase of NC VRDN for diversification purposes. Additionally, the makeup of the Districts Investment Portfolio is in accordance to the Districts investment policy. Page 26 presents the MSD investment managers report for the month of January. The weighted average maturity of the investment portfolio is 170 days. The yield to maturity is .87% and exceeds our bench mark of 6 month T-Bill and North Carolina Capital Management Trust cash portfolio. Page 27 presents an analysis of the District's cash receipts. Monthly and YTD domestic and industrial revenue is considered reasonable based on timing of cash receipts in their respective fiscal periods. YTD Facility and Tap fees are considered reasonable based on timing of 5 development contributions in the current year in addition to the conservative budgeting approach of these fees. Page 28 presents the MSD Analysis of Expenditures. The District's O&M expenditures are considered reasonable based on historical trends and current year budgeted needs. Due to the 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. Page 29 presents the MSD Variable Debt Service report. The 2008A Series bonds are performing at budgeted expectations. As of the end of February the 2008A bond series has saved the District rate payers approximately \$4.9 million in debt service since April, 2008. There were no questions pertaining to this item.

With no further discussion, Mr. VeHaun called for a motion to approve the Consolidated Motion Agenda. Ms. Frost moved. Ms. Bryson seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

**8. Old Business:**

Mr. Kelly asked Mr. Powell to give the Board a brief update from today's Finance Committee Meeting. Mr. Powell stated that the District had an opportunity to refund the 2008 bonds to amount to an expected savings of approximately 8.75% or about \$1.1 million. That equates to about \$82,000.00 of annual savings over the remaining life of that particular bond issue. Due to the nature of us doing this, Staff and Consultants looked to see if we could move our new money issue up and take advantage of reducing our cost pertaining to debt issues. In evaluating that, it was determined that it could be done. The all in interest rate cost as of Friday, March 10, 2017 was 3.74% which is better than what we have in our business model. This does not have an impact on projected rate increases and is in accordance with our debt service policy and will maintain our debt coverage rate of 1.5% over the life of the debt issuance. Minutes of this meeting together with the PowerPoint presentation will be sent out to all Board Members before the next Board Meeting and this item will be coming to the Board in April as well as in May with preliminary series resolutions pertaining to the new debt as endorsed by the Finance Committee.

**9. New Business:**

None

**10. Adjournment:**

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

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Jackie W. Bryson, Secretary/Treasurer



## MEMORANDUM

TO: MSD Board  
FROM: Thomas E. Hartye, P.E., General Manager  
DATE: April 12, 2017  
SUBJECT: Report from the General Manager

- HB 764

Attached is a copy of House Bill 764, introduced by Representative McGrady on Wednesday April 11<sup>th</sup>. The following is a link to our current legislation for reference <http://www.msdbc.org/documents/boardagendas/MSDEnablingLegislation.pdf>

- FY 2018 Budget Process and Committee Meetings

As a part of developing this preliminary budget, the Personnel Committee will meet on April 25<sup>th</sup> to consider Cost of Living/ Merit pay and Benefit Allocations (i.e. Self-Funded Medical & Dental Program). The CIP Committee will meet on April 27<sup>th</sup> to consider an update of the Ten-Year Capital Improvement Program and the FY 2017 Construction Fund Budget. The Finance Committee will meet May 4<sup>th</sup> to consider a Preliminary Budget with an updated 10 year Business Plan which will incorporate the recommendations from the other Committees along with the proposed FY18 Operating Budget and Sewer Rates.

- Board/Committee Meetings/Events

The Personnel Committee will meet 9am April 25<sup>th</sup>. The next Right of Way Committee meeting will be held on April 26<sup>th</sup> at 9am. The CIP Committee will meet April 27<sup>th</sup> at 8:30am. The Finance Committee will meet May 4<sup>th</sup> at 9 am. The next Regular Board Meeting will be held on May 17<sup>th</sup> at 2 pm.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H.B. 764  
Apr 11, 2017  
HOUSE PRINCIPAL CLERK

H

D

HOUSE BILL DRH40447-ST-44A (01/10)

Short Title: Expansion of MSD/Bd Appt. (Public)

Sponsors: Representative McGrady.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND THE PROVISIONS REGARDING EXPANSION OF A  
3 METROPOLITAN SEWERAGE DISTRICT AND TO MAKE ADDITIONAL BOARD  
4 APPOINTMENTS PARALLEL TO THE PROCESS TO EXPAND A METROPOLITAN  
5 WATER AND SEWERAGE DISTRICT.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. G.S. 162A-68 reads as rewritten:  
8 "§ 162A-68. Procedure for inclusion of additional political subdivision or unincorporated  
9 area; notice and hearing; elections; actions to set aside proceedings.

10 ...  
11 (i) Immediately following the inclusion of any additional political subdivision within  
12 an existing district, members representing such additional political subdivision shall be  
13 appointed to the district board in the manner provided in this section:

14 (1) Any additional unincorporated area that is included within an existing  
15 district shall be represented by the members representing the county in  
16 which the unincorporated area lies as follows:

17 a. If inclusion of the additional unincorporated area extends the district  
18 into more than one county, members representing the unincorporated  
19 area in the new county shall be appointed immediately following the  
20 inclusion of the additional area. Upon the inclusion of the additional  
21 area, the board members appointed in accordance with  
22 G.S. 162A-67(a)(1) or G.S. 162A-67(a)(1a) shall continue to serve  
23 on the district board. The board of commissioners of the county in  
24 which the largest portion of the district lies shall appoint qualified  
25 voters residing in the county and district as their successors such that  
26 the county in which the largest portion of the district lies shall always  
27 have three members on the district board. The board of  
28 commissioners of the county in which the lesser portion of the  
29 district lies shall appoint to the district board two qualified voters  
30 residing in the county and district to serve a term of three years and  
31 shall appoint qualified voters residing in the county and district as  
32 their successors such that the county in which the lesser portion of  
33 the district lies shall always have two members on the district board.  
34 For purposes of this subdivision, the county in which the largest  
35 portion and lesser portion of the district lies shall be determined with  
36 reference to the land area of the district lying within the county as a



percentage of land area of the entire district at the time such appointment or reappointment is made.

- b. If the inclusion of the additional unincorporated area has the effect of changing the county in which the largest portion of the district lies, new members representing the county comprising the larger portion of the district shall be appointed in accordance with G.S. 162A-67(a)(2) immediately following the inclusion, and no reappointment shall be made by the county in which the lesser portion of the district lies upon expiration of the first term of a member representing that county following the inclusion.

(1a) Notwithstanding subdivision (1) of this subsection, if any county that is expanding the territory of the district shall be represented by three additional members who are qualified voters residing within the new territory, appointed by the county board of commissioners governing the new territory.

(2) Following Except as otherwise provided in this subsection, following the inclusion of any additional political subdivision within an existing district, the political subdivisions added shall appoint members to the district board in accordance with G.S. 162A-67(a)(4) only if the governing body of the political subdivision owns or operates a public system for the collection of wastewater at the time of such appointment.

(j) The terms of office of the members first appointed under subsection (i) of this section to represent such additional political subdivision or area may be varied for a period not to exceed six months from the terms provided for in G.S. 162A-67, so that the appointment of successors to such members may more nearly coincide with the appointment of successors to members of the existing board; and all successor members shall be appointed for the terms provided for in G.S. 162A-67."

**SECTION 2.** This act is effective when it becomes law and applies to any expansion of a metropolitan sewerage district on or after that date.



# Finance Committee Meeting Minutes

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March 15, 2017

## **Call to Order:**

The Finance Committee of the Metropolitan Sewerage District met in the Boardroom of the Administration Building at 1:00 pm, Wednesday, March 15, 2017. Chairman Kelly presided and called the meeting to order promptly at 1:00 pm with the following committee members present: Jackie Bryson, Esther Manheimer, and Gwen Wisler.

Others present were: Board Members Jon Creighton and Jerry Vehaun; Thomas Hartye, General Manager; Scott Powell, Director of Finance; Board Counsel, Billy Clarke; and MSD staff.

## **Presentation:**

Mr. Powell made a PowerPoint presentation on the FY18 Refunding and Issuance of New Money Debt opportunities.

### **1. Market Trends:**

He stated Municipal rates have been on an upward trend since November of 2016. This is due in part to general favorable economic trends as well as December's Federal Reserve short-term interest rate increase. Mr. Powell stated the Federal Reserve was expecting to raise the short-term rate later today with a potential of three additional rate increases throughout 2017. He stated potential corporate tax reform would also have an adverse impact on municipal borrowing rates. Mr. Powell concluded the market trend section with the performance of MSD's 2008A VRDB (variable rate demand bond) pricing. He stated since 2008 the VRDB rate on the Series 2008A bonds has been in line with SIFMA (Security Industry and Financial Market Association).

### **2. Debt Profile:**

Mr. Powell stated MSD had approximately \$95.3 million of outstanding debt as of the end of June 30, 2016. The outstanding debt was comprised of 32% synthetic fixed rate debt with the remaining 68% being traditional fixed rate debt. All outstanding debt is tax-exempt. He presented the outstanding debt service by bond series and its impact over the remaining life of the existing debt portfolio.

Mr. Powell continued with a discussion of the Series 2008A Bond performance. He stated that Wells Fargo provides both remarketing and liquidity for .10 and .40 basis points, respectively. Mr. Powell reported the interest rate swap has performed at 3.31% which translates to \$732,184 in debt service savings since its inception, and stated the interest rate swap is performing better than designed.

### **3. Refunding and New Money Issuance:**

In review of MSD's debt portfolio, staff and its financial advisors Davenport and Company LLC have identified Series 2009A Bonds as a refunding opportunity. The expected net present value

# Finance Committee Meeting Minutes

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March 15, 2017

savings is in excess of 8.75% or \$1.09 million. This would translate to an average annual savings of \$82,368 over the remaining 17 year life of the bonds.

Mr. Powell presented the FY2016 Business plan which identified the need for a new bond issuance in FY2019. He further stated the interest rate assumed for that debt issuance was 5%.

Mr. Powell continued with a slide which identified \$28 million of new money debt needs. If a new money deal were done today, the all in true interest cost would be 3.74%. Mr. Powell continued his analysis stating issuing debt one year earlier does not have an impact on projected rate increases over the next 10 years. The issuance would be in accordance with the District's debt policy and debt coverage target rate of 1.5 or greater.

Mr. Powell stated of the projects identified in the \$28 million of new money, about 60% are already completed. The remaining 40% are under contract and about half of those should be completed by the end of the current fiscal year. Staff does not expect any arbitrage issues with the new debt issuance.

## **Advantages of the Proposed Debt Issuance**

Mr. Powell reported the proposed debt refunding and new money issuance takes advantage of the current interest rate market. Combining debt issuances will save rate payers cost of issuance fees, and will provide continued funding of the District's Capital Improvement Plan in accordance with our debt policy. Mr. Powell concluded his presentation with a proposed finance schedule which outlines key dates items will come to the board for approval.

Mr. Powell opened the floor for questions.

## **Questions:**

Mrs. Wisler asked how the bonds will be handled as far as the 2009 Bond refunding versus the new money issuance and will the bonds have similar terms. Mr. Powell stated there will be a 2017 Series A and B which will designate the refunding of the 2009 Bonds and new money issuance. The remaining life of the 2009A bonds is 17 years and the new money issuance would have a maturity of 25 years. Mr. Clarke confirmed there would be two designations of bonds. One would be the refunding of the outstanding 2009A Bonds, the other would be a new money issuance. Pricing is not determined until the day they are priced and is based on maturity. Both issuances are backed by net revenues of the District and security terms would be the same for both series.

Chairman Kelly asked if the 3.74% "all in" figure could change or if we could lock in a rate earlier than June. Mr. Powell stated the next movement from the Federal Reserve is not expected until August, so any changes in the rate are expected to be minimal. Mr. Clarke added that the rate would be locked in closer to the pricing date. Mr. Powell agreed, the proposed pricing date would be mid-June with a closing in early July. This would allow both refunding and issuance of new debt to be budgeted in FY18. It would also eliminate the need for any budget amendments in FY2017. Chairman Kelly inquired as to the total amount of refunded bonds and new money

# Finance Committee Meeting Minutes

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March 15, 2017

issuance. Mr. Powell responded the par value of the refunded 2009A bonds would be approximately \$11.5 million, plus \$28 million for the new money issuance, totaling roughly \$40 million. Chairman Kelly inquired whether there would be any foreseeable problems with underwriters on that amount of debt. Mr. Powell saw no issues there because of the stable revenue streams that provide security for the bonds.

Mr. Kelly asked Mr. Powell to confirm the reason the 2008B Synthetic Fixed Rate Bonds are not included in the refunding. Mr. Powell explained that the interest rate swap is still performing as it was designed and saving rate payers money. Mr. Hartye added that Mr. Powell reviews the performance of the swap on a weekly basis to ensure that it is still working effectively. Mr. Powell added that even though we are in a higher rate environment, the swap is still effective. Getting out of the swap would be too costly at this point.

Mr. Powell summarized the schedule of events expected with this item; the Finance Committee would endorse the item today, the Board would have a Preliminary Resolution in April, Series Resolution in May and LGC approval early June for debt issuance and closing early July.

Chairman Kelly opened the floor to more questions and inquired what adverse factors would cause the District to want to get out of the Synthetic Fixed swap. Mr. Powell explained that while currently interest rate risk can be managed, the cost of liquidity would be the determining factor. Mr. Powell continued with the potential for corporate tax reform and possible deregulation in financial markets, cost of liquidity could be affected. Even if the swap is performing near design, the risk of unmanageable liquidity cost would initiate the exploration of getting out of the swap.

Chairman Kelly expanded on his previous question and asks what adverse factors make the cost of getting out of the swap agreement increase vs. decrease. Mr. Powell explained that the 10 year Treasury data has an inverse correlation to the cost of getting out of the swap. He stated when the 10 year Treasury is up, the cost of getting out of the swap decreases. Mr. Clarke asked how many years remain on the 2008A, "the swap". Mr. Powell stated the final principal payment is due July 2031.

## **Motion to Recommend:**

With no additional questions, Chairman Kelly asks if anyone recommends the Proposed FY18 Refunding and Issuance of Debt be submitted to the full Board on April 19, 2017.

Mrs. Wisler moved to make the recommendation and Chairman Kelly seconded the motion. The recommendation carried unanimously.

## **Adjournment:**

With no further discussion, Chairman Kelly called for adjournment at 1:45 pm.

# Metropolitan Sewerage District of Buncombe County

## Board Action Item

**BOARD MEETING DATE:** April 19, 2017

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

**REVIEWED BY:** Ed Bradford, P.E. - Engineering Director

**PREPARED BY:** Kevin Johnson, P.E. - Planning & Development Manager

**SUBJECT:** Acceptance of Developer Constructed Sewer System for AB-Tech Community College Fernihurst Drive Sewer Relocation, MSD Project No. 2014061

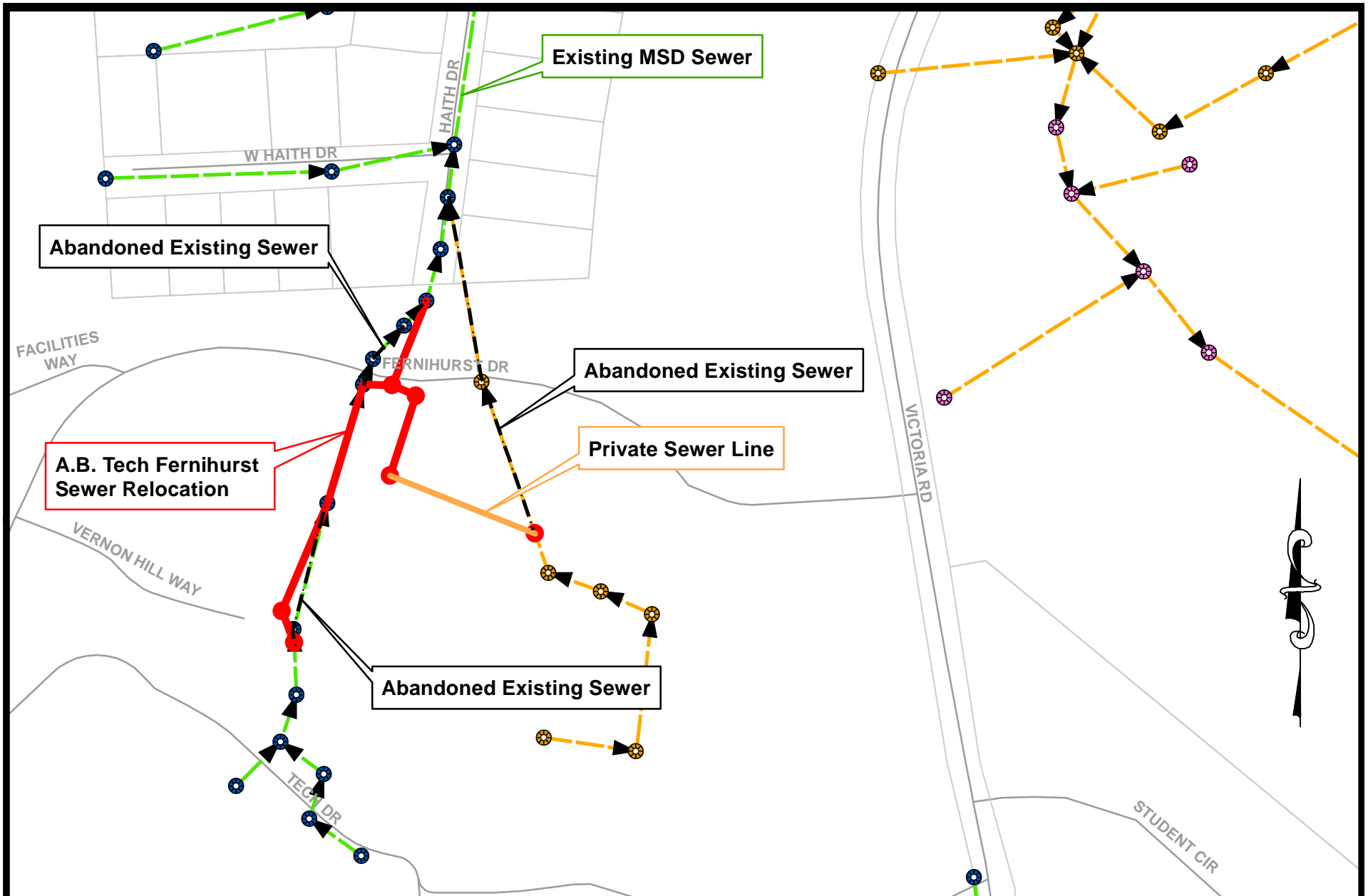
**BACKGROUND:** This project is located inside the District boundary off Fernihurst Drive in Buncombe County. The developer for this project is Buncombe County.

The project included relocating approximately 470 linear feet of 8-inch public gravity sewer and extending approximately 141 linear feet of public gravity sewer to accommodate the new development.

No new wastewater was allocated for this project. The estimated cost of the sewer construction is \$74,280.00.

All MSD requirements have been met.

**STAFF RECOMMENDATION:** Staff recommends acceptance of this developer constructed sewer system.



**MSD**  
Engineering Division

**A.B. Tech Fernihurst Sewer Relocation**  
**MSD Project # 2014061**  
Metropolitan Sewerage District of Buncombe County

04/06/2017

# Metropolitan Sewerage District of Buncombe County

## Board Action Item

**BOARD MEETING DATE:** April 19, 2017

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

**REVIEWED BY:** Ed Bradford, P.E. - Engineering Director

**PREPARED BY:** Kevin Johnson, P.E. - Planning & Development Manager

**SUBJECT:** Acceptance of Developer Constructed Sewer System for Cheshire Pocket Village, MSD Project No. 2015129

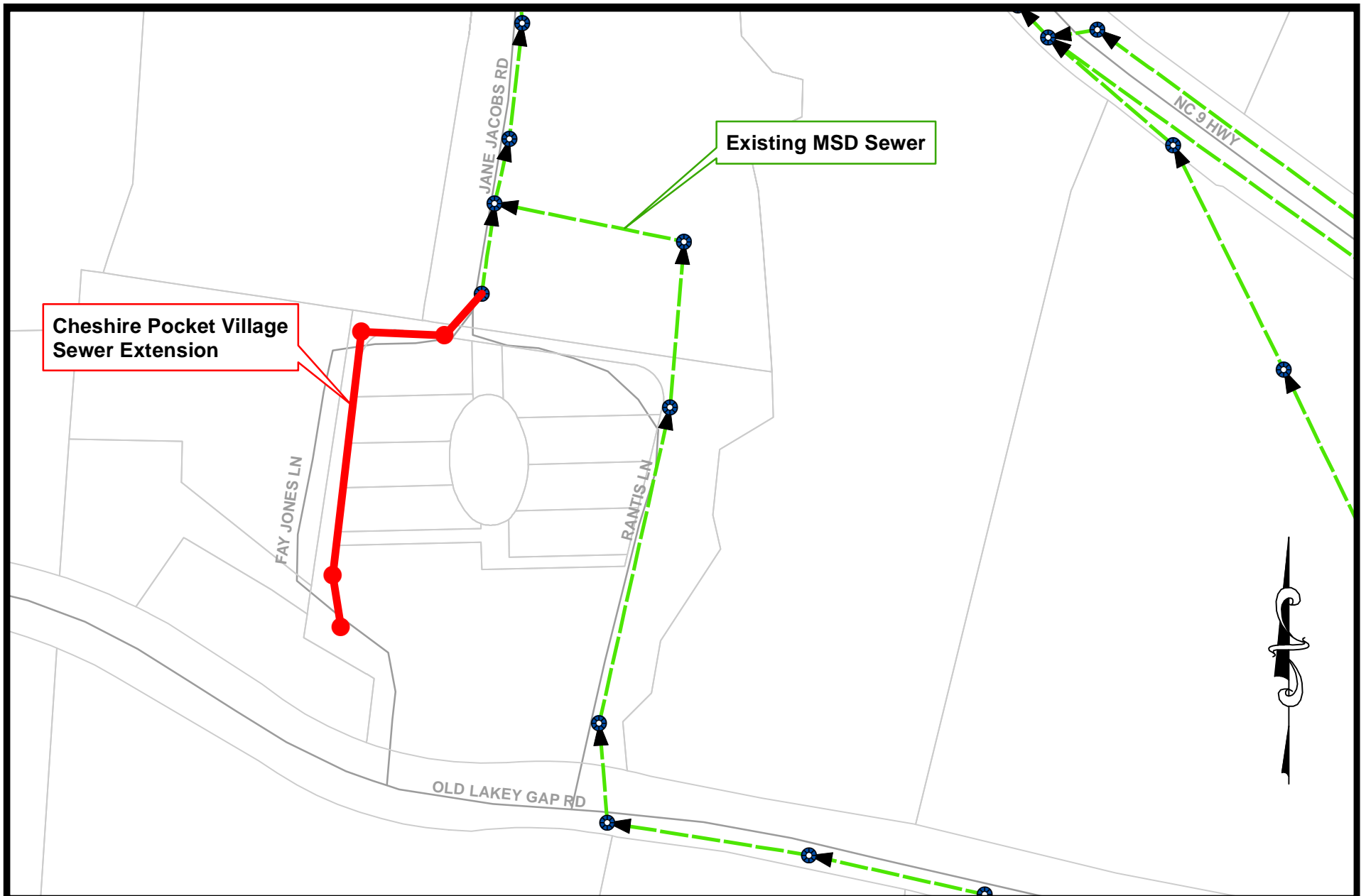
**BACKGROUND:** This project is located inside the District boundary off Jane Jacobs Road in the Town of Black Mountain. The developer for this project is Sikes Ragan.

The project included extending approximately 376 linear feet of 8-inch public gravity sewer to serve the new development.

A wastewater allocation was issued in the amount of 4,600 GPD for the fifteen (15) single family homes for this phase of the residential development. The estimated cost of the sewer construction is \$68,700.00.

All MSD requirements have been met.

**STAFF RECOMMENDATION:** Staff recommends acceptance of this developer constructed sewer system.



**MSD**  
Engineering Division

**Cheshire Pocket Village Sewer Extension**  
**MSD Project # 2015129**  
Metropolitan Sewerage District of Buncombe County

04/06/2017

# Metropolitan Sewerage District of Buncombe County

## Board Action Item

**BOARD MEETING DATE:** April 19, 2017

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

**REVIEWED BY:** Ed Bradford, P.E. - Engineering Director

**PREPARED BY:** Kevin Johnson, P.E. - Planning & Development Manager

**SUBJECT:** Acceptance of Developer Constructed Sewer System for Rose Briar Townhomes, MSD Project No. 2007005

**BACKGROUND:** This project is located inside the District boundary off Pearl Street in the Town of Black Mountain. The developer for this project is Mike Hayes of Hill Ventures, LLC.

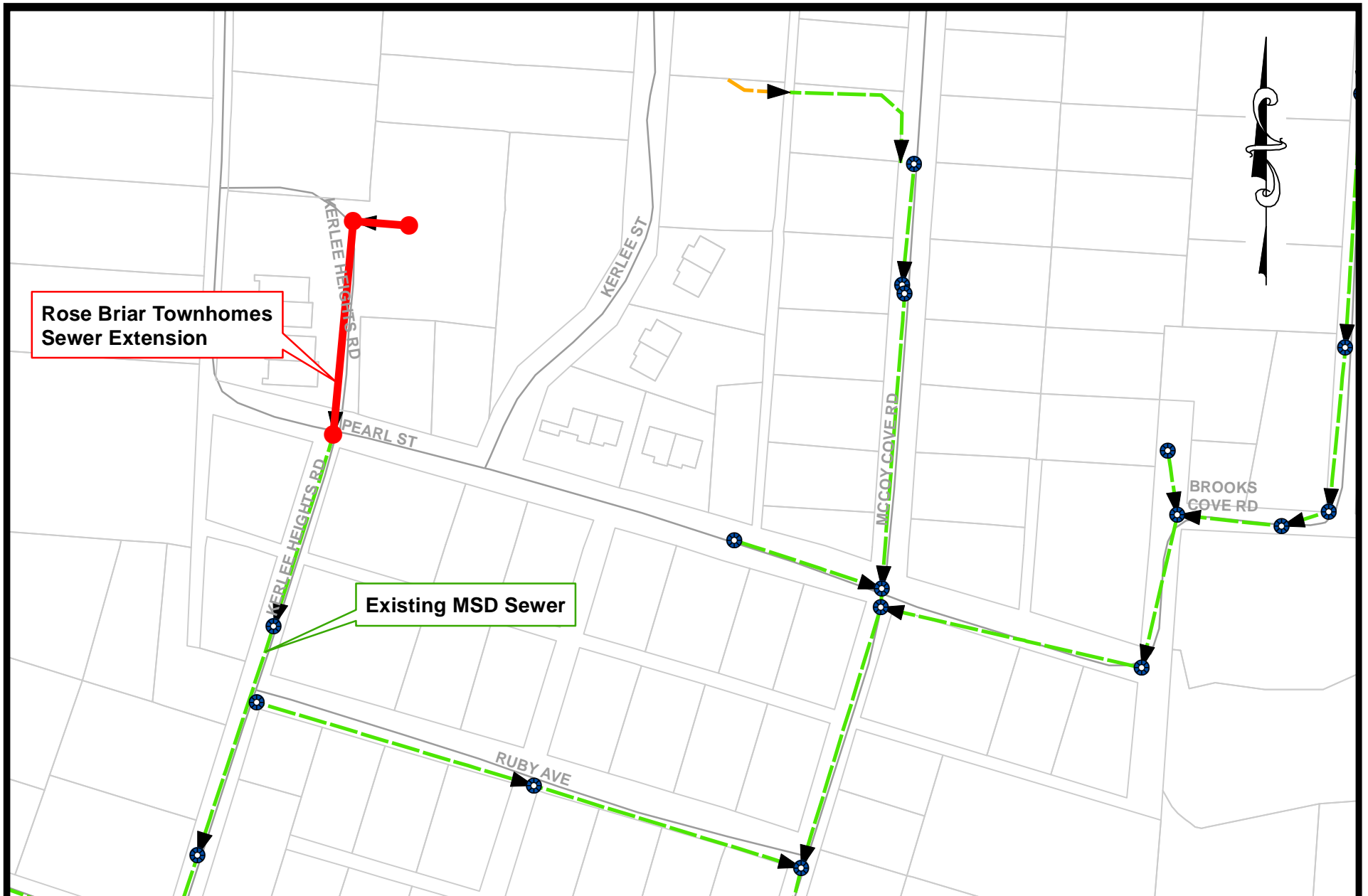
The project included extending approximately 304 linear feet of 8-inch public gravity sewer to serve the new development.

A wastewater allocation was issued in the amount of 2,400 GPD for the twelve (12) townhome residential development. The estimated cost of the sewer construction is \$30,413.00.

All MSD requirements have been met.

**STAFF RECOMMENDATION:** Staff recommends acceptance of this developer constructed sewer system.





**MSD**  
Engineering Division

**Rose Briar Townhomes Sewer Extension**  
**MSD Project # 2007005**  
Metropolitan Sewerage District of Buncombe County

04/06/2017

# Metropolitan Sewerage District of Buncombe County

## Board Action Item

**BOARD MEETING DATE:** April 19, 2017

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

**REVIEWED BY:** Ed Bradford, P.E. - Engineering Director

**PREPARED BY:** Kevin Johnson, P.E. - Planning & Development Manager

**SUBJECT:** Acceptance of Developer Constructed Sewer System for Serenity,  
MSD Project No. 2015055

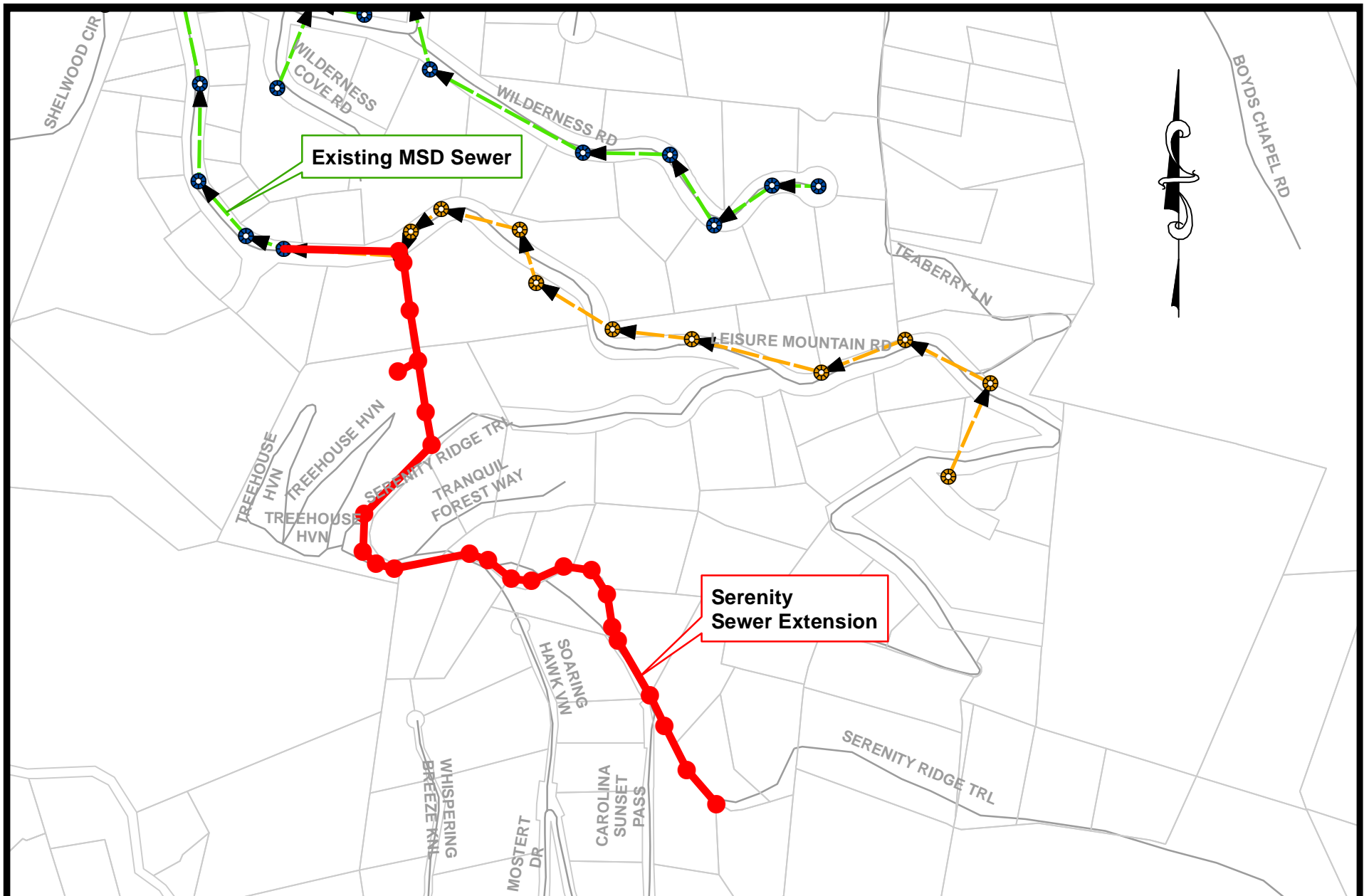
**BACKGROUND:** This project is located inside the District boundary off Leisure Mountain Road in the Town of Woodfin. The developer for this project is Michael Parrish.

The project included extending approximately 2,593 linear feet of 8-inch public gravity sewer to serve the new development.

A wastewater allocation was issued in the amount of 9,500 GPD for the forty-five (45) tree house and single family home residential development. The estimated cost of the sewer construction is \$212,000.00.

All MSD requirements have been met.

**STAFF RECOMMENDATION:** Staff recommends acceptance of this developer constructed sewer system.



**MSD**  
Engineering Division

## Serenity Sewer Extension MSD Project # 2015055

Metropolitan Sewerage District of Buncombe County

04/06/2017

# Metropolitan Sewerage District of Buncombe County

## BOARD INFORMATIONAL ITEM

**Meeting Date:** April 19, 2017  
**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 February 28, 2017

### **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 February 28, 2017 were \$52,738,363. The detailed listing of accounts is available upon request. The average rate of return for all investments is 0.564%. 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 February 28, 2017 do not reflect contractual commitments or encumbrances against said funds. Shown below are the total investments as of February 28, 2017 reduced by contractual commitments, bond funds, and District reserve funds. The balance available for future capital outlay is \$20,114,406.

<b>Total Cash &amp; Investments as of 02/28/2017</b>		52,738,363
<b>Less:</b>		
Budgeted Commitments (Required to pay remaining FY17 budgeted expenditures from unrestricted cash)		
Construction Funds	(15,112,082)	
Operations & Maintenance Fund	<u>(6,262,614)</u>	
		(21,374,696)
Bond Restricted Funds		
Bond Service (Funds held by trustee):		
Funds in Principal & Interest Accounts	(21,163)	
FY17 Principal & Interest Due	<u>(5,948,017)</u>	
		(5,969,180)
District Reserve Funds		
Fleet Replacement	(866,135)	
Pump Replacement	(69,925)	
WWTP Replacement	(446,952)	
Maintenance Reserve	<u>(958,766)</u>	
		(2,341,778)
District Insurance Funds		
General Liability	(459,182)	
Worker's Compensation	(206,120)	
Post-Retirement Benefit	(1,648,302)	
Self-Funded Employee Medical	<u>(624,699)</u>	
		<u>(2,938,303)</u>
<b>Designated for Capital Outlay</b>		<u><b>20,114,406</b></u>

### **Staff Recommendation**

None. Information Only.

#### **Action Taken**

Motion by:

Second by:

Other:

Follow-up Required:

to

Approve  
Table

Person Required:

Disapprove

Send to Committee

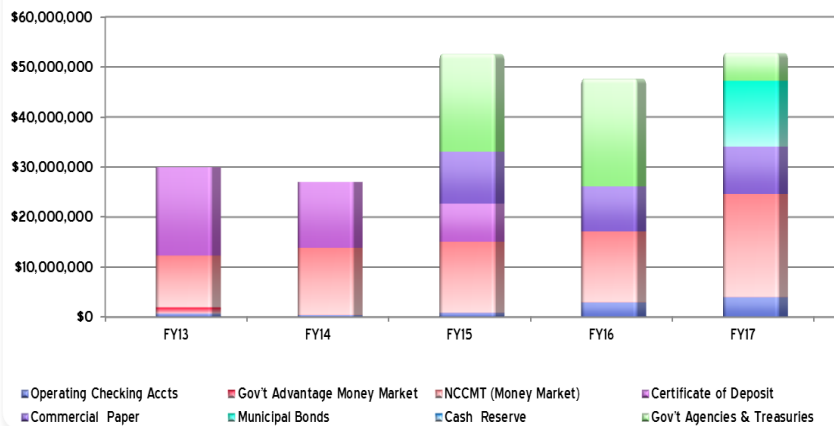
Deadline:

## Metropolitan Sewerage District of Buncombe County Investment Portfolio

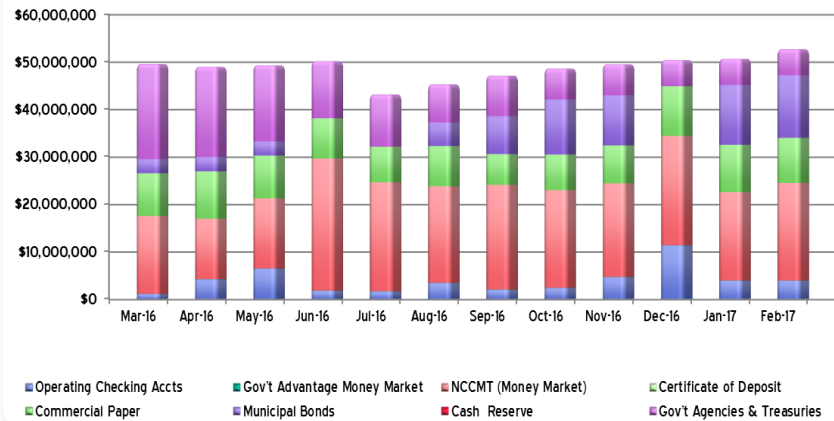
	Operating Checking Accounts	Gov't Advantage Money Market	NCCMT (Money Market)	Certificate of Deposit	Commercial Paper	Municipal Bonds	Cash Reserve	Gov't Agencies & Treasuries	Total
Held with Bond Trustee	\$ -	\$ -	\$ 21,163	\$ -	\$ -	\$ -	\$ -	\$ -	21,163
Held by MSD	3,975,090	46,672	20,551,476	-	9,488,962	13,155,000	-	5,500,000	52,717,200
	\$ 3,975,090	\$ 46,672	\$ 20,572,639	\$ -	\$ 9,488,962	\$ 13,155,000	\$ -	\$ 5,500,000	\$ 52,738,363

Investment Policy Asset Allocation	Maximum Percent	Actual Percent	
U.S. Government Treasuries,			
Agencies and Instrumentalities	100%	10.43%	No significant changes in the investment portfolio as to makeup or total amount.
Bankers' Acceptances	20%	0.00%	
Certificates of Deposit	100%	0.00%	The District 's YTM of .85% is exceeding the YTM benchmarks of the 6 month T-Bill and NCCMT Cash Portfolio.
Commercial Paper	20%	17.99%	
Municipal Bonds	100%	24.94%	
North Carolina Capital Management Trust	100%	39.01%	
Checking Accounts:	100%		All funds invested in CD's, operating checking accounts, Gov't Advantage money market are fully collateralized with the State Treasurer.
Operating Checking Accounts		7.54%	
Gov't Advantage Money Market		0.09%	

**MSD of Buncombe County  
Investment Portfolio - As of February 28, 2017**



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



**Board Meeting:** April 19, 2017

**Subject:** Cash Commitment/Investment Report-Month Ended February 28, 2017

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**METROPOLITAN SEWERAGE DISTRICT  
INVESTMENT MANAGERS' REPORT  
At February 28, 2017**

**Summary of Asset Transactions**

	Original Cost	Market	Interest Receivable
Beginning Balance	\$ 44,860.745	\$ 44,962.982	\$ 25,749
Capital Contributed (Withdrawn)	2,104,259	2,104,259	
Realized Income	25,971	25,971	614
Unrealized/Accrued Income		19,369	(7,513)
Ending Balance	\$ 46,990.975	\$ 47,112.580	\$ 18,850

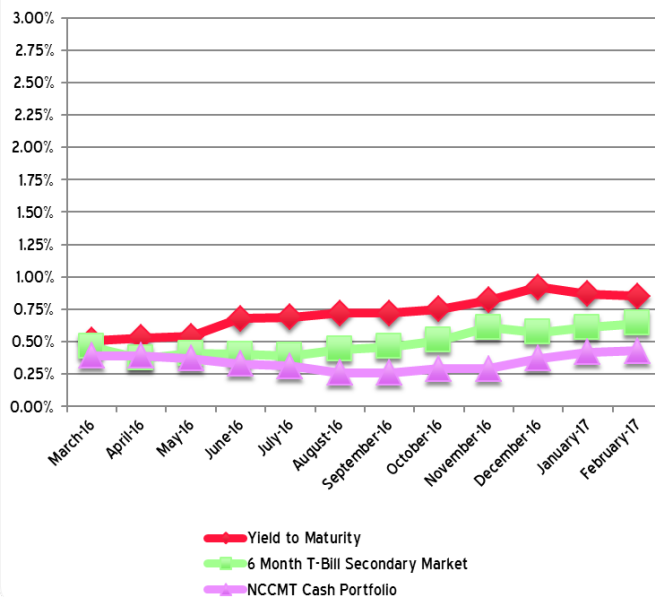
**Value and Income by Maturity**

	Original Cost	Income
Cash Equivalents <91 Days	\$ 41,490.975	\$ 33,941
Securities/CD's 91 to 365 Days	1,000,000	818
Securities/CD's > 1 Year	4,500,000	3,681
	\$ 46,990.975	\$ 38,440

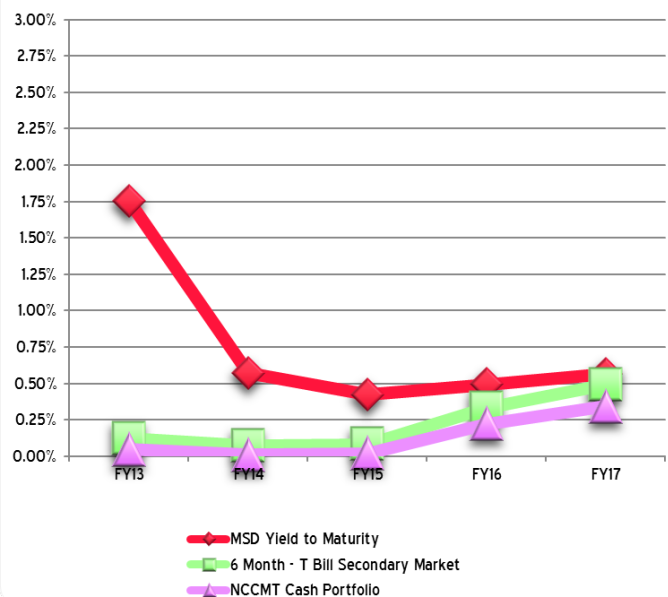
**Month End Portfolio Information**

Weighted Average Maturity	158
Yield to Maturity	0.85%
6 Month T-Bill Secondary Market	0.64%
NCCMT Cash Portfolio	0.43%

**Metropolitan Sewerage District  
Yield Comparison - February 28, 2017**



**Metropolitan Sewerage District  
Annual Yield Comparison**

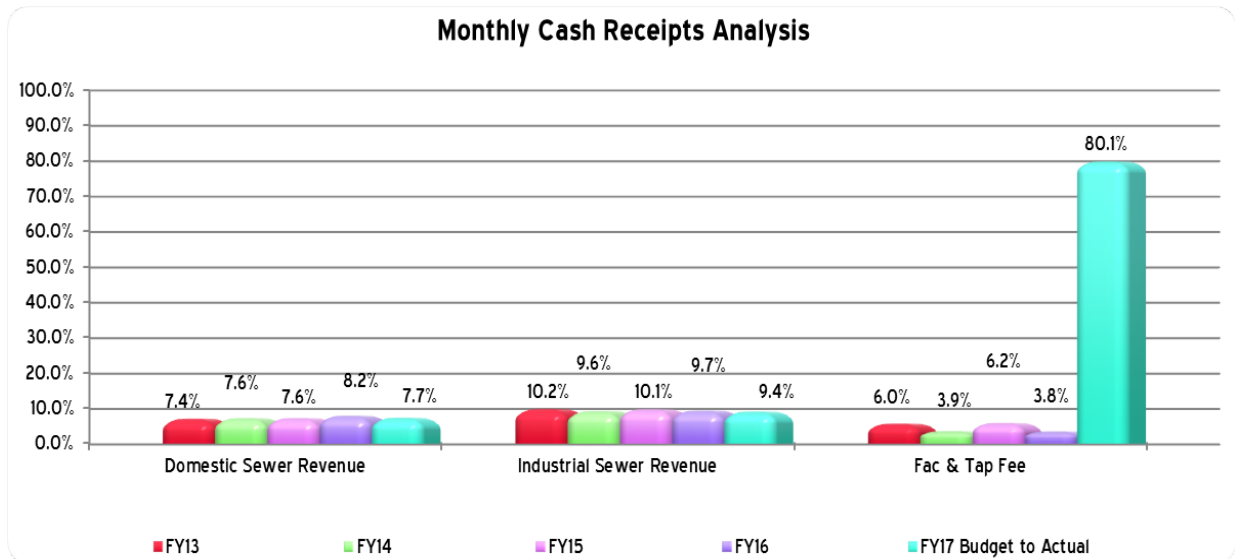


**Board Meeting:** April 19, 2017

**Subject:** Cash Commitment/Investment Report-Month Ended February 28, 2017

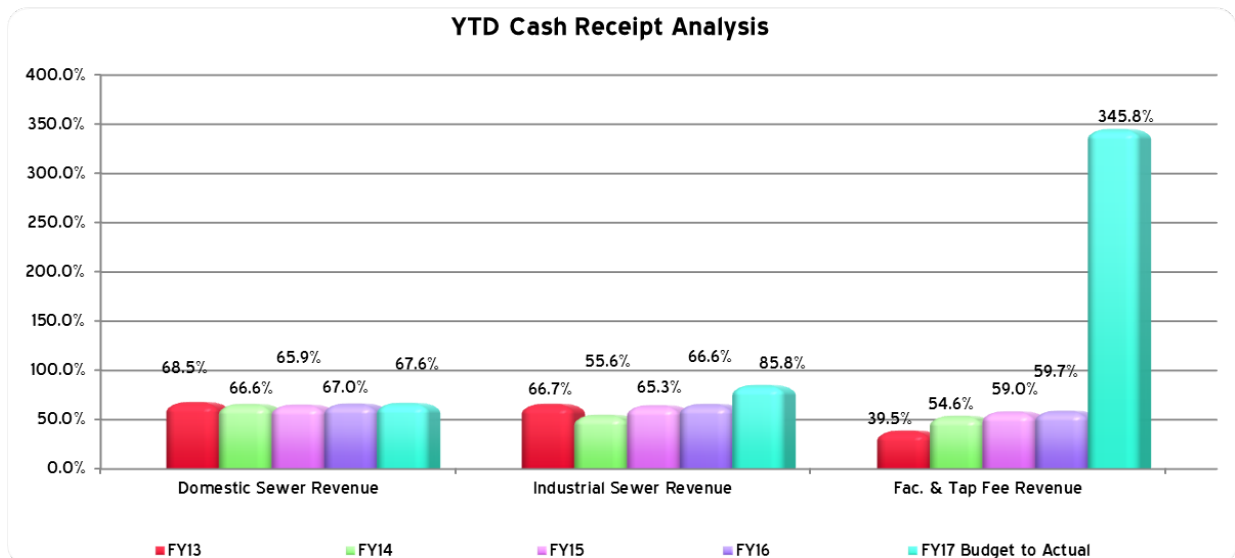
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**METROPOLITAN SEWERAGE DISTRICT  
ANALYSIS OF CASH RECEIPTS  
As of February 28, 2017**



**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 reasonable based on historical trends.
- Due to the unpredictable nature of facility and tap fee revenue, staff considers facility and tap fee revenue reasonable.



**YTD Actual Revenue Analysis:**

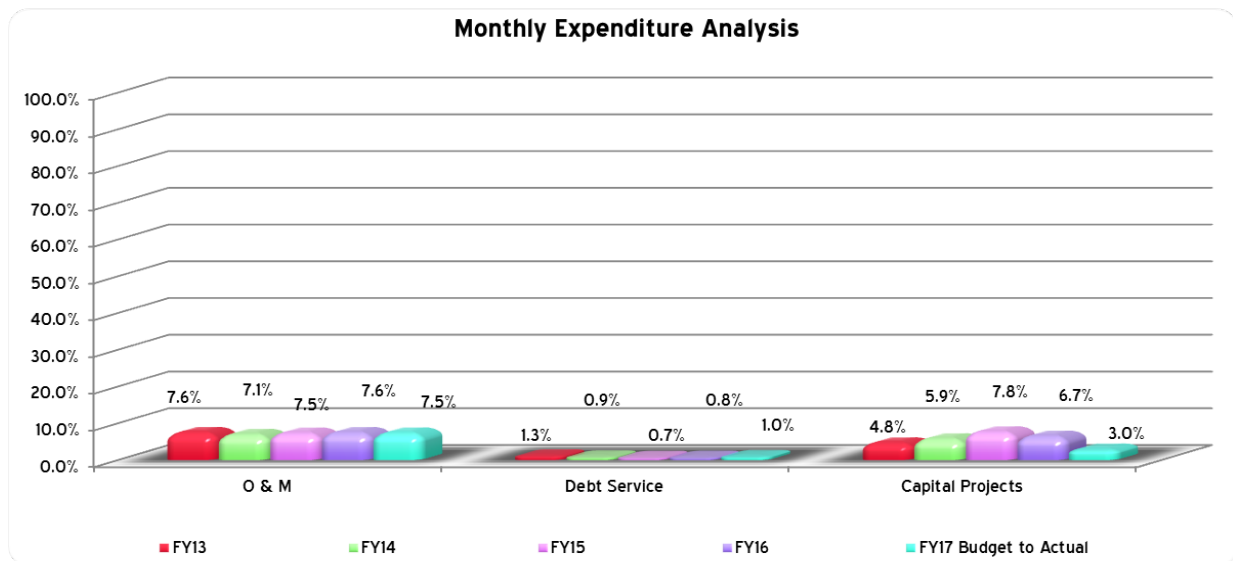
- YTD domestic sewer revenue is considered reasonable based on historical trends.
- YTD industrial sewer revenue is reasonable based on historical trends.
- Due to the unpredictable nature of facility and tap fee revenue, staff considers facility and tap fee revenue reasonable.

**Board Meeting:** April 19, 2017

**Subject:** Cash Commitment/Investment Report-Month Ended February 28, 2017

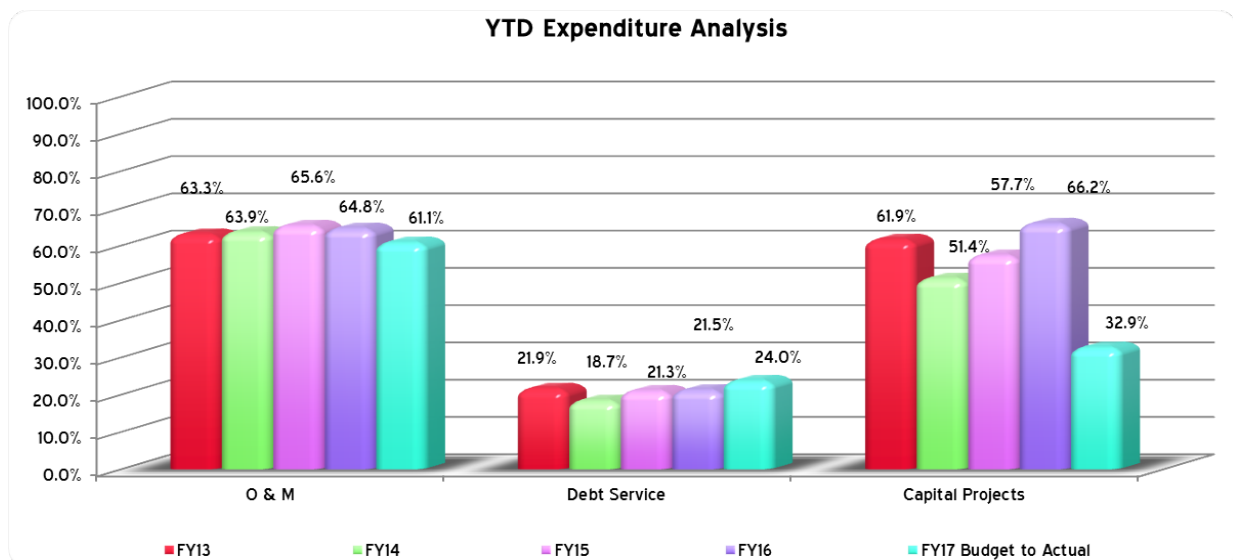
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**METROPOLITAN SEWERAGE DISTRICT  
ANALYSIS OF EXPENDITURES  
As of February 28, 2017**



**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.

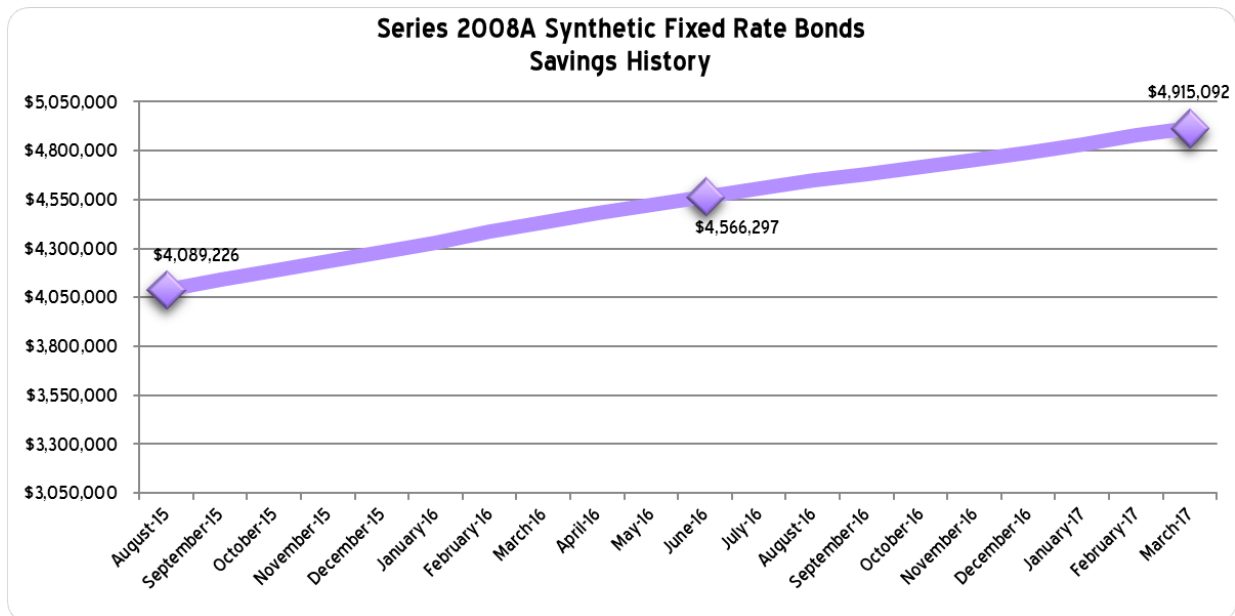
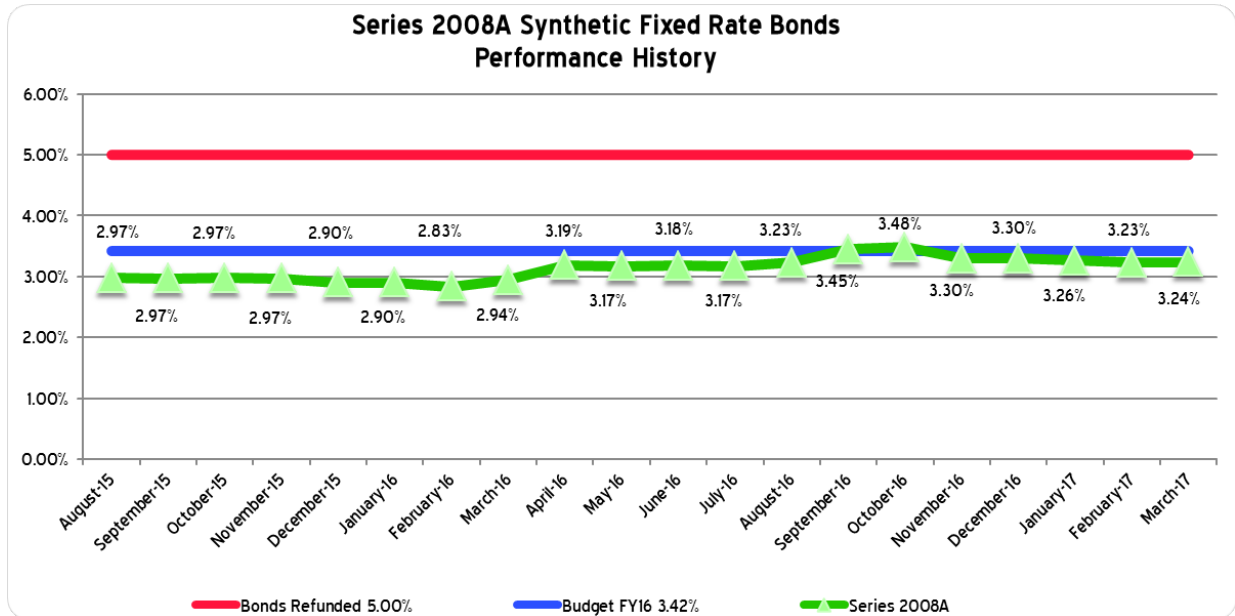


**Board Meeting:** April 19, 2017

**Subject:** Cash Commitment/Investment Report-Month Ended February 28, 2017

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**METROPOLITAN SEWERAGE DISTRICT  
VARIABLE DEBT SERVICE REPORT  
As of March 31, 2017**



**Series 2008A:**

- Savings to date on the Series 2008A Synthetic Fixed Rate Bonds is \$4,915,092 as compared to 4/1/2008 fixed rate of 4.85%.
- Assuming that the rate on the Series 2008A Bonds continues at the current all-in rate of 3.9475%, MSD will achieve cash savings of \$4,670,000 over the life of the bonds.
- MSD would pay \$3,840,009 to terminate the existing Bank of America Swap Agreement.

# METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY

## BOARD ACTION ITEM

**Meeting Date:** April 19, 2017

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

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

**Reviewed By:** Billy Clarke, District Legal Counsel

**Subject:** Resolution authorizing filing application to LGC to issue Revenue Bonds

### **Background**

All debt issued by local governmental entities in the state of North Carolina must be authorized by the Local Government Commission (LGC). The LGC requires an application, approved by the entity's Board, to initiate the formal process. This application in no way obligates the District to issue the debt.

The enclosed resolution includes certain requirements in accordance with North Carolina General Statutes and others for the LGC application.

- The Board has determined that the amount of the proposed bonds is reasonable based on the need of the District to borrow funds to pay the cost of acquiring and constructing certain improvements to the District's sewerage system
- Names of the staff members authorized to submit the application
- Identification of the financing team including attorneys, underwriters, and trustees
- Authorization for the LGC to sell the bonds

### **Discussion**

On March 15<sup>th</sup>, staff made a presentation to the Finance Committee, which outlined current bond market trends, a refunding opportunity of the Series 2009A Revenue Bonds, and the proposed issuance of \$28 million in new money revenue bonds ([see presentation](#)). As of March 10<sup>th</sup>, market conditions would yield a \$1.09 million of net present value savings. Combining the refunding opportunity with a new money issuance would save ratepayers on cost of issuance while taking advantage of the current interest rate environment.

Approval of this resolution is a necessary step to issue debt. The issuance will provide funding to augment pay-as-you-go financing for the District's CIP program as well as allow the District to take advantage of a refunding opportunity of the Series 2009A Revenue Bonds. Enclosed is a list of projects ([see presentation](#)) which will be funded and/or reimbursed based on three previous reimbursement resolutions. Also enclosed is a Financing Schedule which outlines the overall process for a July issuance.

**Fiscal Impact**

In the event the process is abandoned, the \$12,500 application fee may not be refunded. However, any attorney and underwriting fees contingent on issuing the bonds need not be paid. The District may be liable for minor expenditures such as printing, to the extent ancillary goods and services are provided.

**Committee and Staff Recommendation**

Finance Committee and Staff recommend to move forward with the proposed 2009A refunding, the issuance of \$28 million in new money revenue bonds issuance, and the approval of the attached resolution.

**Action Taken**

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

The District Board of the Metropolitan Sewerage District of Buncombe County met in a regular session in the Boardroom at the District's office in Woodfin, North Carolina, the regular place of meeting, at 2:00 P.M. on April 19, 2017.

Present: Chairperson M. Jerry VeHaun, presiding, and Board members \_\_\_\_\_

Absent: \_\_\_\_\_

\* \* \* \* \*

Chairperson M. Jerry VeHaun introduced the following resolution, which was read by title and summarized by the General Manager of the District:

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION WITH THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF THE ISSUANCE AND PRIVATE SALE OF METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE AND REVENUE REFUNDING BONDS, SERIES 2017 AND RELATED ACTIONS

**WHEREAS**, the Metropolitan Sewerage District of Buncombe County (the "District"), acting by and through its District Board (the "Board"), is authorized by the North Carolina Metropolitan Sewerage Districts Act, being Article 5 of Chapter 162A of the North Carolina General Statutes, as amended, and The State and Local Government Revenue Bond Act of North Carolina, being Article 5 of Chapter 159 of the North Carolina General Statutes, as amended (collectively, the "Enabling Act"), to issue revenue bonds for the purpose of financing the cost of acquisition, construction, reconstruction, enlargement, equipping, extension, maintenance or improvement of facilities for the collection, treatment, purification or disposal of sewage and to issue revenue refunding bonds; and

**WHEREAS**, the District owns and operates facilities for the collection, transmission, treatment and disposal of sewage; and

**WHEREAS**, the District proposes to issue its Sewerage System Revenue and Revenue Refunding Bonds, Series 2017 (the “Series 2017 Bonds”) in an aggregate principal amount not to exceed \$44,750,000, for the purpose of providing funds, together with other available funds, to (i) refund the District’s outstanding Sewerage System Revenue Bonds, Series 2009A (the “Series 2009A Bonds”), (ii) pay for the cost of certain improvements to the District’s sewerage system (collectively, the “Additional Improvements”), and (iii) pay certain costs and expenses incurred in connection with the issuance of the Series 2017 Bonds; and

**WHEREAS**, the District has selected for recommendation to the North Carolina Local Government Commission (the “Local Government Commission”) a financing team to be used in connection with the issuance and sale of the Series 2017 Bonds; and

**WHEREAS**, the District wishes to obtain the approval of the Local Government Commission for said financing team;

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

Section 1. The Board hereby finds and determines, in connection with the issuance of the Series 2017 Bonds, that (i) the issuance of the Series 2017 Bonds is necessary or expedient for the District, (ii) the proposed principal amount of the Series 2017 Bonds is adequate and not excessive for the proposed purposes of such issue, (iii) the Additional Improvements and the refunding of the Series 2009A Bonds are feasible, (iv) the District’s debt management procedures and policies are good and the District’s finances are managed in strict compliance

with law and (v) under current economic conditions, the Series 2017 Bonds can be marketed at a reasonable interest cost to the District.

Section 2. The Board hereby authorizes the filing of an application with the Local Government Commission for approval of the issuance of the Series 2017 Bonds pursuant to the Enabling Act and hereby directs Thomas Hartye, General Manager of the District, and W. Scott Powell, Director of Finance of the District, as representatives of the District, to file such application with the Local Government Commission.

Section 3. The Board hereby recommends that the following financing team members be engaged in connection with the issuance and sale of the Series 2017 Bonds and requests that the Local Government Commission approve said financing team members:

Bond Counsel: McGuireWoods LLP

Underwriters: Wells Fargo Bank, National Association and R.W. Baird & Co., Inc.

Underwriters' Counsel: Robinson, Bradshaw & Hinson, P.A.

Financial Advisor: Davenport & Company LLC

Trustee and Bond Registrar: The Bank of New York Mellon Trust Company, N.A.

Escrow Agent: The Bank of New York Mellon Trust Company, N.A.

Verification Agent: Bingham Arbitrage Rebate Services Incorporated

Section 4. The Local Government Commission is hereby requested to sell the Series 2017 Bonds at private sale without advertisement to any purchaser or purchasers thereof, at such price as the Local Government Commission determines to be in the best interest of the District, subject to the approval of the District.

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

Thereupon, upon motion of Board member \_\_\_\_\_, seconded by Board member \_\_\_\_\_ the resolution entitled "RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION WITH THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF THE ISSUANCE AND PRIVATE SALE OF METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE AND REVENUE REFUNDING BONDS, SERIES 2017 AND RELATED ACTIONS" was adopted by the following vote:

Ayes: Board members \_\_\_\_\_  
\_\_\_\_\_

Noes: \_\_\_\_\_

The Chairman then announced that the resolution entitled: "RESOLUTION DIRECTING THE FILING OF AN APPLICATION WITH THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF THE ISSUANCE AND PRIVATE SALE OF METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA SEWERAGE SYSTEM REVENUE AND REVENUE REFUNDING BONDS, SERIES 2017 AND RELATED ACTIONS" had been adopted.

# Metropolitan Sewerage District of Buncombe County, NC

## Sewerage System Revenue & Refunding Bonds, Series 2017

Financing Calendar

April 7, 2017 - DRAFT

April 2017							May 2017							June 2017							July 2017						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1		1	2	3	4	5	6					1	2	3							1
2	3	4	5	6	7	8	7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8
9	10	11	12	13	14	15	14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15
16	17	18	19	20	21	22	21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22
23	24	25	26	27	28	29	28	29	30	31				25	26	27	28	29	30		23	24	25	26	27	28	29
30																					30	31					

The District Board meets on the third Wednesday of the month at 2:00 pm.

The agenda deadline for the Board meetings is the prior Wednesday.

### Working Group

Role	Entity	Defined
Issuer	Metropolitan Sewerage District of Buncombe County	MSDBC
	Local Government Commission	LGC
Financial Advisor	Davenport & Company LLC	DAV
Bond Counsel	McGuireWoods LLP	MW
Senior Underwriter	Wells Fargo Securities	WFS
Co-Manager	R.W. Baird & Co., Inc.	RWB
Underwriter's Counsel	Robinson Bradshaw & Hinson P.A.	RBH
Verification Agent	Bingham Arbitrage Rebate Services, Inc.	BA
Trustee/Refunding Escrow Agent	Bank of New York Mellon	BNY

Date	Task	Responsibility
April 5 <sup>th</sup> (11:00 am)	LGC Pre-application Call <ul style="list-style-type: none"> <li>Dial in 800-495-0452</li> <li>Code 7290</li> </ul>	MSDBC / LGC / DAV
April 12 <sup>th</sup>	Agenda deadline for April 19 <sup>th</sup> District Board Meeting	MSDBC
By April 14 <sup>th</sup>	Submit Joint Legislative Committee Letter	MSDBC
Mid April	Circulate first drafts of: <ul style="list-style-type: none"> <li>Bond Documents</li> <li>Preliminary Official Statement ("POS")</li> <li>Agreed Upon Procedures Letter / Financial Projections</li> </ul>	MW / RBH
April 19 <sup>th</sup>	District Board Meeting <ul style="list-style-type: none"> <li>District Board considers adopting a Preliminary Findings Resolution</li> </ul>	MSDBC / DAV / MW



# Metropolitan Sewerage District of Buncombe County, NC

## Sewerage System Revenue & Refunding Bonds, Series 2017

Financing Calendar

April 7, 2017 - DRAFT

April 2017							May 2017							June 2017							July 2017						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1		1	2	3	4	5	6					1	2	3							1
2	3	4	5	6	7	8	7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8
9	10	11	12	13	14	15	14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15
16	17	18	19	20	21	22	21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22
23	24	25	26	27	28	29	28	29	30	31				25	26	27	28	29	30		23	24	25	26	27	28	29
30																					30	31					

The District Board meets on the third Wednesday of the month at 2:00 pm.

The agenda deadline for the Board meetings is the prior Wednesday.

Date	Task	Responsibility
Late April/ Early May	Financing documents review call	Working Group
Early May	<ul style="list-style-type: none"> <li>Distribute 2nd Draft of All Documents</li> <li>Submit LGC Application</li> </ul>	MW / RBH MSDBC
Week of May 1 <sup>st</sup>	Credit Presentation review meeting with District Staff	MSDBC / DAV
May 10 <sup>th</sup>	Agenda deadline for May 17 <sup>th</sup> District Board Meeting	MSDBC
May 17 <sup>th</sup>	District Board Meeting <ul style="list-style-type: none"> <li>County Board considers adopting a Series Resolution</li> </ul>	MSDBC / DAV / MW
May 18 <sup>th</sup> and 19 <sup>th</sup>	Credit Rating Meetings	MSDBC / DAV / WFS / RWB
Late May	Distribute 3 <sup>rd</sup> Draft of All Documents	MW / RBH
Late May / Early June	Receive Credit Ratings	DAV / WFS / RWB
Early June	Finalize and Post POS	Working Group
June 6 <sup>th</sup>	LGC approves the Financing	LGC
June 21 <sup>st</sup>	<ul style="list-style-type: none"> <li>Price Bonds</li> <li>Subscribe for SLGS / Bid Open Market Escrow</li> </ul>	Working Group
Early July	Close on Financing	Working Group

# **STATUS REPORTS**



## CONSTRUCTION TOTALS BY DATE COMPLETED - Monthly

From 7/1/2016 to 2/28/2017

	Dig Ups	Emergency Dig Ups	Dig Up ML Ftg	Dig Up SL Ftg	Manhole Repairs	Taps Installed	ROW Ftg	IRS Rehab Ftg *	Const Rehab Ftg *	D-R Rehab Ftg *	Manhole Installs	Bursting Rehab Ftg *	Total Rehab Ftg *
July 2016	24	9	114	706	35	27	1,620	0	16	377	11	1,788	2181
August 2016	40	11	149	1,050	36	40	1,586	0	264	300	6	120	684
September 2016	32	9	219	471	23	20	1,833	0	0	3923	23	0	3923
October 2016	44	5	478	917	36	31	9,920	0	0	1173	14	403	1576
November 2016	35	11	123	703	33	20	1,175	0	8	447	7	312	767
December 2016	31	7	178	794	21	26	0	0	0	582	7	205	787
January 2017	40	9	183	692	25	17	710	0	8	1161	13	1,082	2251
February 2017	25	19	266	1,371	28	35	965	0	48	373	8	575	996
Grand Totals	271	80	1,709	6,704	237	216	17,809	0	344	8336	89	4,485	13165

\* Used to calculate Total Rehab Footage

# MSD System Services In-House Construction

## FY 16-17 PROJECTS

PROJECT NAME	LOCATION	ZIP CODE	ESTIMATED FOOTAGE	ESTIMATED PROJECT DATES	WO#	CREW	COMPLETION DATE	ACTUAL FOOTAGE	NOTES
Asheville Country Club Phase 1 B	N. Asheville	28804	1739	6/29/16 - 7/21/16	234696	631	7/21/2016	1739	complete
Asheville Country Club 6" Replacement	N. Asheville	28804	325	7/25/16 - 7/27/16	235071	631	7/27/2016	325	complete
Tanglewood Drive at Craggy Ave	W. Asheville	28803	141	7/18/16 - 7/28/16	233397	632	7/28/2016	101	complete
Graceland Place Rehabilitation	Arden	28704	120	6/27/16 - 8/2/16	234656	632	8/2/2016	120	complete
Dejeuil Drive Sewer Rehabilitation	W. Asheville (Starnes Cove)	28806	300	8/8/16 - 9/1/16	219451	632	8/15/2016	300	complete
Asheville Country Club Phase 2	N. Asheville	28804	3,900	7/28-16 - 9/28/16	225192	631	9/30/2016	3,923	complete
Lakeshore Drive	N. Asheville	28804	500	9/2/16 - 10-1/16	235169	632	10/5/2016	597	complete
Asheville Country Club Phase 1C	N. Asheville	28804	230	10/3/2016 -10/7/16	236906	631	10/6/2016	235	complete
166 S. French Broad Ave	Asheville	28803	280	10/4/16 - 10/7/16	236410	632	10/12/2016	317	complete
643 Haywood Road Emergency Sewer Rehabilitation	W. Asheville	28806	336	10/10/16 - 10/14/16	237069	632	10/20/2016	365	complete
Asheville Country Club Phase 3 (Robinhood Rd)	N. Asheville	28804	600	10/10/16 - 10/31/16	236602	631	11/16/2016	759	complete
Upper Chestnut @ Lookout Road (Ph. 1)	Woodfin	28804	800	11/07/16 - 12/30/16	210370	632	12/30/2016	787	complete
Meadowbrook Rd Rehabilitation	Black Mountain	28711	1327	11/17/16 - 1/31/17	236632	631	1/13/2017	1391	complete
Chestnut @ Lookout Road Phase 2	Woodfin	28804	479	1/3/17 - 1/13/17	239165	632	1/23/2017	496	complete
Buck Shoals Road	Arden	28704	350	1/13/17 - 1/31/17	239381	631	1/31/2017	356	complete
5 Spring Cove Terr	Beaverdam	28804	375	1/13/17 - 2/3/17	233212	632	2/7/2017	355	complete
Spears Avenue Rehabilitation	Asheville	28801	300	2/1/17 - 2/28/17	225197	631	2/17/2017	408	complete
Belmont Road	W. Asheville	28806	170	FY 16-17	233437	632	2/28/2017	185	complete
69 Providence Road	West Asheville	28806	500	2/6/16 - 3/10/17	231127	632	3/1/2017	571	complete
722 Center St	Asheville	28803	250	3/2/17 - 4/2/17	229911	632	3/17/2016	257	complete
Nebraska Street Emergency Rehabilitation (Ph. 2)	W. Asheville	28806	301	3/20/17 - 3/31/17	241251	631	3/31/2017	301	complete
304 9th Street	Black Mountain	28711	815	4/3/17 - 5/3/17	236507	632			construction 40% complete
24 Ivey Street	W Asheville	28806	850	4/13/17 - 5/15/17	236509	631			ready for construction
Nebraska Street Emergency Rehabilitation (Ph. 1)	W. Asheville	28806	415	5/16/17 - 6/16/17	240563	631			In ROW
Celia Place at Bond Street	N. Asheville	28801	526	5/4/17 - 6/4/17	227752	632			ready for construction
350 Old Haw Creek Road	Asheville	28805	1333	FY 16-17	47802	TBA			ready for construction
905 Patton Avenue	Asheville	28806	187	FY 16-17	220384	TBA			ready for construction
149 Weston Rd	Arden	28704	210	FY 16-17	225004	TBA			ready for construction
Biltmore Avenue at Bryson Street	Asheville	28801	200	FY 16-17	225195	TBA			In ROW
School Road at Woodland	W. Asheville	28806	350	FY 16-17	224993	TBA			In Design
179 Old Haw Creek Rd	Asheville	28805	760	FY 16-17	220080	TBA			In Design
15 New Jersey	Asheville	28806	250	FY 16-17	238782	TBA			In Design



## PIPELINE MAINTENANCE TOTALS BY DATE COMPLETED - Monthly

July 01, 2016 to February 28, 2017

	Main Line Wash Footage	Service Line Wash Footage	Rod Line Footage	Cleaned Footage	CCTV Footage	Smoke Footage	SL-RAT Footage
<b>2016</b>							
July	45,193	2,360	6,542	51,735	20,983	32,171	20,618
August	75,579	1,531	12,085	87,664	26,074	42,442	17,103
September	105,529	1,471	11,406	116,935	12,671	26,129	16,406
October	66,420	2,175	10,127	76,547	17,277	46,276	21,969
November	35,682	3,046	12,831	48,513	21,342	13,076	9,061
December	39,977	2,212	7,424	47,401	17,146	5,282	28,363
<b>2017</b>							
January	39,078	2,846	9,508	48,586	13,472	8,344	27,431
February	112,190	2,093	11,803	123,993	20,768	9,177	1,800
<b>Grand Total:</b>	<b>519,648</b>	<b>17,734</b>	<b>81,726</b>	<b>601,374</b>	<b>149,732</b>	<b>182,898</b>	<b>142,751</b>
<b>Avg Per Month:</b>	<b>64,956</b>	<b>2,217</b>	<b>10,216</b>	<b>75,172</b>	<b>18,717</b>	<b>22,862</b>	<b>17,844</b>



## CUSTOMER SERVICE REQUESTS

### Monthly - All Crews

CREW	MONTH	JOBS	AVERAGE RESPONSE TIME	AVERAGE TIME SPENT
<b>DAY 1ST RESPONDER</b>				
	July, 2016	106	26	41
	August, 2016	127	27	37
	September, 2016	92	28	43
	October, 2016	111	34	39
	November, 2016	119	34	39
	December, 2016	98	33	42
	January, 2017	121	31	41
	February, 2017	109	25	30
		<b>883</b>	<b>30</b>	<b>39</b>
<b>NIGHT 1ST RESPONDER</b>				
	July, 2016	14	21	49
	August, 2016	32	25	28
	September, 2016	10	25	16
	October, 2016	22	30	32
	November, 2016	13	30	29
	December, 2016	11	17	16
	January, 2017	26	18	18
	February, 2017	24	26	36
		<b>152</b>	<b>24</b>	<b>28</b>
<b>ON-CALL CREW *</b>				
	July, 2016	35	48	37
	August, 2016	34	43	33
	September, 2016	22	48	54
	October, 2016	43	41	34
	November, 2016	49	51	40
	December, 2016	60	50	33
	January, 2017	44	61	70
	February, 2017	42	43	41
		<b>329</b>	<b>48</b>	<b>42</b>
<b>Grand Totals:</b>		<b>1,364</b>	<b>34</b>	<b>38</b>

\* On-Call Crew Hours: 8:00pm-7:30am Monday-Friday, Weekends, and Holidays

**CAPITAL IMPROVEMENT PROGRAM****STATUS REPORT SUMMARY****April 12, 2017**

PROJECT	LOCATION OF PROJECT	CONTRACTOR	AWARD DATE	NOTICE TO PROCEED	ESTIMATED COMPLETION DATE	*CONTRACT AMOUNT	*COMPLETION STATUS (WORK)	COMMENTS
FRENO DRIVE PSR	Asheville 28803	Terry Brothers Construction Company	2/15/2017	5/1/2017	9/28/2017	\$511,623.00	0%	Work is scheduled to begin on May 1st.
LINING CONTRACT NO. 8	Various	IPR Southeast, LLC	1/18/2017	2/20/2017	7/20/2017	\$777,622.50	20%	Subcontractor is replacing manholes and doing point repairs prior to lining.
NARBETH ROAD	Asheville 28806	Terry Brothers Construction Company	3/8/2017	3/22/2017	5/21/2017	\$106,235.20	99%	Mainline is complete and crew is working on services.
POINT REPAIR CONTRACT NO. 1	Various	Patton Construction Group	8/17/2016	9/12/2016	6/30/2017	\$169,720.00	70%	Project is progressing well.
PLANT HEADWORKS IMPROVEMENTS	Woodfin 28804	Judy Construction Company	1/18/2017	4/3/2017	10/25/2018	\$8,377,000.10	0%	Mobilization in progress.
SAND HILL ROAD @ RUSSELL / DAVENPORT	West Asheville 28806	Terry Brothers Construction Company	12/21/2016	12/29/2016	4/28/2017	\$455,954.00	99%	Mainline is complete and crew is working on final clean up.
SOUTH FRENCH BROAD INTERCEPTOR - LINING	Biltmore Estate 28803	SAK Construction, LLC	11/16/2016	1/3/2017	4/3/2017	\$585,177.70	100%	Lining is complete. Samples have been sent to the testing lab.
SOUTH FRENCH BROAD INTERCEPTOR - LINING PHASE II	Biltmore Estate 28803	SAK Construction, LLC	1/10/2017	1/23/2017	4/1/2017	\$494,152.50	100%	Lining is complete. Samples have been sent to the testing lab.
STRATFORD ROAD @ OXFORD COURT	Asheville 28804	Patton Construction Group	11/16/2016	1/3/2017	5/1/2017	\$216,700.00	95%	Mainline is complete; working on site restoration.
SWEETEN CREEK ROAD @ BUSBEE VIEW	Asheville 28803	Terry Brothers Construction Company	2/15/2017	4/10/2017	7/9/2017	\$192,315.00	0%	Contractor scheduled to begin this week.

\*Updated to reflect approved Change Orders and Time Extensions

<p style="text-align: center;"><b>Planning &amp; Development Project Status Report</b></p> <p style="text-align: center;">Active Construction Projects Sorted by Work Location and Project Number</p> <p style="text-align: center;">April 5, 2017</p>								
#	Project Name	Project Number	Work Location	Zip Code	Units	LF	Pre-Construction Conference Date	Comments
1	Isaac Dickson School Relocation	2013033	Asheville	28801	School	504	1/13/2014	Final Inspection complete, awaiting close-out docs
2	Hunt Hill Apartments	2013111	Asheville	28801	180	1,729	3/5/2014	Final Inspection complete, awaiting close-out docs
3	Dillingham Woods	2014048	Asheville	28805	27	375	3/4/2015	Waiting on final inspection - Project delayed
4	Franklin School of Innovation	2014096	Asheville	28806	School	359	11/4/2016	Final Inspection complete, awaiting close-out docs
5	Rivermill Lofts Relocation	2014125	Asheville	28803	254	314	8/21/2015	Waiting on final inspection
6	Shelburne Road	2014126	Asheville	28806	9	418	4/5/2016	Final Inspection complete, awaiting close-out docs
7	Gibson Road (aka Four Seasons)	2014138	Asheville	28804	3	137	9/11/2015	Awaiting Conveyance of Sewer System
8	Conestee	2014149	Asheville	28801	7	113	8/7/2015	Waiting on final inspection
9	Craggy Park Ph. 1	2014164	Asheville	28806	45	1,935	10/23/2015	Final Inspection complete, awaiting close-out docs
10	First Baptist Relocation	2015032	Asheville	28801	Comm.	333	7/21/2015	Final Inspection complete, awaiting close-out docs
11	Hall Avenue	2015035	Asheville	28806	8	329	3/4/2016	Waiting on final inspection
12	Ascot Point Apartments Phase 3	2015114	Asheville	28803	104	213	9/9/2016	Testing
13	8 Sulphur Springs Road	2015116	Asheville	28806	6	80	11/22/2016	Waiting on final inspection
14	The District	2015133	Asheville	28803	309	912	2/26/2016	Testing
15	Hampton Inn & Suites	2015144	Asheville	28806	Comm.	286	11/8/2016	Waiting on final inspection
16	Beale Road Subdivision (Habitat)	2015200	Asheville	28704	21	730	4/5/2016	Final Inspection complete, awaiting close-out docs
17	Fairfield Inn & Suites - Tunnel Road	2015203	Asheville	28805	Comm.	350	4/29/2016	Waiting on final inspection
18	Atkins Street	2016009	Asheville	28803	45	903	1/20/2017	Installing
19	88 Southside Avenue	2016015	Asheville	28801	18	400	2/21/2017	Pre-con held, construction not yet started
20	Woodbridge Park	2016082	Asheville	28803	20	615	2/17/2017	Waiting on final inspection
21	Richland Street	2016141	Asheville	28801	5	540	1/13/2017	Waiting on final inspection
22	880-888 Patton Avenue	2016182	Asheville	28806	4	85	1/31/2017	Final Inspection complete, awaiting close-out docs
23	Bear Creek Homes	2016220	Asheville	28806	30	1,400	3/28/2017	Pre-con held, construction not yet started
24	Shiloh Cottages	2016252	Asheville	28803	7	180	3/3/2017	Pre-con held, construction not yet started
25	Upstream Way (aka Amboy) Ph. 2	2016254	Asheville	28806	11	402	10/20/2015	Waiting on final inspection
26	West Keesler Avenue	2007176	Black Mountain	28711	6	410	11/15/2016	Testing
27	Settings at Black Mountain	2008016	Black Mountain	28711	30	907	11/13/2015	Final Inspection complete, awaiting close-out docs
28	Tudor Croft (aka Roberts Farm) Ph.2	2016170	Black Mountain	28711	46	1,320	1/3/2017	Installing
29	Peregrine's Ridge	2006160	Buncombe Co.	28730	14	635	11/8/2016	Waiting on final inspection
30	Pinnacle at Arabella Heights	2006277	Buncombe Co.	28704	28	482	11/10/2015	Testing
31	Hyde Park Phase 2	2013058	Buncombe Co.	28704	14	500	12/3/2013	Waiting on final inspection
32	Creekside Cottages	2014095	Buncombe Co.	28704	7	504	3/12/2015	Final Inspection complete, awaiting close-out docs
33	Governor's Western Residence	2014100	Buncombe Co.	28804	Comm.	636	7/22/2015	Awaiting Easement Plat/Conveyance of Sewer System
34	Glenn Bridge Road	2014157	Buncombe Co.	28704	30	1,400	1/20/2017	Installing
35	Somerset at Walnut Cove	2015079	Buncombe Co.	28704	12	473	8/19/2016	Final Inspection complete, awaiting close-out docs
36	Greymont Apartments	2015108	Buncombe Co.	28806	312	3,193	5/17/2016	Testing
37	Liberty Oaks Ph. 1A	2015157	Buncombe Co.	28715	125	705	1/17/2017	Installing
38	Bee Tree Village	2015158	Buncombe Co.	28778	26	1,118	3/17/2017	Pre-con held, construction not yet started
39	Williams-Baldwin Teacher Campus	2015166	Buncombe Co.	28806	24	313	9/16/2016	Waiting on final inspection
40	Ball Gap Road	2015186	Buncombe Co.	28704	14	947	5/31/2016	Waiting on final inspection
41	The Haven at Enka Lake	2015191	Buncombe Co.	28715	259	1,595	9/27/2016	Waiting on testing
42	Greenwood Fields Phase 1	2015204	Buncombe Co.	28804	158	2,830	6/16/2016	Testing
43	Skyland Exchange	2015217	Buncombe Co.	28704	292	1,090	2/7/2017	Pre-con held, construction not yet started
44	Newbridge Parkway Apartments	2016013	Buncombe Co.	28804	308	1,575	9/2/2016	Waiting on final inspection
45	Biltmore Lake Block I, Phase 2	2016042	Buncombe Co.	28803	26	1,297	8/5/2016	Final Inspection complete, awaiting close-out docs
46	Long Shoals Village Phase 2	2016109	Buncombe Co.	28704	Comm.	330	8/16/2016	Waiting on testing
47	Greenwood Park Phase 1	2014067	Weaverville	28787	7	283	9/1/2015	Final Inspection complete, awaiting close-out docs
48	Monticello Apartments	2015124	Weaverville	28787	168	1,484	6/14/2016	Paving
49	Creekside Village Phases III, IV, & V	2015167	Weaverville	28787	45	1,835	1/17/2017	Installing
50	New Homes at North Main (Crittter)	2016052	Weaverville	28787	54	1,808	2/10/2017	Testing
51	Crest Mountain Phase 3B	2013041	Woodfin	28806	69	1,329	10/15/2013	Punchlist pending, awaiting closeout documents
52	Reese & Jan Lasher (High Hopes)	2015152	Woodfin	28806	14	320	4/26/2016	Punchlist pending, awaiting closeout documents
53	Ventana Phase 2A	2016059	Woodfin	28806	8	900	2/17/2017	Testing
<b>TOTAL</b>					3,209	43,861		