

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
December 19, 2018

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 pm Wednesday, December 19, 2018. Chairman VeHaun presided with the following members present: Ashley, Bryson, Holland, Kelly, Manheimer, Pelly, Root, Watts, and Wisler. Pressley and Whitesides were absent.

Others present were: Thomas E. Hartye, PE, General Manager; William Clarke, General Counsel; Forrest Westall with McGill Associates; Matthew Socha with Cherry Bekaert, LLP; Joseph Martin with Woodfin Sanitary Water and Sewer District; Earl Valois with the Town of Weaverville; Ed Bradford, Scott Powell, Angel Banks, Julie Willingham, Mike Stamey, Jim Hemphill, Ken Stines, Hunter Carson, Peter Weed, Matthew Walter 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 November 21, 2018 Board Meeting:

Mr. VeHaun asked if there were any changes to the Minutes of the November 21, 2018 Board Meeting. Mr. Kelly 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 Matthew Socha with Cherry Bekaert, Earl Valois with the Town of Weaverville and Joe Martin with Woodfin Sanitary Water & Sewer District. Mr. Root reported that Mr. Valois has been very active in Weaverville since he moved here from New Orleans and will be replacing Mr. Root to represent Weaverville starting in January, 2019.

6. Report of General Manager:

Mr. Hartye called on Mr. Socha for a presentation on the Fiscal Year 2018 Audit of MSD financial statements. Mr. Socha stated that he will be reviewing audit results, required communications and some accounting standards that were adopted this year. He also stated he will be presenting some brief slides on financial highlights and trends over the last ten years that sum up the financial position and results of operations for the District. He stated that they especially wanted to thank Scott Powell, Cheryl Rice and their team for having everything prepared as they have earned themselves a "clean" audit. The audit was performed under Government Auditing Standards which are required for any governmental entity. Their opinion

Minutes

December 19, 2018

Page Two

on the financial statements is an unmodified or “clean” audit report. There were no compliance findings, no misstatements or material weaknesses in internal controls and no audit adjustments. As far as auditor communications, he stated that they do issue a letter at the conclusion of the audit that reviews some standard items that they need to communicate. The first is regarding new pronouncements that were adopted this year. There were two new pronouncements. The first is GASB statement No. 75 that relates to post-employment benefits between the time an employee retires and is eligible for health care benefits under Social Security. MSD has to record an obligation for an actuarial estimate of those obligations. The implementation of that statement resulted in about a \$1.3 million adjustment to the District’s financial statements. MSD has an actuary perform the calculation. The actuary looks at the census of the employees and projects what the liability and health care cost trends will be doing. That report is relied on to book the numbers, and it also added 2-3 more pages of disclosure financial statements as well. The only other new standard, which was adopted early by the District, is GASB 87, which eliminates the requirement to capitalize expense during the construction of new capital assets when you have outstanding debt. If you look back 10 years and averaged what your average capitalized interest expense was, that averaged about \$440,000.00. The effect is that interest expense will no longer be capitalized and amortized over the period of the asset. Significant estimates include pension and post retirement obligations and interest rate swap liability on financial statements. There were no difficulties or audit adjustments. At the conclusion of the audit, Mr. Hartye and Mr. Powell sign a Management Representation Letter which takes responsibility for the financial statements and information given to Cherry Bekaert throughout the course of the audit. There was no consultation with any 3rd parties. The one future standard to be pointed out is regarding leases which should have a minimal impact on the District because it owns most of its capital assets. It changes the accounting by bringing those lease obligations onto the balance sheet. This standard will take effect in 2021.

Mr. Socha presented graphs showing financial highlights. The first graph shows the trend in capital assets net of depreciation over the past 10 years. The District ended the year at just over \$433 million. That is nearly a \$95 million increase over the past 10 years. The second graph shows Long Term Bonds Obligations which the District has been paying down as it invests in Capital Assets. In this last year the District issued about \$26 million in new bonds. The third graph is the Net Position. This shows assets and deferred inflows over liabilities and deferred outflows. The total net position is up about \$15 million over the prior year. Both the down tic in the net investment and capital and the up tic in the unrestricted relate to the bond issuance because it is added as a subtraction to your net investment and capital assets and cash investments. The fourth graph shows Operating Results which include Operating Revenue, Expenses and Income. Operating revenues were flat this year compared to the prior year. Although sewer charges were up the main impact here had to do with facility and tap fees being down approximately \$1.6 million from the prior year. Operating expenses are in line with normal inflation increases. There were no questions.

Minutes

December 19, 2018

Page Three

Mr. Socha again expressed his appreciation to Tom Hartye, Scott Powell, Cheryl Rice and the rest of the financial team for their full cooperation and for how smoothly the audit went.

Mr. Hartye reported that attached is an email from Scott Krugman from Haw Creek expressing his appreciation for the knowledge, professionalism and kindness of Matthew Green and Toby Roberts.

Mr. Hartye reported that Mr. Sohns of Braeside Court called to let supervisors at MSD know how happy he was with the prompt service that Lloyd Anders and Nathan Poteete provided in repairing the manhole the other day. He appreciated the friendliness and professionalism.

Mr. Hartye reported that attached is an email from Hartwell Carson, the French Broad Riverkeeper, expressing his thanks to Ken Stines and the System Services Division for hunting down and fixing a leak on Sand Hill Road.

Mr. Hartye reported that he has included an article forwarded by Jim Holland regarding Aging Sewer Systems in North Carolina by NC Health News. Since 2000, MSD has spent approximately \$300 million on capital reinvestment, mostly replacing sewers. Since that time the SSO's have been reduced from 288 in 2000 to 25 in 2018. These are SSO counts at 2.4 per 100 miles. MSD has been very lucky with the Board in being very supportive in financing an aggressive Capital Improvement Program. As Mr. Socha shared, MSD spends about 67% of its budget on capital replacements, either through borrowed money for debt and pay as go money for CIP. Across the nation, most utilities are spending about 2/3 on operations and 1/3 on capital, MSD is spending 2/3 on capital and 1/3 on operations.

Mr. Hartye reported that the next regular Board Meeting will be held on January 16th at 2:00 pm. He stated that he would like to have a lunch for Mr. Root prior to this Board Meeting if he was available. Mr. Root stated that he would be here. The next Right of Way Committee meeting will be held on January 23, 2019 at 9 am. The Christmas lunch for Staff will be held here tomorrow at 11:30 am and all Board Members are invited to attend.

7. Report of Committees:

a. Right of Way Committee – November 28, 2018

Mr. Kelly reported that the Right of Way Committee met on November 28, 2018 and made recommendations to the Board, all of which are included in this Board package. There were no questions.

8. Consolidated Motion Agenda:

a. Consideration of Condemnation – Christian Creek Interceptor

Mr. Hartye reported that this parcel was improved with several condominiums along Sleepy Hollow Lane. The existing sewer lies just off the shoulder of Sleepy

Hollow Lane and runs parallel with I-40. The existing sewer will be replaced in the same trench where there are multiple large trees, therefore scrapping the buffer the owner has from I-40. MSD made provisions for replacement of 13 trees and the owner is still not in agreement. There has been no feedback regarding the compensation, owners have been very slow to respond and are unwilling to move forward at this point. Staff and Committee are seeking authority to obtain appraisal and proceed with condemnation, if necessary.

b. Consideration of Compensation Budget – 15 Dew Waite Road:

Mr. Hartye reported that Staff and Committee recommend approval of this Compensation Budget.

c. Consideration of Developer Constructed Sewer Systems: Cherokee Trail; Glenn Bridge; Tudor Croft Phase 2A; Westover Relocation:

Mr. Hartye reported that the Cherokee Trail project is located off Hickory Street in the Town of Black Mountain and consisted of extending approximately 80 linear feet of 8-inch public gravity sewer to serve the 4-lot single family residential development.

The Glenn Bridge Road Subdivision project included extending approximately 1,886 linear feet of 8-inch public gravity sewer to serve the 30-unit single family development.

Mr. Hartye reported that the Tudor Croft Phase 2A project is located off Byrd Road in the Town of Black Mountain and included extending approximately 914 linear feet of 8-inch public gravity sewer to serve the 22 units for this phase of the single family residential development.

Mr. Hartye reported that the 24 Westover Hills Sewer Line Relocation project included relocating approximately 104 linear feet of 8-inch public gravity sewer along with abandoning approximately 90 linear feet of public gravity sewer to create a buildable single family residential lot.

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

d. Consideration of Procurement of Mini Excavators:

Mr. Hartye reported that the District's policy is for the Equipment Review Committee (ERC) to annually evaluate the condition of existing fleet vehicles and equipment and to recommend replacements when they are beyond economical repair. At the March 15, 2018 ERC Meeting the members recommended the purchase of two (2) new Mini-Excavator replacements which were included in the FY 18-19 Budget. Pursuant to North Carolina Statutes, bids were emailed to six (6) vendors and advertised on the MSD web site. Four (4) bid packages were received and opened on November 29, 2018 as follows: Carolina Equipment, Fairview with a bid of \$51,596.00 (Yanmar Vi050-6A),

Kubota of Asheville with a bid of \$53,400.00(KX040-4R1A), Carolina Tractor, Asheville with a bid of \$65,619.39 (CAT 304E2) and \$70,439.21 (CAT 305E2), and James River Equipment was non-responsive to specifications. Carolina Equipment/Yanmar was the lowest responsive and responsible bidder to the MSD Specifications. The total cost of this contract will be \$103,192.00. Staff recommends that the bid from Carolina Equipment/Yanmar be awarded.

e. Cash Commitment/Investment Report Month ended October 2018:

Mr. Powell reported that Page 36 presents the makeup of the District's Investment Portfolio. There has not been a significant change in the makeup of the portfolio from the prior month. Page 37 is the MSD's Investment Manager's report for the month of October. The weighted average maturity of the investment portfolio is 161 days. The yield to maturity is 2.20%. Page 38 presents the District's analysis of Cash Receipts. Domestic User Fees are considered reasonable based on timing of cash receipts and historical trends. Industrial User Fees are considered reasonable taking into consideration a temporary increase in revenue from one industrial user. Facility and Tap fees are above budgeted expectations due to receiving \$640,000.00 from one developer. Page 39 presents the MSD analysis of Expenditures. O&M, Debt Service and Capital Project expenditures are considered reasonable based on historical trends and timing of cash expenditures. Page 40 presents the Variable Debt Service report. The 2008 A Series is performing at budgeted expectations. As of the end of November the issue has saved the District rate payers approximately \$5.7 million in debt service since April 2008. Mr. Watts commented that when Mr. Socha was discussing the audit, he referred to a decline in tap fees, but it seems like tap fees always exceed budgeted expectations. Mr. Powell commented that was correct. The main reason for that is the District conservatively budgets tap and facility fees taking into consideration its implication on future rate increases. He further stated that if the District budgeted a high number in one particular year and didn't meet that budgeted expectation, whereas we have consistently raised rates 2.5%, we could see that fluctuate more widely over a 10-year period. In addition, the money the District collects, especially now with the impact fee statute, goes back into the investment in infrastructure. That number does have implications on future rate increases but any monies in excess of that go right back into the system. Mr. Hartye further stated that both years fee revenues were over what was budgeted, this years' revenues were just less than the previous year. Mr. Powell stated it was approximately \$1.5 million less than the previous year. Mr. Powell stated that last year was the highest in impact fees the District has received since he has been here, in excess of \$6.6 million.

f. Comprehensive Annual Financial Reporting for Fiscal Year ended June 30, 2018:

Mr. Powell reported that the Audit was presented earlier by Mr. Socha. He further reported that this is a revised report. There were a few typographical errors that were corrected. Both pertain to the \$300,000.00 Budget Amendment impact on financial statements. Sewer charges were above budgeted expectations because of a 1.8% increase in consumption and a 1.7% growth in customer base.

Industrial Revenue trended above budgeted expectations due to temporary increased revenue from one industrial user. That user is paying a surcharge in relation to the BOD and TSS discharge to the District. The user has implemented a pretreatment system so what you will see in future years is numbers more in line with budget. Facility and Tap Fees are above budgeted expectations due to receiving \$1.9 Million from five developments at the end of the year as well as the conservative nature in which these funds are budgeted. Interest income was below budgeted expectations due to federal reserve impact on short term interest rates. The District typically achieves a 96% budget to actual ratio on O&M expenditures. This year the District achieved a 96% budget to actual ratio. The District's deferred utility cost was \$337,000.00 due to producing our own electricity with the hydro facility. Capital project expenditures are at approximately 80% of budget. CIP projects are continuing to receive favorable pricing. In addition, this year there was one project that has extended into next year and those items that were budgeted this year and not spent were re-budgeted for next fiscal year. This year the District did issue \$28 Million, not \$26 million as Mr. Socha stated. His \$26 million figure reflected the service that was paid in the fiscal year. Mr. Kelly asked if all the water coming down the river from the heavy rains made more electricity and saved money. Mr. Powell stated that there was some scheduled maintenance going on at the hydro facility so there will definitely be more deferred utility cost this fiscal year as compared to FY 18-19. Mr. Kelly asked with more water coming down the river is there more inflow and infiltration to treat than normal. Mr. Hartye stated yes and that the hydroelectric facility typically creates more electricity as well.

With no further discussion, Mr. VeHaun called for a motion to approve the Consolidated Motion Agenda. Mr. Watts moved. Ms. Wisler seconded the motion. Roll call vote was as follows: 10 ayes; 0 Nays.

9. Old Business:

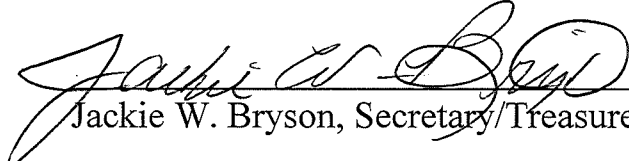
None

10. New Business:

None

11. Adjournment:

With no further business, Mr. VeHaun called for adjournment at 2:32 pm.


Jackie W. Bryson, Secretary/Treasurer

MSD

Regular Board Meeting

Metropolitan Sewerage District
of Buncombe County, NC

AGENDA FOR 12/19/18

✓	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 November 21, 2018 Board Meeting	VeHaun	2:10	
	03. Discussion and Adjustment of Agenda	VeHaun	2:15	
	04. Informal Discussion and Public Comment	VeHaun	2:20	
	05. Report of General Manager	Hartye	2:25	
	06. Report of Committees	VeHaun	2:35	
	a. Right of Way Committee – November 28, 2018	Kelly		
	07. Consolidated Motion Agenda	Hartye	2:40	
	a. Consideration of Condemnation – Christian Creek Interceptor	Hartye		
	b. Consideration of Compensation Budget – 15 Dew Waite Road SSR	Hartye		
	c. Consideration of Developer Constructed Sewer Systems: Cherokee Trail; Glenn Bridge; Tudor Croft Phase 2A; Westover Relocation	Hartye		
	d. Consideration of Procurement – Mini Excavators	Hartye		
	e. Cash Commitment Investment Report-Month ended October, 2018	Powell		
	f. Comprehensive Annual Financial Reporting for Fiscal Year ended June 30, 2018	Powell		
	09. Old Business:	VeHaun	3:00	
	10. New Business:	VeHaun	3:05	
	11. Adjournment: (Next Meeting 1/16/19)	VeHaun	3:10	
	STATUS REPORTS			

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
November 21, 2018

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 2:02 pm Wednesday, November 21, 2018. Chairman VeHaun presided with the following members present: Ashley, Bryson, Holland, Kelly, Manheimer, Pressley, Root, Watts, Whitesides and Wisler. Pelly was absent.

Others present were: Thomas E. Hartye, PE, General Manager; William Clarke, General Counsel; Forrest Westall with McGill Associates; Joseph Martin, with Woodfin Sanitary Water and Sewer District; Ed Bradford, Scott Powell, Jim Hemphill, Ken Stines, Hunter Carson, Peter Weed, Matthew Walter 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 October 17, 2018 Board Meeting:

Mr. VeHaun asked if there were any changes to the Minutes of the October 17, 2018 Board Meeting. Mr. Watts moved for approval of the minutes as presented. Mr. Whitesides 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 Joe Martin with Woodfin Sanitary Water & Sewer District. There was no public comment.

6. Report of General Manager:

Mr. Hartye reported that attached is an email from Heath Alexander, Social Studies Teacher at Enka High School expressing appreciation for the plant tour and the vital work that MSD performs in helping keep the river clean for recreation. Thanks to Roger Edwards and Dwayne Martin who conduct these tours.

Mr. Hartye thanked employees in general who donated \$18,831.00 to the United Way this year, to Jim Hemphill for heading up the campaign and Owen Herbert for handling the golf tournament.

Mr. Hartye reported that approximately a year ago MSD presented to the Board that MSD and the Town of Black Mountain received matching grants from

the Golden Leaf Foundation and the U.S. Department of Commerce EDA. These grants were awarded for water and sewer respectively for a total of \$1,655,160.00, for Avadim Technologies, Inc. at the Black Mountain Commerce Park. The Bid Opening for this work was held November 1, 2018 with the apparent low bidder being Cooper Construction with a bid of \$1,529,738.00, which is within the grant budget. The construction for water and sewer is slated to be complete in December 2019.

Mr. Hartye reported that the next regular Board Meeting will be held on December 19th at 2:00 pm. The next Right of Way Committee meeting will be held on November 28th at 9 am.

7. Consolidated Motion Agenda:

a. Consideration of Bids: Avery Creek Pump Station Improvements:

Mr. Hartye reported that the original pump station was installed in 1981 and has performed well over the years. Due to continued growth in this area, the station needs to be upsized to accommodate future demands. This project will double the current capacity of the station, up to 1.08 mgd. The contract was first advertised and two bids were received on Thursday, October 4, 2018. The project was therefore re-advertised and three bids were received on Friday, October 12, 2018 as follows: Frizzell Construction Company in the amount of \$657,700.00, McClam & Associates Inc. in the amount of \$558,000.00 and NHM Constructors, LLC in the amount of \$513,420.00. The apparent low bidder is NHM Constructors, LLC with a bid amount of \$513,420.00. NHM has completed numerous MSD projects and they are currently working on the Plant Headworks Project. Their work quality has been excellent to date. The FY 18-19 Construction Budget for this project is \$500,000.00. Sufficient funds are available within the CIP budget for the overage. Staff recommends award of this contract to NHM Constructors, LLC in the amount of \$513,420.00, subject to review and approval by District Counsel.

b. Consideration of Bids: Old West Chapel Road Sanitary Sewer Rehabilitation Project:

Mr. Hartye reported that this project is located in the Oakley area near I-40 and consists of replacing problematic clay and PVC lines that are in poor structural condition and have triggered many SSO's. This is the longest sewer rehabilitation project this year, consisting of over 5,000 LF. It is comprised of 1,786 LF of 8-inch and 12-inch HDPE installed by pipe bursting and 3,404 LF of 8-inch DIP installed by traditional Dig and Replace. The contract was advertised and four bids were received on November 1, 2018 as follows: McClam & Associates in the amount of \$1,266,881.25, Buckeye Bridge LLC in the amount of \$1,234,442.00, Thomas Construction Company in the amount of \$1,229,660.00 and Terry Brothers Construction Company in the amount of \$982,155.00. The apparent low bidder is Terry Brothers Construction Company with a bid amount of \$982,155.00. Terry Brothers has completed numerous MSD sewer projects

and their work quality has remained excellent to date. The FY18-19 Construction Budget for this project is \$1,400,000.00. Staff recommends award of this contract to Terry Brothers Construction Company in the amount of \$982,155.00, subject to review and approval by District Counsel.

c. Consideration of Developer Constructed Sewer Systems: Carolina Day School – Athletic Field Complex; Ingles Gas Express #44 – Oteen; Isaac Dickson Elementary:

Mr. Hartye reported that the Carolina Day School project consisted of extending approximately 1,635 linear feet of 8-inch public gravity sewer to serve the school's athletic complex and future development.

Mr. Hartye reported that the Ingles Gas Express #44 project is located off Tunnel Road in the City of Asheville and included extending approximately 131 linear feet of 8-inch public gravity sewer to serve the commercial development.

Mr. Hartye reported that the Isaac Dickson Elementary School project is located off Hill Street in the City of Asheville and included extending approximately 715 linear feet of 8-inch public gravity sewer and abandoning approximately 1,200 linear feet of public gravity sewer to serve the new school.

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

d. First Quarter Budget to Actual Review – FY 2019

Mr. Powell reported that Page 29 presents the District's Budget to Actual Revenue and Expenditure report for September 30, 2018. Domestic User Fees are at budgeted expectations. Industrial User Fees are better than budgeted expectations due to temporary increased revenue from one industrial user. Facility and Tap Fees are above budgeted expectations due to receiving approximately \$640,000.00 from one developer. Interest and miscellaneous income are above budgeted expectations due to short term interest rates being higher than what was anticipated for the fiscal year. O&M expenditures are at 32.2% of budget. They include encumbered amounts (approximately \$1 Million), which has elevated the budget to actual above 25%. Bond principal and interest expenditures are reflected at 25%. This will aid the user to properly assess debt service commitments on a budgetary perspective. Actual amount spent as of the end of the first quarter is 2.2%. This is due to the timing of the District's debt service payments. Amounts budgeted for capital equipment and capital projects are rarely expended proportionately throughout the year.

e. Cash Commitment/Investment Report Month ended September, 2018:

Mr. Powell reported that Page 31 presents the makeup of the District's Investment Portfolio. There has not been a significant change in the makeup of

the portfolio from the prior month. Page 32 is the MSD's Investment Manager's report for the month of September. The weighted average maturity of the investment portfolio is 132 days. The yield to maturity is 2.09%. Page 43 presents the District's Variable Debt Service report. The 2008 A Series is performing at budgeted expectations. As of the end of October the issue has saved the District customers approximately \$5.6 million in debt service since April, 2008.

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

9. Old Business:

None

10. New Business:

Mr. Watts stated that he really appreciated the fact that if you call MSD, someone answers the phone, can answer your question or can find who you are calling for if they are not in their office. After dealing with companies that chase you around through 800 numbers and ask a lot of questions, he stated that he really appreciated Tom and what MSD has with Angela out front.

11. Adjournment:

With no further business, Mr. VeHaun called for adjournment at 2:15 pm.

Jackie W. Bryson, Secretary/Treasurer



MEMORANDUM

TO: MSD Board
FROM: Thomas E. Hartye, P.E., General Manager
DATE: December 14, 2018
SUBJECT: Report from the General Manager

- MSD Fiscal Year 2018 Audit

Matthew Socha from Cherry Bekaert, LLP will give a presentation of the Fiscal Year 2018 Audit of MSD financial statements. The Comprehensive Annual Financial Report (CAFR) can be found on the MSD website at:

<http://www.msdbc.org/documents/financial/cafr/FY2018.pdf>

Scott Powell will walk through the (CAFR) under item 6(f).

- Kudos

- Attached is an email from Scott Krugman from Haw Creek expressing his appreciation for the knowledge, professionalism, and kindness of Matthew Green and Toby Roberts.
- Mr. Sohns of 104 Braeside Court called to let supervisors at MSD know how happy he was with the prompt service that Lloyd Anders and Nathan Poteete provided in repairing the manhole the other day. He appreciated the friendliness and professionalism.
- Attached is an email from Hartwell Carson, The French Broad Riverkeeper expressing his thanks to Ken Stines and the System Services Division for hunting down and fixing a leak on Sand Hill Road.

- Article on Aging Sewer Systems in North Carolina by NC Health News

Jim Holland forwarded this article that is primarily about Eden, NC but also about sewer systems across North Carolina. Most smaller systems do not have the financial ability to make the necessary reinvestment in their infrastructure, whereas MSD has been lucky in that regard. Since 2000, MSD has spent approximately \$300 million on capital reinvestment, mainly repairing and replacing sewers. Since that time the annual Sanitary Sewer Overflow (SSO) count has been reduced from 288 in 2000 to 25 in 2018 (2.4 per 100 miles).

- Board/Committee Meetings/Events

The next Regular Board Meeting will be held on January 16th at 2 pm. The next Right of Way Committee meeting will be held on January 23rd, 2019.

Subject: Fwd: Thank you.

Date: Friday, December 7, 2018 at 9:45:13 AM Eastern Standard Time

From: Coates, Tim

To: Hartye, Tom

I just thought you might want to see this.

Thanks

Tim

Sent from my U.S. Cellular® Smartphone

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

From: Teri <tsk4hands@aol.com>

Date: 12/7/18 9:35 AM (GMT-05:00)

To: "Coates, Tim" <TimC@msdbc.org>

Subject: Thank you.

Dear Tim Coates,

Yesterday while I was walking in my neighborhood in Haw Creek, I noticed two workers by our pump station at Albemarle. I stopped to ask a question about the station and was amazed by their knowledge and professionalism. But what really impressed and affected me was their care for their customers and their overall quality as kind and good folks. Any company that has people like Matthew Green and Toby Roberts representing them is fortunate. Thank you for your service and extraordinary representation. I am grateful for this experience.

Sincerely,

Scott Krugman

Tsk4hands@aol.com

(305)788-0333

Sent from my iPad

FW: Thanks

Stines, Ken

Sent: Wednesday, December 12, 2018 at 3:44 PM

To: Hartye, Tom

[E. coli levels in Sandhill Tributary all data.png \(12.3 KB\)](#) [Preview](#)

FYI

From: Hartwell Carson <hartwell@mountaintrue.org>

Sent: Wednesday, December 12, 2018 1:05 PM

To: Stines, Ken <KenS@msdbc.org>

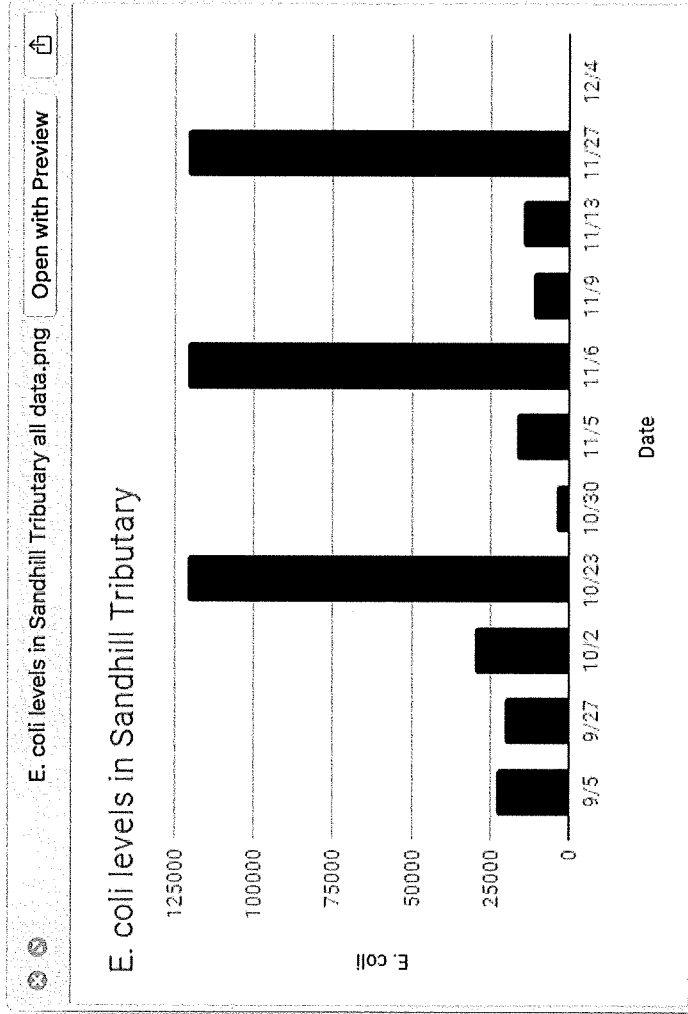
Subject: Thanks

Thanks for the help on the sewer leak on Sandhill Rd. Thought you might want to see this chart of our data and the big improvement after the patch you all put on the leak.

Hartwell Carson
French Broad Riverkeeper
Mountain True
29 N. Market Street
Suite 610
Asheville, NC
office: [828-258-8737](tel:828-258-8737), ext 211
Report Pollution- [828-817-5258](tel:828-817-5258)
Join [MountainTrue!](#)

Like us on [Facebook](#)

Like the [French Broad River Paddle Trail](#)



Aging Sewer Systems Spell Trouble Across North Carolina - North Carolina Health News

NC northcarolinahealthnews.org/2018/11/27/aging-sewer-systems-spell-trouble-across-north-carolina/

Greg Barnes

November 27, 2018



If you have questions about your preventive benefits...

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CONSUMER ASSISTANCE

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By Greg Barnes

On its surface, Eden is much like any other small city in North Carolina, friendly, laid back and reeling from the loss of textile and manufacturing industries.

It's below the surface where the real problems lurk.

A labyrinth of sewer lines stretching about 180 miles is so old, deteriorated and poorly designed that the U.S. Environmental Protection Agency in 2012 slapped Eden with an administrative consent order to fix its entire sewer system. That will cost the cash-strapped city, near the Virginia border in western North Carolina, more than \$33 million.

Eden is now the only city, county or town in North Carolina under an EPA order to stop all sanitary sewer overflows – a wastewater treatment system's unintended release of untreated sewage, commonly the result of broken pipes, poor design, extremely heavy rains or blockage caused by grease or debris.

But this city of about 15,000 people is far from alone. Sewer systems throughout the state are crumbling, largely because of age, deferred maintenance and a lack of money to make repairs or lay new sewer lines.

"We don't invest in storm systems the way we invest in certain other things," such as bridges and roads, said Larry Cahoon, a biology professor at the University of North Carolina-Wilmington. "Some of that is just what the public is willing to pay for. Sewer systems tend to be invisible. You flush the toilet and you never see it again ... It's not going to get fixed until it's a disaster."

The state Department of Environmental Quality estimates that it will cost as much as \$11 billion to fix sewer systems statewide over the next 20 years.

Under the state's open records laws, N.C. Health News asked the state Department of Environmental Quality for all reported sanitary sewer overflows from Jan. 1, 2012 through Oct. 17 of this year. State law requires overflows of more than 1,000 gallons to be reported within 24 hours. Overflows that reach rivers, streams or other surface waters must also be reported within 24 hours, regardless of volume.

An analysis of the DEQ's records found that 8,510 sanitary sewer overflows were reported during that nearly seven-year span, spilling 432 million gallons of untreated sewage. Of that, the records show, 332 million gallons reached surface waters.

To put those numbers into perspective, 400 million gallons of sewage would fill 200 1-acre ponds to a depth of about 6 feet.

Of the 324 permitted WQCS facilities listed on the DEQ master list and map, 285 had some sort of overflow listed in the Sanitary Sewer Overflow data document. These are shown with a dot on our map, where you can click to see information about the water system and number of overflows.



A cover for a municipal sewer access point. Municipal sewer systems transport human waste from homes and businesses, and treat it in centralized wastewater plants. But most folks don't think about where it all goes after they flush. Photo courtesy Wikimedia Commons

1.7 billion gallons of sewage released

The DEQ's records show that 18 of the state's sewer systems had more than 100 overflows, including Eden with 173.

Charlotte had the most with 999, but the city's total release of 26 million gallons of sewage into surface waters was substantially less than some systems serving far fewer people. Johnston County had 45 overflows resulting in 57 million gallons of sewage reaching surface waters, the records show, while Kinston had 18 overflows with 46 million gallons reaching surface waters.

The state also requires municipalities to track wastewater treatment system bypasses. Sewer systems routinely become overwhelmed by extremely heavy rains, causing them to divert – or bypass – raw sewage from treatment until the plants can catch up.

The state provided figures for sewer system bypasses from Jan. 1, 2012 through Oct. 17 of this year. They show that 902 bypasses resulted in 1.7 billion gallons of untreated sewage being released during that time frame, with just over a billion gallons reaching surface waters.



A view of Little Sugar Creek, which runs through the urban heart of Charlotte to South Carolina. Sewer overflows have repeatedly caused raw sewage to spill into Little Sugar Creek and other streams in Charlotte. Photo Credit: Yen Duong

Hurricane Florence in September of this year, followed by Tropical Storm Michael a month later, account for some of the sewage discharges caused by bypasses. Figures from DEQ show that 79 bypasses happened between Sept. 14 and Oct. 16, a time period that includes the two storms. Those bypasses resulted in the release of nearly 50 million gallons of untreated sewage. The figure is lower than what actually was released because many municipalities couldn't determine the amount that spilled.

There's an old saying in the sewer industry: "dilution is the solution to pollution." The 30 inches of rain that fell during Hurricane Florence minimized health or environmental damage from the release of raw sewage, but experts in the field say any discharges are never good. Overflows potentially degrade water quality and threaten human health and wildlife.

'Not rocket science'

During and after Hurricane Florence, more than a half million people, most in southeastern North Carolina, were advised to boil their water because of contamination, much of it coming from sewage overflows or bypasses.

Cahoon, the UNC-Wilmington biology professor, said he wasn't surprised by the amount of raw sewage that escaped during the storms. Much of it is unavoidable, he said.

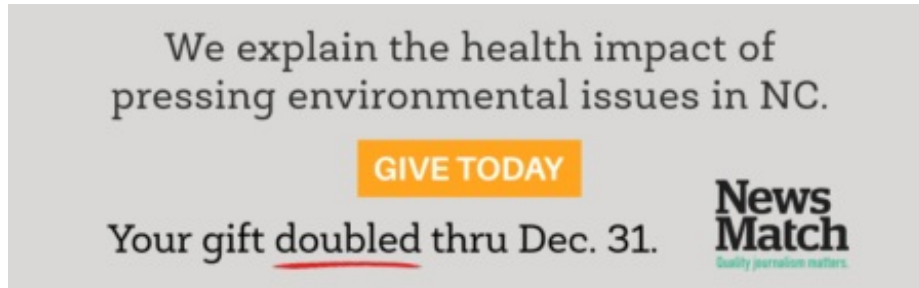
Explore further: *Scroll to the bottom of the story to see data documents on sanitary sewer overflows that NC Health News received from the Department of Environmental Quality.* "A storm like this is a tremendous challenge," Cahoon said. "Stuff is going to happen."

But Cahoon and other researchers say sanitary sewer overflows caused by disrepair or poor maintenance can and must be prevented by providing enough money so municipalities can fix the problems.

To do that wouldn't be cheap, or sexy, to a politician. Residents probably wouldn't support a tax increase to pay for it, largely because the problems aren't visible.

"Nobody's going to go for that, ever," said Rachel Noble, a UNC-Chapel Hill professor at the Institute of Marine Sciences in Morehead City.

Yet the consequences of doing little to nothing could be much more severe.



"It's only going to get worse if we do nothing," said Joel Decoste, a professor in the civil, construction and environmental engineering department at N.C. State University. "This is clearly not rocket science. We have simply got to invest in our infrastructure, otherwise we will be paying the price."

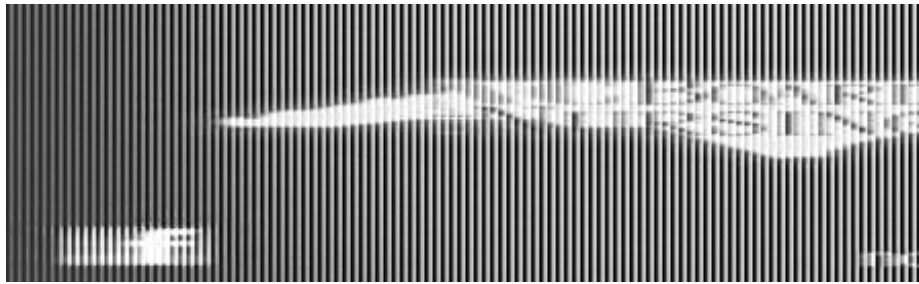
Eden is just one example of a vast number of aging and leaking sewer systems that can be found throughout the state. Eden's sewer pipes, some more than 80 years old, are constructed largely of terracotta, cast iron or something called Orangeburg, layers of wood pulp and pitch pressed together. Orangeburg was first used in the late 1800s.

Industry exodus

In its heyday, Eden was a vibrant small city nestled along the banks of the Dan River. Then came the loss of the city's lifeblood, its textile industry.

Mike Daugherty, Eden's economic development director, can tick off from memory the names and dates of textile industries that have left the city. Pluma Inc. in the late 1990s; Spray Cotton Mills in 2001; Fieldcrest Mills in 2003; Parkdale Mills in 2007; HanesBrands Inc. in 2008.

All of those industries used a lot of water, enough to help make the city's water and sewer systems self-sustaining and keep rates low for residents.



But their leaving paled compared with the loss of MillerCoors in December 2016. The brewery, which started as the Miller Brewing Co. in 1978, once employed about 1,500 workers. When it closed, employment had dropped to 520, still a sizeable workforce for any small city.

It wasn't just the high-paying jobs that MillerCoors provided. The company also used a tremendous amount of city water to brew its beer, and the city processed its wastewater. City officials estimate that MillerCoors generated \$1 million in annual water and sewer revenues for Eden.

The city's sewer woes, however, existed long before MillerCoors left.

In 2007, documents show, the state's then-Department of Environment and Natural Resources issued a consent order to get the city to fix its sewer system.

Related stories: [Florence Adds to Woes of Struggling Water and Sewer Systems](#)
[Public Health a Low Priority for Water and Sewer Extensions, Study Finds](#)

The order cited "frequent and repetitive" sanitary sewer overflows. The order indicates that the city had been making repairs to its sewer system at least since 2004.

In 2009, the state lifted the order, saying Eden had met all of its "requirements and deadlines."

The EPA didn't see it the same way. Two years after the state's order was lifted, the EPA placed the city under its own consent order, the one that will cost \$33 million to make the necessary sewer upgrades by 2022.

About half of the money will come from a grant and the other half from a no-interest loan, both made possible through the \$2 billion [Connect NC Bond](#) that voters overwhelmingly approved in 2016. More than half of the bond money was earmarked to improving the state's college system. Only 15 percent – about \$309 million – went to water and sewer projects.

Partly as a way to repay the loan, Eden, with a population of around 15,000, has raised water and sewer rates 82 percent for residents living inside the city limits and 108 percent for customers outside of it, said Terry Shelton, Eden's public utilities director.



Terry Shelton, the director of environmental services for Eden, explains the treatment process at Eden's drinking-water plant. Photo: Gabe Rivin

'Ridiculous' water rates

Robert Artis, 73, has lived in Eden his entire life. He said he made a decent living and can afford to pay his utility bills. But he wonders how others get by in a city where 31 percent of residents live below the poverty line.

"I really don't see how minimum wage people make it," Artis said.

City officials said they know the increases in utility costs have caused a lot of frustration and anxiety. Residents have told them as much.

"Water bills are ridiculous," Lynn Hill said as she prepared to go grocery shopping at the Save-A-Lot.

Eden officials say they don't know why the city was singled out by the EPA when so many other communities have the same sewer problems.

A document from WK Dickson, the engineering consultants working with the city, says the EPA's Region 4, which consists of North Carolina and six other Southeastern states, was preparing to issue consent orders for most sewer systems serving populations of greater than 100,000 by 2016. Afterward, the document says, all systems serving between 50,000 and 100,000 people would fall under a consent order, and so on.

That never happened.

Davina Marraccini, a spokeswoman for EPA's Region 4, said Eden became a part of an EPA national enforcement initiative to reduce sanitary sewer overflows.

"These were prioritized because overflows of raw sewage and contaminated stormwater can pose risks to both human health and the environment," Marraccini said.



The EPA's initiative became effective in 2011 and expired two years later, documents show.

Of the thousands of sewer systems in the Southeast, Marraccini said only Eden and six other cities are currently under an EPA consent order. Like some other cities, Wilmington's Cape Fear Public Utilities Authority had been under one, but it was lifted this year after the city made significant sewer system upgrades.

Those upgrades came after the EPA in 2013 filed a consent order and levied \$300,000 in civil penalties against Wilmington, New Hanover County and the Cape Fear Public Utility Authority, which took over the area's water and sewer systems in 2008 because of the problems and quickly began making improvements.

"Through this agreement, the Authority, the City of Wilmington and New Hanover County are taking positive steps in correcting long-standing sewage overflow problems," EPA acting Regional Administrator Stan Meiburg said at the time. "Ultimately, this will benefit the local community and improve water quality in the Cape Fear River watershed."

Like Eden, the state had issued its own consent order to make sewer repairs in New Hanover County and then lifted it before the EPA stepped in. A federal judge terminated the EPA's order in June of this year after finding that the authority had complied with all of its conditions.

Before the EPA issued its consent order, the Cape Fear Public Utilities Authority had spent \$27.1 million in sewer improvements, said Beth Eckert, CFPUA's environmental and safety management director. The order resulted in another \$85 million worth of work on the aging sewer system, Eckert said.

Although Wilmington managed to get some grants and low-interest loans, most of the costs fell on the utility's customers in the form of much higher water and sewer rates, she said.



A view of the washout on Middle Sound Loop Road in Wilmington on Sept. 20, 2018 with pipes exposed. The challenges facing water system managers after storms come from both overflows and damage to infrastructure. Photo courtesy: NC Department of Transportation

The EPA consent order proved to be a painful experience, Eckert said, but its objective worked. From the 2013 through 2017 fiscal years, the number of the utility's sanitary sewer overflows fell 56 percent, and its volume of raw sewage released dropped by 94 percent.

Despite the improvements, Eckert acknowledged that Hurricane Florence caused the utility a high number of sewer overflows, largely in areas that hadn't experienced them before.

Smaller cities struggle most

Although sanitary sewer overflows are common in large cities, it's the small, rural municipalities that are really struggling, said Kim Colson, the director of the DEQ's Division of Water Infrastructure.

Most major cities have the means and the money to make repairs on their sewer systems, while many rural cities have to use general funds to bail out water and sewer services that are supposed to be self-sustaining. Some rural towns are so small, Colson said, that they cannot even afford to hire a utilities director.

As a consequence, he said, many have deferred maintenance, struggling just to mend broken pipes on sewer systems that were built in the 20s and 30s. Some were designed mainly to keep sewage from backing up into towns. Some released untreated sewer into creeks and rivers.

A lot of rural systems are "not meeting today's performance standards," Colson said. "It's decades and decades and decades of infrastructure put in prior to those expectations."

The state hopes to accelerate efforts to combine sewer services in small, nearby towns with

the belief that a larger customer base will provide more money for improvements.

Big cities have their share of problems, too. This month in Raleigh, heavy rains caused 7 million gallons of sewage to spill into streams or their tributaries, according to the Raleigh News & Observer. The city's Public Utilities Department had requested a 3 percent increase in water and sewer rates to repair more sewer lines, but the City Council granted only a 1.6 percent increase.

Up to \$26 billion needed for water and sewer repairs

North Carolina isn't alone in its problems with aging sewer systems. Last year, a report card by the American Society of Civil Engineers gave the nation a "D+" on wastewater infrastructure, saying demand on sewer systems will grow by 23 percent by 2032 as private septic systems continue to be phased out.

The society gave North Carolina a "C" on its last report card for the state in 2013. Though better than some states, the grade is not as good as for others.



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"Many utilities are not covering their operating expenses, making it extraordinarily difficult to rehabilitate aging infrastructure, save for operating emergencies, finance system improvements and expansion," according to the report for North Carolina.

The state has begun to recognize the problem. In 2013, the General Assembly approved a statute to create the State Water Infrastructure Authority, which is now under DEQ.

The nine-member authority was established to assess the state's water and sewer infrastructure needs, the role of the state in funding those needs, and the funding programs available to local governments and utilities.

The authority was also responsible for developing a state water infrastructure plan, a task that resulted in 2017 in "North Carolina's Statewide Water and Wastewater Infrastructure Master Plan: The Road to Viability." The master plan has received accolades from EPA and other states.

Among its findings: Capital cost estimates for statewide water system needs over the next 20 years conservatively range from \$10 billion to \$15 billion; for sewer system needs, \$7 billion to \$11 billion.

“Infrastructure investments that have been deferred year after year result in an infrastructure gap or deficit,” according to the master plan. “The owners of utilities and other water professionals must be prepared to invest in their economic future by taking the steps needed to address infrastructure challenges and keep North Carolina ahead of other states in economic development.”

But the authority also acknowledges that grants can meet only 7 percent of the state’s drinking water infrastructure needs and 8 percent of its sewer infrastructure needs.

“The remaining needs – 92% for wastewater and 93% for drinking water – must be funded by the utility providers,” the master plan says. “If not funded, these add to the backlog of infrastructure investments that continue to be deferred.”

Colson acknowledged that it will be left largely up to residents of each city and town to pay for water and sewer system improvements in the form of higher utility bills. Many municipalities have been reluctant to do that, he said.

Others, such as Eden and Wilmington, were left with no choice.

State data on sanitary sewer overflows taking place in North Carolina between 2012 and late 2018. State law requires overflows of more than 1,000 gallons to be reported within 24 hours. Overflows that reach rivers, streams or other surface waters must also be reported within 24 hours, regardless of volume.

**RIGHT OF WAY
COMMITTEE RECOMMENDATIONS
AND MINUTES
November 28, 2018**

I. Call To Order

The regular monthly meeting of the Right of Way Committee was held in the Boardroom of the William H. Mull Building and called to order at 9:00 a.m. on Wednesday, November 28, 2018. The following Right of Way Committee members were present: Glenn Kelly, Matt Ashley, Jackie Bryson, Esther Manheimer and Chris Pelly.

Others present were: William Clarke, MSD Counsel; Jerry VeHaun, Board Chairman; Bob Watts, Board Member; Tom Hartye, PE, General Manager; Angel Banks, Ed Bradford, Mike Stamey, Hunter Carson, Matthew Ray, Wesley Banner and Pam Nolan, MSD.

II. Inquiry as to Conflict of Interest

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

III. Consideration of Condemnation – Christian Creek Interceptor, Project No. 2011110

**Property Owner: Brookhaven Village Homeowner’s Association
Pin Number 9678-66-5911**

Subject parcel is improved with several condominiums located along Sleepy Hollow Lane in Swannanoa. The existing sewer line lies just off the shoulder of Sleepy Hollow Lane and runs parallel with the right of way of Interstate 40. The existing sewer will be replaced in the same trench where there are multiple large trees. Owners were not in agreement with the proposed alignment citing tree/buffer loss and requested shifting the entire sewer line into Sleepy Hollow Lane.

MSD’s Project Engineer researched this request and determined the additional construction costs to approach \$100,000 making this request cost prohibitive. The increase is due to high asphalt costs and need for select backfill. MSD made provisions for replacement of 13 trees, however the owner was still not in agreement.

A subsequent meeting was held with the project engineer present, and an alternate alignment was offered shifting the proposed sewer closer to the shoulder of the road resulting in less tree loss. There has not been any feedback concerning the compensation being offered (\$10,571). Owners have been very slow to respond and are unwilling to move forward at this point.

Total Contacts: 15

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

Ms. Banks presented a map and reviewed the location and situation regarding this parcel. She stated that the NCDOT has come through recently and done significant clearing of trees further opening up the area to increased noise and reduced privacy. Now that the I-40 buffer is reduced, further tree loss from our work is becoming more of an issue. Their Board is looking at the alternate alignment proposed which will reduce tree loss from 13 to 9. Mr. Kelly asked if you could look at MSD's GIS and see the house and surrounding areas. Mr. Bradford stated yes. Mr. Ashley asked why pipe bursting could not be used. Mr. Carson stated that he had watched video and there is some sagging in the line. Pipe bursting follows the same alignment as the existing line so you would still have sagging. Mr. Bradford further stated that this line goes from a 6" to a 12" line so it is being upsized as well. There was some further discussion regarding the prohibitive costs of shifting the line into Sleepy Hollow Lane. Mr. Banner further stated that this proposed alignment saves a lot of the larger trees. Ms. Banks stated that if the clearing for I-40 had not happened, she felt they would not have had a problem with the original alignment. There was no further discussion. Mr. Kelly made the motion to accept Staff's recommendation. Mr. Pelly seconded the motion. Voice vote was unanimous.

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

IV. Consideration of Compensation Budget –15 Dew Waite Road SSR, Project No. 2016191

The attached Compensation Budget is based on current ad valorem tax values and follows the MSD approved formula.

STAFF RECOMMENDATION: Approval of Compensation Budget.

Ms. Banks explained that this project consists of replacing 505 linear feet of 6" PVC with 8" DIP. The existing line is in poor condition and has required numerous service calls. There was no discussion. Mr. Kelly made the motion to accept Staff's recommendation. Mr. Pelly seconded the motion. Voice vote was unanimous.

COMMITTEE RECOMMENDATION: Approval of Compensation Budget.

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

Metropolitan Sewerage District of Buncombe County

Board Action Item - Right-of-Way Committee

COMMITTEE MEETING DATE: 11/28/2018 BOARD MEETING DATE: 12/19/2018

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

**SUBJECT: Consideration of Condemnation–
Christian Creek Interceptor, Project No. 2011110**

**Property Owner: Brookhaven Village Homeowner’s Association
Pin Number 9678-66-5911**

Subject parcel is improved with several condominiums located along Sleepy Hollow Lane in Swannanoa. The existing sewer line lies just off the shoulder of Sleepy Hollow Lane and runs parallel with the right of way of Interstate 40. The existing sewer will be replaced in the same trench where there are multiple large trees. Owners were not in agreement with the proposed alignment citing tree/buffer loss and requested shifting the entire sewer line into Sleepy Hollow Lane.

MSD’s Project Engineer researched this request and determined the additional construction costs to approach \$100,000 making this request cost prohibitive. The increase is due to high asphalt costs and need for select backfill. MSD made provisions for replacement of 13 trees, however the owner was still not in agreement.

A subsequent meeting was held with the project engineer present, and an alternate alignment was offered shifting the proposed sewer closer to the shoulder of the road resulting in less tree loss. There has not been any feedback concerning the compensation being offered (\$10,571). Owners have been very slow to respond and are unwilling to move forward at this point.

Total Contacts: 15

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

Ms. Banks presented a map and reviewed the location and situation regarding this parcel. She stated that the NCDOT has come through recently and done significant clearing of trees further opening up the area to increased noise and reduced privacy. Now that the I-40 buffer is reduced, further tree loss from our work is becoming more of an issue. Their Board is looking at the alternate alignment proposed which will reduce tree loss from 13 to 9. Mr. Kelly asked if you could look at MSD’s GIS and see the house and surrounding areas. Mr. Bradford stated yes. Mr. Ashley asked why pipe bursting could not be used. Mr. Carson stated that he had watched video

and there is some sagging in the line. Pipe bursting follows the same alignment as the existing line so you would still have sagging. Mr. Bradford further stated that this line goes from a 6" to a 12" line so it is being upsized as well. There was some further discussion regarding the prohibitive costs of shifting the line into Sleepy Hollow Lane. Mr. Banner further stated that this proposed alignment saves a lot of the larger trees. Ms. Banks stated that if the clearing for I-40 had not happened, she felt they would not have had a problem with the original alignment. There was no further discussion. Mr. Kelly made the motion to accept Staff's recommendation. Mr. Pelly seconded the motion. Voice vote was unanimous.

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

Metropolitan Sewerage District of Buncombe County
Board Action Item - Right-of-Way Committee

COMMITTEE MEETING DATE: 11/28/2018 BOARD MEETING DATE: 12/19/2018

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

SUBJECT: Consideration of Compensation Budget –

15 Dew Waite Road SSR, Project No. 2016191

The attached Compensation Budget is based on current ad valorem tax values and follows the MSD approved formula.

STAFF RECOMMENDATION: Approval of Compensation Budget.

Ms. Banks explained that this project consists of replacing 505 linear feet of 6” PVC with 8” DIP. The existing line is in poor condition and has required numerous service calls. There was no discussion. Mr. Kelly made the motion to accept Staff’s recommendation. Mr. Pelly seconded the motion. Voice vote was unanimous.

COMMITTEE RECOMMENDATION: Approval of Compensation Budget.

15 Dew Waite Road SSR

Project Number: 2016191

Compensation Budget

16-Nov-18

Pin Number and Name		Acres	Parcel SF	Land Value	LV/SF	Net PE SF	PE Assd. Value	50% PE Assd. Value	TCE SF	TCE Assd. Value	10% Annl Return	Proj Time	TCE Rent Value	Total Comp. (Rounded)		
27 Pin	83 Pin															
	0629564903	Firley	Carl	0.26	11,325.60	\$29,500.00	\$2.60	310.59	\$807.53	\$403.77	1,486.61	\$3,865.19	\$386.52	1	\$32.21	\$436
	0629562959	First at Blue Ridge Inc.		1.20	52,272.00	\$48,500.00	\$0.93	4,614.31	\$4,291.31	\$2,145.65	5,489.25	\$5,105.00	\$510.50	1	\$42.54	\$2,188
	0629574134	First at Blue Ridge Inc.		0.56	24,393.60	\$42,800.00	\$1.75	1,944.60	\$3,403.05	\$1,701.53	3,366.83	\$5,891.95	\$589.20	1	\$49.10	\$1,751
	0629575007	Woodbury	Thomas	0.47	20,473.20	\$32,000.00	\$1.56	2,789.87	\$4,352.20	\$2,176.10	2,817.41	\$4,395.16	\$439.52	1	\$36.63	\$2,213
													TOTALS:	\$6,588		
													Staff Contingency:	\$5,000		
													GM's Contingency	\$5,000		
													Amendment			
													Total Budget:	\$16,588		

Metropolitan Sewerage District of Buncombe County

Board Action Item

BOARD MEETING DATE: December 19, 2018

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

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

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

SUBJECT: Acceptance of Developer Constructed Sewer System for the Cherokee Trail Sewer Extension, MSD Project No. 2017065

BACKGROUND: This project is located inside the District boundary off Hickory Street in the Town of Black Mountain. The developer of the project is Charles Sparks of Care Bridge Corporation.

The project included extending approximately 80 linear feet of 8-inch public gravity sewer to serve the four (4) lot single family residential development.

A wastewater allocation was issued in the amount of 900 GPD for the project. The estimated cost of the sewer construction is \$12,000.00.

All MSD requirements have been met.

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



MSD
Engineering Division

**Cherokee Trail Sewer Extension
MSD Project # 2017065**

Metropolitan Sewerage District of Buncombe County

12/10/18

Metropolitan Sewerage District of Buncombe County

Board Action Item

BOARD MEETING DATE: December 19, 2018

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

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

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

SUBJECT: Acceptance of Developer Constructed Sewer System for the Glenn Bridge Road Subdivision, MSD Project No. 2014157

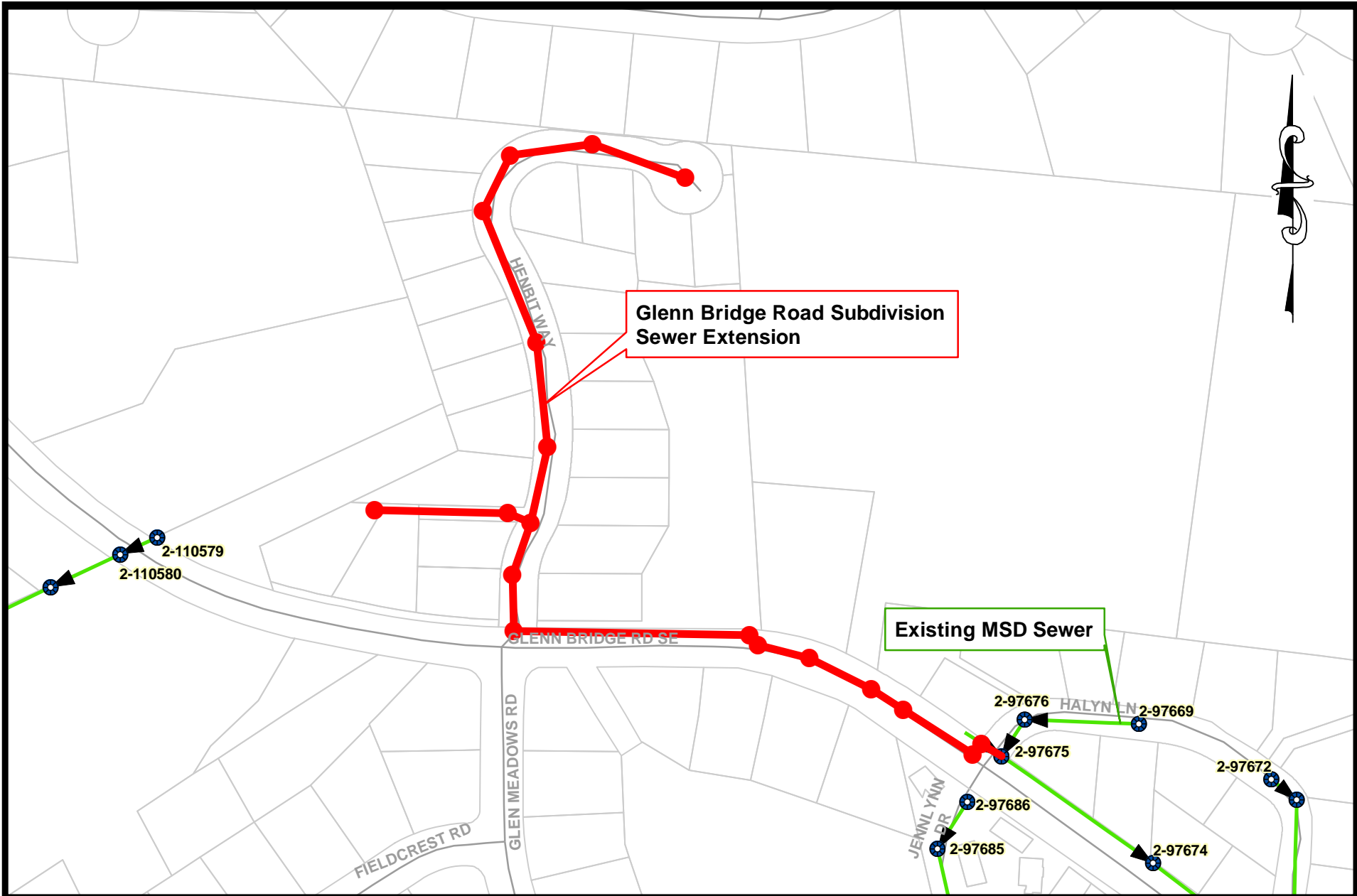
BACKGROUND: This project is located inside the District boundary off Glenn Bridge Road SE (SR 3486) in Buncombe County. The developer of the project is Drew Norwood of Windsor Built Homes, Inc.

The project included extending approximately 1,886 linear feet of 8-inch public gravity sewer to serve the thirty (30) unit single family residential development.

A wastewater allocation was issued in the amount of 9,000 GPD for the project. The estimated cost of the sewer construction is \$117,000.00.

All MSD requirements have been met.

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



Glenn Bridge Road Subdivision Sewer Extension

Existing MSD Sewer



MSD
Engineering Division

**Glenn Bridge Road Subdivision Sewer Extension
MSD Project # 2014157**

Metropolitan Sewerage District of Buncombe County

12/10/18

Metropolitan Sewerage District of Buncombe County

Board Action Item

BOARD MEETING DATE: December 19, 2018

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

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

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

SUBJECT: Acceptance of Developer Constructed Sewer System for the Tudor Croft Phase 2A Sewer Extension, MSD Project No. 2016170

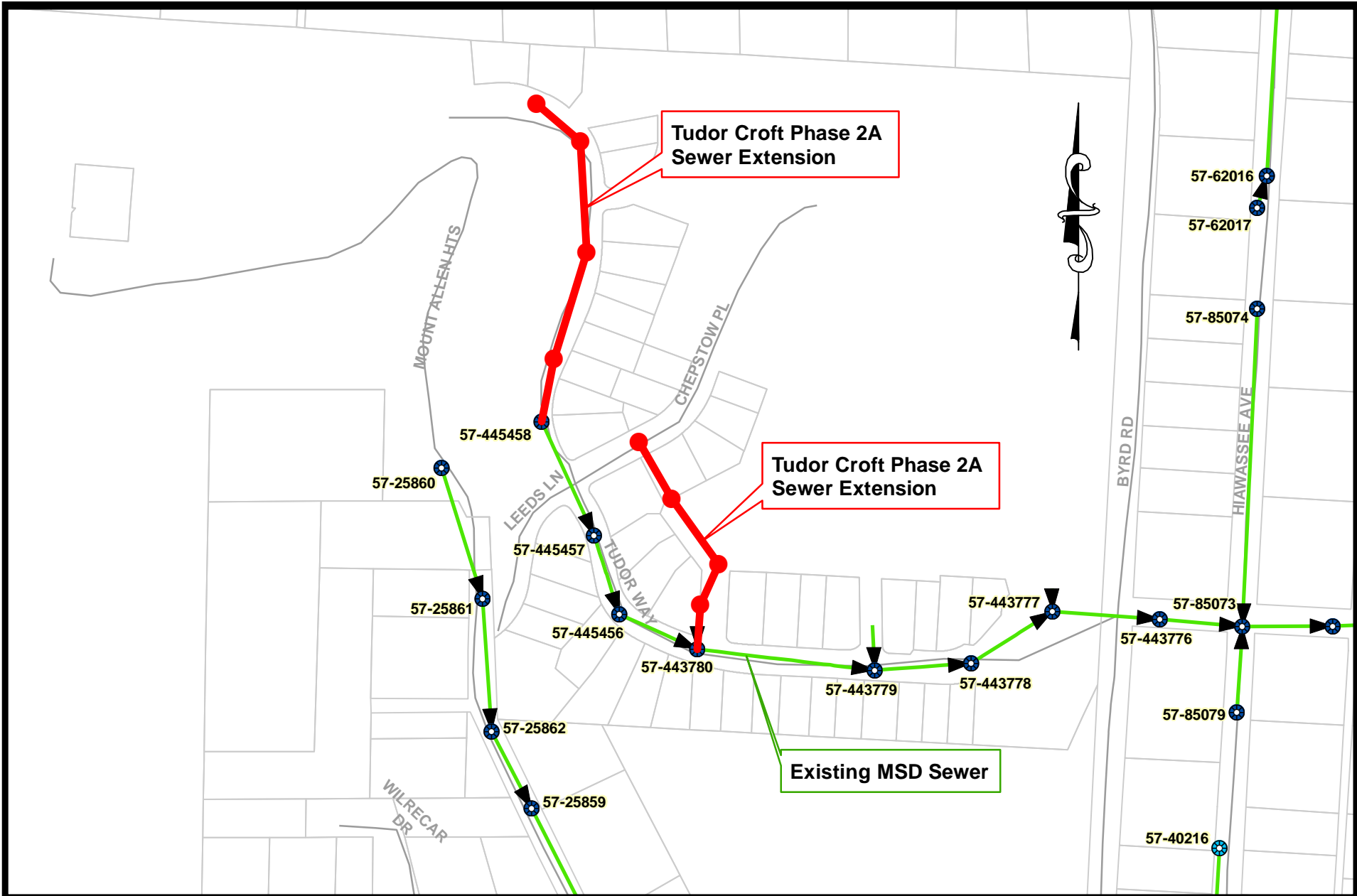
BACKGROUND: This project is located inside the District boundary off Byrd Road in the Town of Black Mountain. The developer of the project is Sam Metcalf of Summit Avenue LLC.

The project included extending approximately 914 linear feet of 8-inch public gravity sewer to serve the twenty-two (22) units for this phase of the single family residential development.

A wastewater allocation was issued in the amount of 6,600 GPD for the project. The estimated cost of the sewer construction is \$55,515.75.

All MSD requirements have been met.

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



MSD
Engineering Division

Tudor Croft Phase 2A Sewer Extension
MSD Project # 2016170
Metropolitan Sewerage District of Buncombe County

12/10/18

Metropolitan Sewerage District of Buncombe County

Board Action Item

BOARD MEETING DATE: December 19, 2018

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

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

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

SUBJECT: Acceptance of Developer Constructed Sewer System for the 24 Westover Hills Sewer Line Relocation, MSD Project No. 2017177

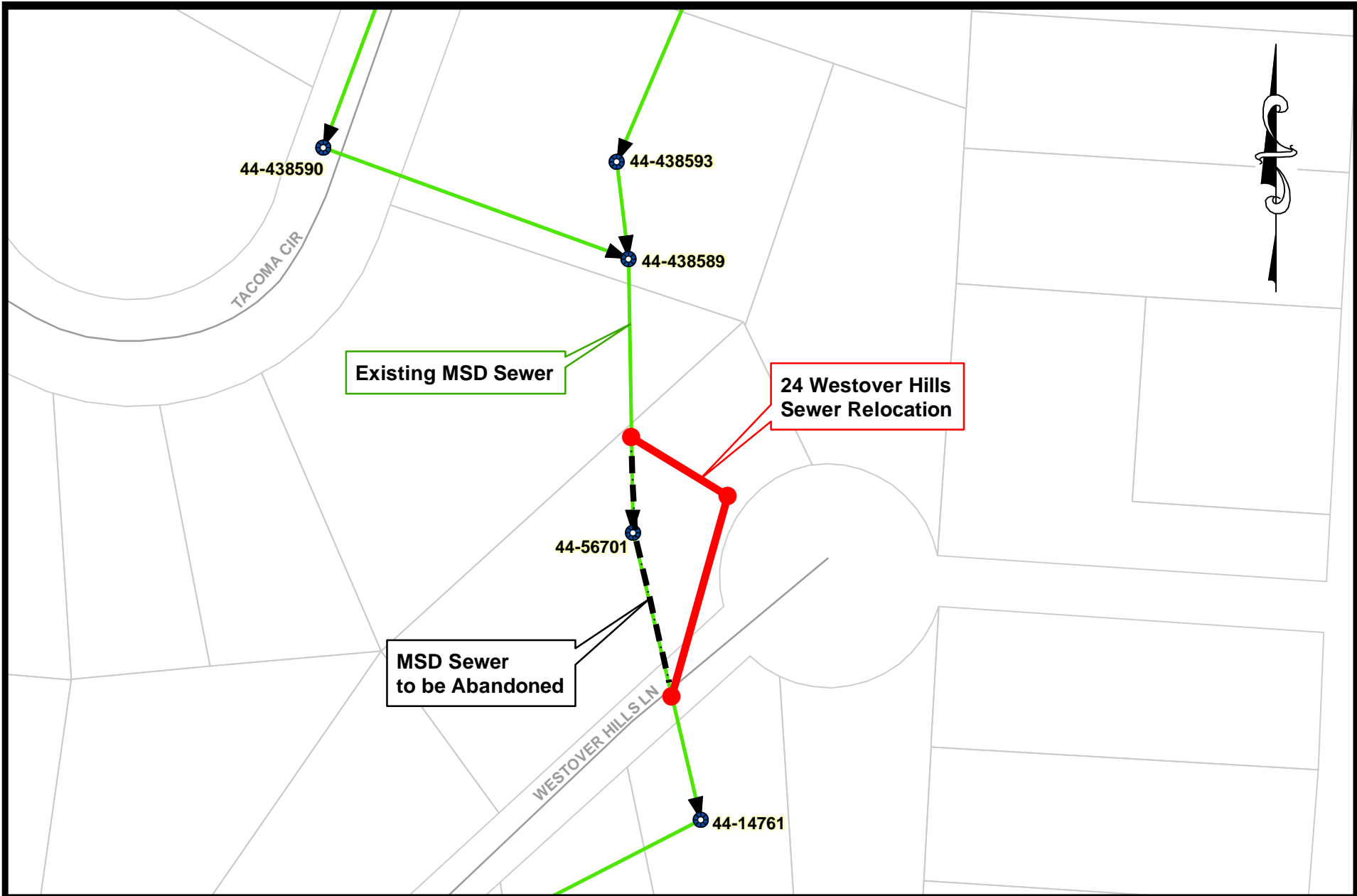
BACKGROUND: This project is located inside the District boundary off Westover Drive in the City of Asheville. The developer of the project is Tim Brigman of Shakamar Investment Group, LLC.

The project included relocating approximately 104 linear feet of 8-inch public gravity sewer along with abandoning approximately 90 LF of public gravity sewer to create a buildable single family residential lot.

A wastewater allocation was issued in the amount of 300 GPD for the project. The estimated cost of the sewer construction is \$20,000.00.

All MSD requirements have been met.

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



MSD
Engineering Division

**24 Westover Hills Sewer Relocation
MSD Project # 2017177**

Metropolitan Sewerage District of Buncombe County

11/29/18

Metropolitan Sewerage District of Buncombe County Board Action Item

Meeting Date: December 19, 2018

Subject: Procurement of Mini-Excavators - Fleet Replacement

Prepared by: Peter Weed; Director - Fleet / Water Reclamation Facility
Julie Willingham, CLGPO; Purchasing Supervisor
Neil Hall; Fleet Manager

Reviewed by: Tom Hartye, General Manager
Billy Clarke, District Counsel
Scott Powell, CLGFO; Finance Director

Background: The District's policy is for the Equipment Review Committee (ERC) to annually evaluate the condition of existing fleet vehicles/equipment and to recommend replacements when they are beyond economical repair. At the March 15, 2018, ERC meeting, the members recommended the purchase of two (2) New Mini-Excavator replacements which were included in the approved Budget for FY 2018-2019.

Discussion: Pursuant to North Carolina Purchasing Statutes and MSD Procedures, bids for the Mini-Excavators were emailed to six (6) vendors and an advertisement placed on the MSD web site. Four (4) bid packages were received and opened on November 29, 2018, at 2 pm. The Carolina Equipment/Yanmar bid was the lowest responsive, responsible bidder to the MSD specifications. The bids are summarized below. Because the cost of this Mini-Excavator procurement exceeds \$90,000.00, the contract must receive Board approval.

Fiscal Impact: The total cost of this contract will be \$103,192.00. \$170,000.00 was budgeted for this item budgeted in the 2018-2019 Fleet Replacement Fund.

Staff Recommendation: Staff recommends that the bid from Carolina Equipment/Yanmar be awarded.

Vendor	Mini-Excavator Cost (each)	Comments
Carolina Equipment, Fairview, NC	\$51,596.00	Yanmar Vi050-6A
Kubota of Asheville, Asheville, NC	\$53,400.00	KX040-4R1A
Carolina Tractor, Asheville, NC	\$65,619.39 \$70,439.21	CAT 304E2 CAT 305E2
James River Equipment, Asheville, NC	Non-Responsive to specifications	John Deere 50G

Metropolitan Sewerage District of Buncombe County

BOARD INFORMATIONAL ITEM

Meeting Date: December 19, 2018
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 October 31, 2018

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 October 31, 2018 were \$74,946,280. The detailed listing of accounts is available upon request. The average rate of return for all investments is 1.632%. 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 October 31, 2018 do not reflect contractual commitments or encumbrances against said funds. Shown below are the total investments as of October 31, 2018 reduced by contractual commitments, bond funds, and District reserve funds. The balance available for future capital outlay is \$30,693,878.

Total Cash & Investments as of 10/31/2018		74,946,280
Less:		
Budgeted Commitments (Required to pay remaining FY19 budgeted expenditures from unrestricted cash)		
Construction Funds	(17,799,958)	
Operations & Maintenance Fund	(11,859,894)	
		(29,659,852)
Bond Restricted Funds		
Bond Service (Funds held by trustee):		
Funds in Principal & Interest Accounts	(52,066)	
FY19 Principal & Interest Due	(9,057,851)	
		(9,109,917)
District Reserve Funds		
Fleet Replacement	(628,624)	
Pump Replacement	(150,423)	
WWTP Replacement	(297,226)	
Maintenance Reserve	(977,144)	
		(2,053,417)
District Insurance Funds		
General Liability	(54,411)	
Worker's Compensation	(271,128)	
Post-Retirement Benefit	(1,795,271)	
Self-Funded Employee Medical	(1,308,406)	
		(3,429,216)
Designated for Capital Outlay		30,693,878

Meeting Date: December 19, 2018

Subject: Cash Commitment/Investment Report-Month Ended October 31, 2018

Page 2

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: _____

Meeting Date: December 19, 2018

Subject: Cash Commitment/Investment Report-Month Ended October 31, 2018

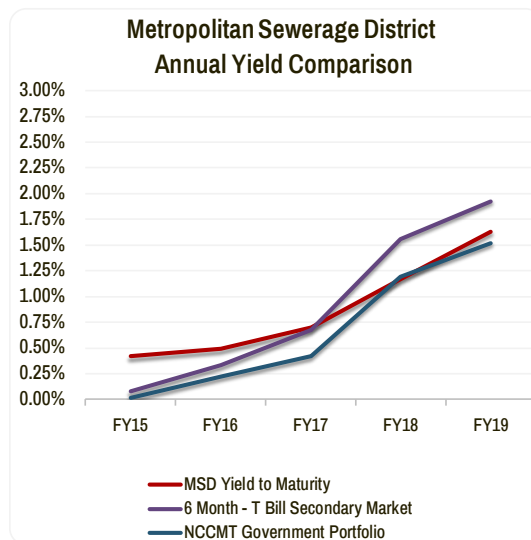
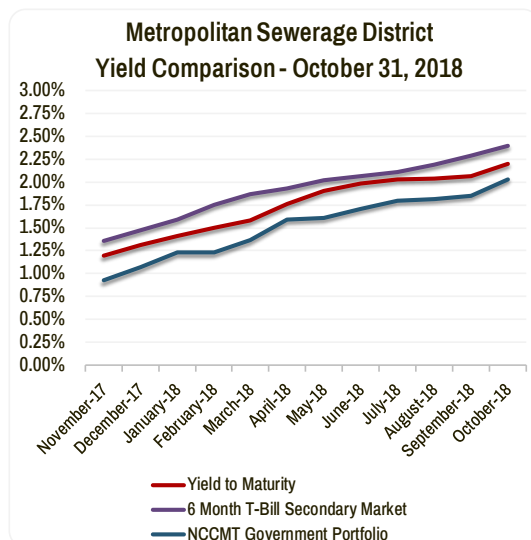
Page 4

**Metropolitan Sewerage District
INVESTMENT MANAGERS' REPORT
At October 31, 2018**

Summary of Asset Transactions			
	Original Cost	Market	Interest Receivable
Beginning Balance	\$ 66,244,663	\$ 66,198,302	\$ 104,438
Capital Contributed (Withdrawn)	5,145,661	5,145,661	
Realized Income	110,477	110,477	(54,840)
Unrealized/Accrued Income		118,870	64,980
Ending Balance	<u>\$ 71,500,801</u>	<u>\$ 71,573,310</u>	<u>\$ 114,578</u>

Value and Income by Maturity			
	Original Cost	Income	
Cash Equivalents <91 Days	\$ 40,133,785	\$ 134,425	
Securities/CD's 91 to 365 Days	20,935,896	\$ 70,123	
Securities/CD's > 1 Year	10,431,120	\$ 34,938	
	<u>\$ 71,500,801</u>	<u>\$ 239,487</u>	

Month End Portfolio Information	
Weighted Average Maturity	161
Yield to Maturity	2.20%
6 Month T-Bill Secondary Market	2.40%
NCCMT Government Portfolio	2.03%

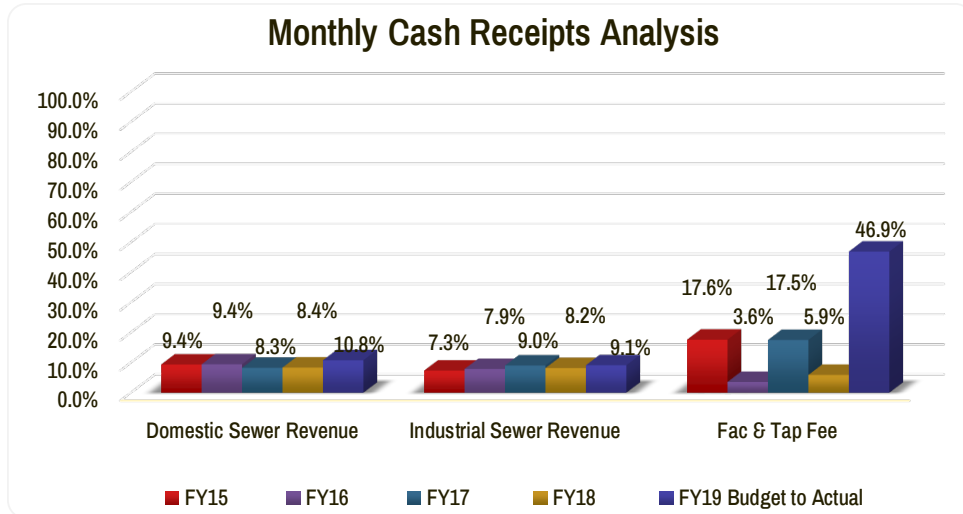


Meeting Date: December 19, 2018

Subject: Cash Commitment/Investment Report-Month Ended October 31, 2018

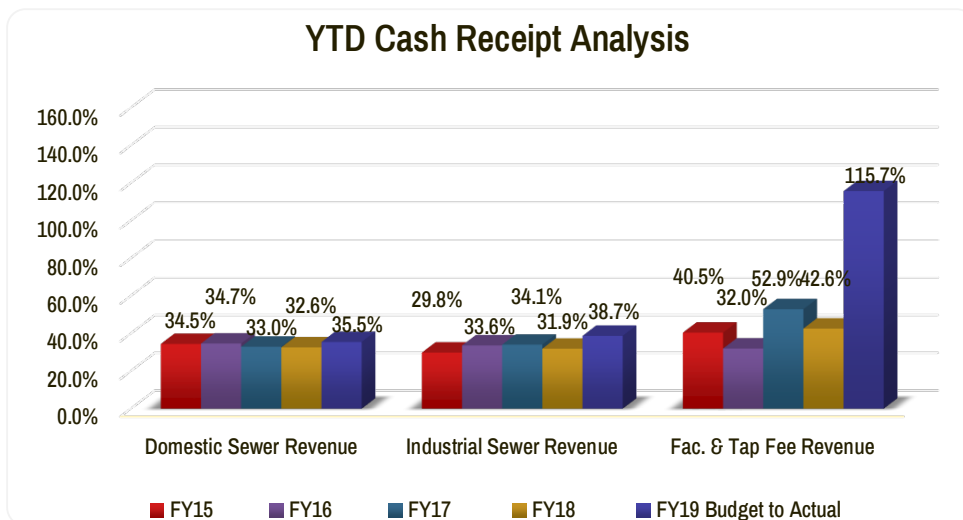
Page 5

Metropolitan Sewerage District
ANALYSIS OF CASH RECEIPTS
As of October 31, 2018



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:

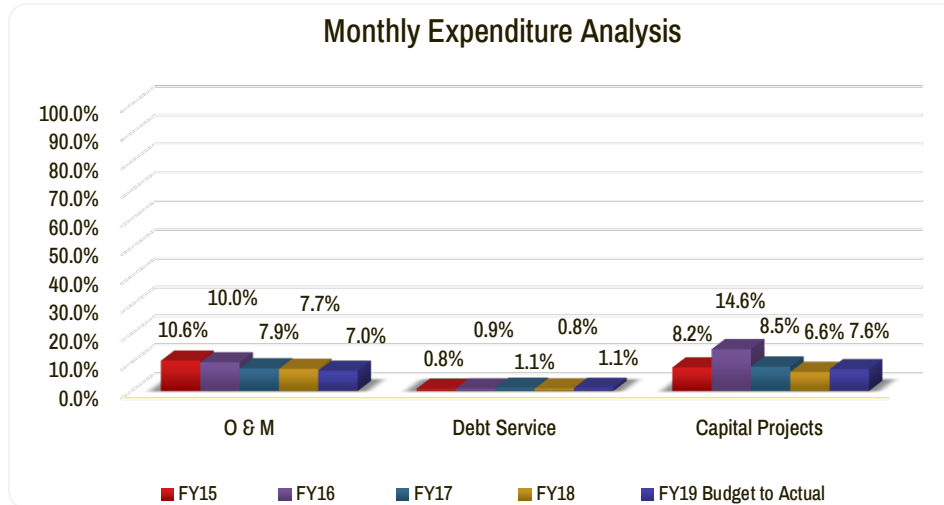
- YTD domestic sewer revenue is considered reasonable based on historical trends.
- YTD industrial sewer revenue is reasonable based on historical trends.
- Due to the unpredictable nature of facility and tap fee revenue, staff considers facility and tap fee revenue reasonable.

Meeting Date: December 19, 2018

Subject: Cash Commitment/Investment Report-Month Ended October 31, 2018

Page 6

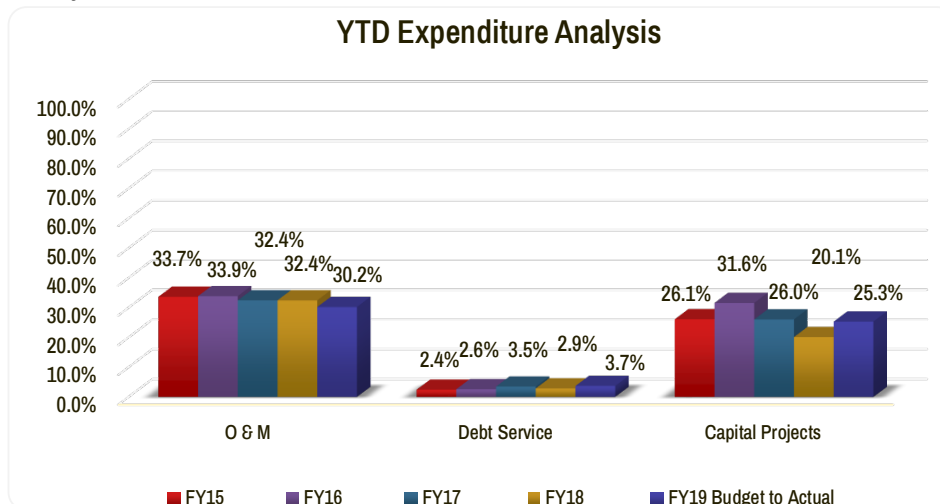
Metropolitan Sewerage District
ANALYSIS OF EXPENDITURES
As of October 31, 2018



Monthly Expenditure Analysis:

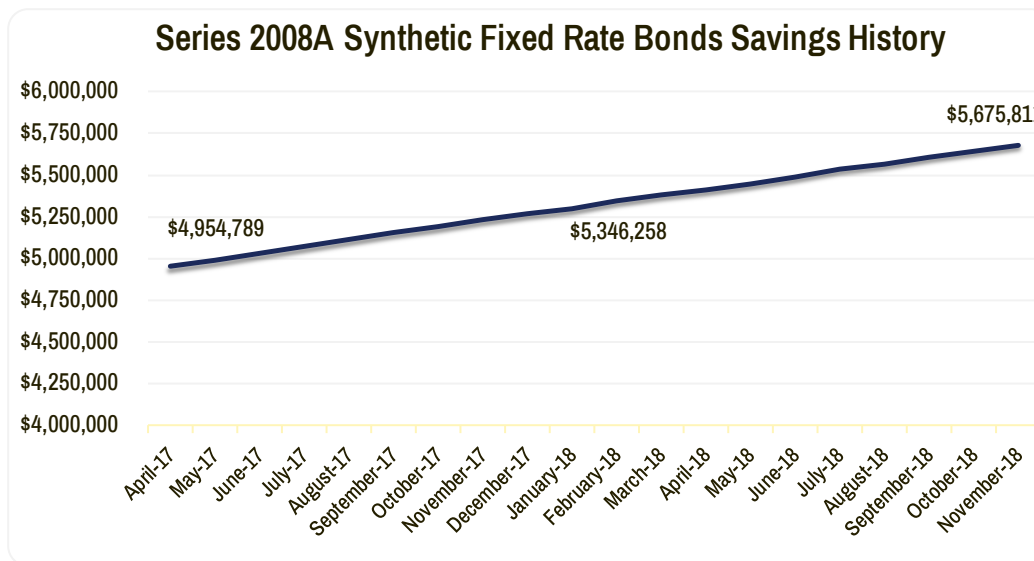
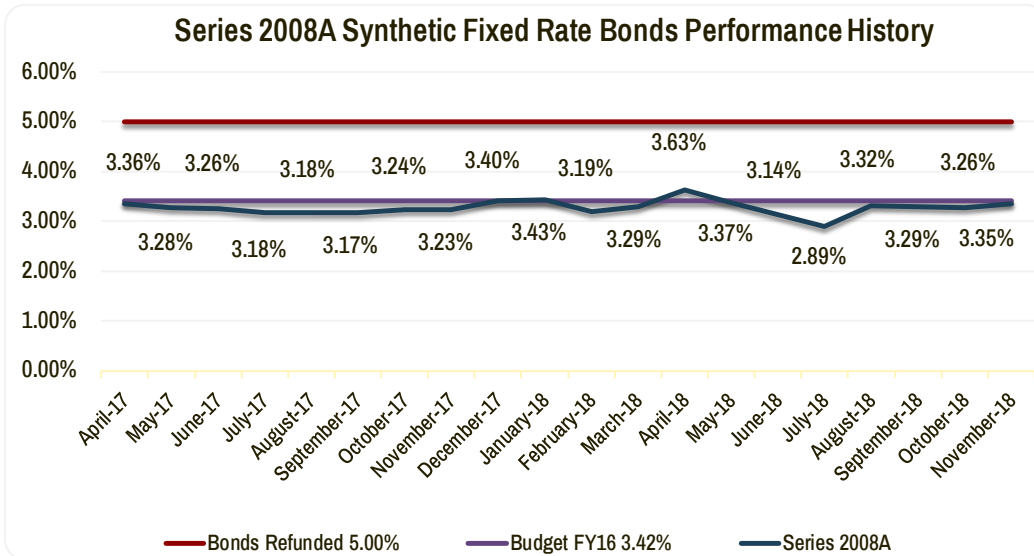
- Monthly O&M expenditures are considered reasonable based on historical trends and timing of expenditures in the current year.
- Due to the nature of the variable rate bond market, monthly expenditures can vary year to year. Based on current variable interest rates, monthly debt service expenditures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

**Metropolitan Sewerage District
 VARIABLE DEBT SERVICE REPORT
 As of November 30, 2018**



Series 2008A:

- ★ Savings to date on the Series 2008A Synthetic Fixed Rate Bonds is \$5,675,811 as compared to 4/1/2008 fixed rate of 4.85%.
- ★ Assuming 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 \$2,357,714 to terminate the existing Bank of America Swap Agreement.

Metropolitan Sewerage District of Buncombe County

BOARD ACTION ITEM

Meeting Date: December 19, 2018
Submitted By: Thomas E. Hartye, PE., General Manager
Prepared By: W. Scott Powell, CLGFO, Director of Finance
Subject: Presentation of Audit & CAFR – Fiscal Year Ended June 30, 2018

Background

Both North Carolina law and the Bond Order require an annual audit of the District’s financial records. The District has incorporated the audited financial statements into a Comprehensive Annual Financial Report (CAFR), which adds transmittal and statistical data to assist readers in analyzing the audited financial statements. The CAFR is also used to satisfy continuing disclosures required by the Bond Order and other contractual agreements.

Discussion

The auditors' unmodified (commonly called “clean”) opinion is the first document behind the “Financial Section” tab.

Included with the CAFR is a standard letter from the independent auditors describing the auditors’ responsibilities under accounting standards, their understanding of District policies and estimates, and assurance that no significant adjustments to the District financial records are required.

Finally, the District did not have any reportable conditions or other issues requiring additional auditor communication with the Board. See the attached Management Letter.

Staff Recommendation

Acceptance of the CAFR. To view the document, click the hyperlink below:

<http://www.msdbc.org/documents/financial/cafr/FY2018.pdf>

Action Taken			
Motion by:	to	<input type="checkbox"/> Approve	<input type="checkbox"/> Disapprove
Second by:		<input type="checkbox"/> Table	<input type="checkbox"/> Send to Committee
Other:			
Follow-up required:			
Person responsible:		Deadline:	

The Board of Directors
Metropolitan Sewerage District of Buncombe County, North Carolina
Asheville, North Carolina

We have audited the statement of net position of Metropolitan Sewerage District of Buncombe County, North Carolina (the "District") as of June 30, 2018 and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements. Professional standards require we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 4, 2017. Professional standards also require we communicate to you the following information related to our audit.

SIGNIFICANT AUDIT FINDINGS

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in notes to the financial statements. The District adopted Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the fiscal year ended June 30, 2018. This statement addresses accounting and financial reporting issues related to the other post-employment benefit ("OPEB") liability and provides guidance for determining the liability for financial reporting purposes. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

- Management's estimate of the allowance for doubtful accounts is based on an analysis of historical collection trends, current customer relations, credit sales levels, industry factors, and current and anticipated economic conditions.
- Management's estimate of the useful lives of capital assets is estimated based on the type and use of the capital asset.
- Management's estimate of the annual OPEB cost and net OPEB obligation is based on projections of benefits and actuarial methods and assumptions which incorporate factors such as the retirement age for active employees, life expectancy, healthcare cost trends, and health insurance premiums.
- Management's estimate of the fair value of the interest rate swap liability is the estimated net present value of all future cash flows. This represents the fair value of the current difference in the variable rate and interest paid under the swap agreement over the remaining term of the agreement.
- Management's estimate of the net pension liability is based on an actuarial analysis performed by a third-party and the fair value of pension assets. We evaluated the key factors and assumptions used to develop the asset in determining that it is reasonable in relation to the financial statements taken as a whole.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements noted during our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 22, 2018.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves an application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

OTHER MATTERS

With respect to the introductory section, management's discussion and analysis, and the statistical section we compared and reconciled such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

With respect to the supplemental financial data we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Cherry Bekaert LLP

Charlotte, North Carolina

October 22, 2018

STATUS REPORTS

MSD System Services In-House Construction

FY 18-19

PROJECT NAME	LOCATION	ZIP CODE	ESTIMATED FOOTAGE	ESTIMATED PROJECT DATES	WO#	CREW	COMPLETION DATE	ACTUAL FOOTAGE	NOTES
Emergency Weaverville #2 FM Repair Section 1	Woodfin	28804	60	7/10/2018	254177	631	7/10/2018	61	Complete
West Skyland Circle Sewer Rehabilitation	Woodfin	28804	520	6/18/18 - 7/20/18	246546	631	7/11/2018	515	Complete
Waynesville Avenue Sewer Rehab Ph. 2	Asheville	28806	400	6/15/18 - 7/15/18	253710	674	7/16/2018	372	Complete
Williamette Circle Sanitary Sewer Rehabilitation	Weaverville	28787	183	7/12/18 - 7/18/18	233748	631	7/18/2018	185	Complete
Emergency Weaverville #2 FM Repair Section 2	Woodfin	28804	330	8/4/18-8/5/18	254896	674	8/5/2018	321	Complete
3 Cliffridge Parkway Emergency Replacement	Avery's Creek	28704	80	8/7/2018	477071	608	8/7/2018	80	Complete
56 Fairway Drive Sewer Rehabilitation	Asheville	28805	451	7/17/18 - 8/31/18	240884	674	8/13/2018	452	Complete
Livingston Street at Erskine Sewer Rehabilitation	Asheville	28801	710	7/19/18 - 8/31/18	247502	631	8/15/2018	720	Complete
Myrtle Street Sewer Rehabilitation	Arden	28704	410	8/14/18 - 8/29/18	251129	674	8/29/2018	372	Complete
105 Midland Ave Sewer Rehabilitation	Black Mountain	28711	810	8/16/18 - 9/28/18	242836	631	9/12/2018	825	Complete
12 Melody Lane Sewer Replacement	Asheville	28803	215	9-24-18 - 9-26-18	256028	631	9/26/2018	216	Complete
110 Beaver Drive	Woodfin	28804	425	9/3/18-9/28/18	210211	674	9/28/2018	492	Complete
14 Shiloh Road Sewer Replacement	Asheville	28803	145	10/1/18 - 10/7/18	256024	631	10/3/2018	145	Complete
51 Hillcrest Road Sewer Replacement	Woodfin	28804	1320	10/7/18 - 11/7/18	255110	631	10/31/2018	1270	Complete
Blue Ridge Assembly Drive Sewer Replacement	Black Mountain	28711	250	10/29/18 - 11/9/18	256869	674			In Construction, 70% complete
Pearson Drive Phase 1 Sewer Rehabilitation	Asheville	28801	900	11/5/18 - 12/15/18	2566676	631			ROW clearing underway
Kanawha Drive GSR	Montreat	28757	495	11/1/18 - 12/1/18	255722	674			ROW clearing underway
28 Roebing Circle Sewer Rehabilitation	Asheville	28803	600	12/2/18 - 1/2/19	256370	674			Ready for construction
70 Hampton Street Sewer Replacement	Asheville	28803	273	FY 18-19	256291	TBA			Ready for construction
Laurel Road Phase 2B	Arden	28704	1078	FY 18-19	250366	TBA			Ready for construction
Vandalia Ave Sewer Rehabilitation	Asheville	28806	1325	FY 18-19	248041	TBA			Ready for construction
500 Laurel Avenue Sewer Rehabilitation	Black Mountain	28711	230	FY 18-19	247281	TBA			Ready for construction
77 Dellwood Street Sewer Rehabilitation	Asheville	28804	200	FY 18-19	237568	TBA			Ready for construction
106 Seventh St Sewer Rehabilitation	Black Mountain	28711	200	FY 18-19	225198	TBA			Ready for construction
Old Patton Cove Road @ US 70 Hwy	Swannanoa	28778	1021	FY 18-19	255611	TBA			Ready for construction
Saint Johns Street Force Main Replacement	Arden	28704	1040	FY 18-19	238516	TBA			Ready for construction
26 Wilshire Drive Sewer Rehabilitation	West Asheville	28806	1478	FY 18-19	235158	TBA			in ROW
149 State Street Sewer Rehabilitation	Asheville	28806	265	FY 18-19	237791	TBA			In ROW
Waynensville Avenue at Brownwood	Asheville	28806	370	FY 18-19	247283	TBA			In ROW
350 Old Haw Creek Road Sewer Rehabilitation	Asheville	28805	1537	FY 18-19	47802	TBA			In Design
12 Mayflower Drive Sewer Rehabilitation	Asheville	28804	350	FY 18-19	247347	TBA			In Desin
Beardon Ave at Cumberland Ave	Asheville	28801	425	FY 18-19	247286	TBA			Preliminary Engineering
Barnard Avenue at Lookout Sewer Rehabilitation	Asheville	28804	200	FY 18-19	236089	TBA			Preliminary Engineering
55 Congress Street Sewer Rehabilitation	Asheville	28801	823	FY 18-19	247631	TBA			Preliminary Engineering
East Grovestone Quarry Sewer Rehabilitation	Black Mountain	28711	780	FY 18-19	213459	TBA			Preliminary Engineering



CONSTRUCTION TOTALS BY DATE COMPLETED - Monthly

From 7/1/2018 to 9/30/2018

	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 2018	28	8	328	986	23	34	4,335	0	321	660	19	412	1393
August 2018	25	8	104	1,238	24	41	17,360	0	677	968	12	576	2221
September 2018	23	8	171	974	21	36	450	0	216	1317	11	0	1533
Grand Totals	76	24	603	3,198	68	111	22,145	0	1214	2945	42	988	5147

* Used to calculate Total Rehab Footage



PIPELINE MAINTENANCE TOTALS BY DATE COMPLETED - Monthly

July 01, 2018 to September 30, 2018

	Main Line Wash Footage	Service Line Wash Footage	Rod Line Footage	Cleaned Footage	CCTV Footage	Smoke Footage	SL-RAT Footage
2018							
July	78,545	1,208	693	79,238	23,634	0	1,683
August	67,431	1,082	1,765	69,196	35,905	35,328	23,056
September	61,707	856	8,164	69,871	17,818	300	12,942
Grand Total:	207,683	3,146	10,622	218,305	77,357	35,628	37,681
Avg Per Month:	69,228	1,049	3,541	72,768	25,786	11,876	12,560



CUSTOMER SERVICE REQUESTS

Monthly - All Crews

CREW	MONTH	JOBS	AVERAGE RESPONSE TIME	AVERAGE TIME SPENT
DAY 1ST RESPONDER				
	July, 2018	97	20	35
	August, 2018	127	28	30
	September, 2018	75	21	40
		299	24	34
NIGHT 1ST RESPONDER				
	July, 2018	11	17	25
	August, 2018	19	15	23
	September, 2018	13	21	20
		43	17	23
ON-CALL CREW *				
	July, 2018	44	46	54
	August, 2018	37	41	40
	September, 2018	31	34	44
		112	41	46
Grand Totals:		454	27	36

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

CAPITAL IMPROVEMENT PROGRAM

STATUS REPORT SUMMARY

December 12, 2018

PROJECT	LOCATION OF PROJECT	CONTRACTOR	AWARD DATE	NOTICE TO PROCEED	ESTIMATED COMPLETION DATE	*CONTRACT AMOUNT	*COMPLETION STATUS (WORK)	COMMENTS
AVERY CREEK PUMP STATION IMPROVEMENTS	Arden 28704	NHM Constructors	11/21/2018	TBD	TBD	\$513,420.00	0%	A preconstruction meeting was held on December 12th.
DRY RIDGE ROAD (4-INCH MAIN)	Asheville 28804	Buckeye Bridge, LLC	9/19/2018	11/12/2018	1/11/2019	\$282,853.90	5%	ROW clearing has been completed. Pipe work to begin soon.
HILL STREET	Asheville 28801	Terry Brothers Construction Company	7/18/2018	8/1/2018	1/2/2019	\$654,969.00	99%	Minor punchlist work remains.
MEMORY LANE	Asheville 28805	Terry Brothers Construction Company	6/13/2018	10/1/2018	1/29/2019	\$652,274.80	70%	Construction is progressing well.
OLD WEST CHAPEL ROAD	Asheville 28803	Terry Brothers Construction Company	11/21/2018	TBD	TBD	\$982,155.00	0%	Contracts are in process. Pre-construction meeting to be scheduled soon.
SOUTH FRENCH BROAD INTERCEPTOR - LINING (FY 18-19)	Biltmore Estate	Granite Inliner, LLC	10/17/2018	1/2/2019	4/2/2019	\$1,044,679.00	0%	A preconstruction meeting was held on November 15th. Work will begin in January.
WRF - INTERMEDIATE CLARIFIER SLIDE GATES REPLACEMENT	Woodfin	NHM Constructors	9/19/2018	11/5/2018	5/4/2019	\$154,300.00	0%	Gates are expected to arrive in mid-January. MSD will schedule work in a timely manner once gates arrive .
WRF - PLANT HEADWORKS IMPROVEMENTS	Woodfin	Judy Construction Company	1/18/2017	4/3/2017	2/25/2019	\$9,444,462.62	85%	The new power distribution portion of the project is complete. Envirocare equipment is complete and startup inspection complete. Smith and Loveless Pista Grit equipment to be started up this week. Roof canopy in construction. Plans in place for Plant by-pass which is needed for tie-in work..
WRF- PLANT HIGH RATE PRIMARY TREATMENT	Woodfin	Shook Construction Company	10/17/2018	TBD	TBD	\$15,071,000.00	0%	A preconstruction meeting was held on December 5th.

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

Planning & Development Project Status Report

Active Construction Projects Sorted by Work Location and Project Number

December 6, 2018

#	Project Name	Project Number	Work Location	Zip Code	Units	LF	Pre-Construction Conference Date	Comments
1	Dillingham Woods	2014048	Asheville	28805	22	375	3/4/2015	Waiting on final inspection
2	First Baptist Relocation	2015032	Asheville	28801	Comm.	333	7/21/2015	Final Inspection complete, awaiting close-out docs
3	8 Sulphur Springs Road	2015116	Asheville	28806	6	80	11/22/2016	Final Inspection complete, awaiting close-out docs
4	Atkins Street	2016009	Asheville	28803	45	903	1/20/2017	Final Inspection complete, awaiting close-out docs
5	Towne Place Suites	2016012	Asheville	28801	83	342	9/11/2018	Pre-con held, construction not yet started
6	Hounds Ear (Mears Ave Cottages)	2016123	Asheville	28806	18	402	8/18/2017	Pre-con held, construction not yet started
7	Lausch Subdivision	2016153	Asheville	28805	4	248	5/16/2017	Relocation of portion of line
8	The Peaks Shopping Center	2016175	Asheville	28805	4	850	5/11/2018	Waiting on final inspection
9	Hawthorne at Mills Gap	2016222	Asheville	28803	272	442	10/3/2017	Waiting on final inspection
10	Ashecroft	2016229	Asheville	28806	40	2,450	2/20/2018	Phase 1 - Waiting on Final / Phase 2 - Installing
11	Grindstaff Subdivision	2016246	Asheville	28805	4	132	6/23/2017	Final Inspection complete, awaiting close-out docs
12	Onteora	2017002	Asheville	28803	6	417	7/18/2017	Waiting on final inspection
13	Gerber Road Storage	2017049	Asheville	28803	Comm.	156	2/9/2018	Waiting on final inspection
14	RADTIP	2017052	Asheville	28801	0	919	2/13/2018	Installing
15	Panda Express	2017080	Asheville	28805	Comm.	100	9/8/2017	Waiting on final inspection
16	Rock Hill Road	2017096	Asheville	28803	15	990	7/24/2018	Installing
17	605 Fairview Road	2017103	Asheville	28803	10	380	5/18/2018	Waiting on final inspection
18	Beachum's Curve	2017105	Asheville	28806	34	908	7/17/2018	Final Inspection complete, awaiting close-out docs
19	42 Old County Home Road	2017109	Asheville	28805	5	198	3/29/2018	Final Inspection complete, awaiting close-out docs
20	Villa Heights	2017118	Asheville	28806	8	540	2/20/2018	Installing
21	McCormick Place	2017150	Asheville	28801	17	210	8/3/2018	Waiting on final inspection
22	Cisco Road	2017220	Asheville	28805	7	170	9/25/2018	Waiting on final inspection
23	Hawthorne Apartments @ Haywood	2017225	Asheville	28806	240	1,604	10/19/2018	Installing
24	Fernwood Avenue	2017251	Asheville	28806	3	368	10/30/2018	Pre-con held, construction not yet started
25	US 74 Commercial Development	2018010	Asheville	28803	4	265	5/25/2018	Pre-con held, construction not yet started
26	Sunrise Drive Homes	2018046	Asheville	28806	5	220	7/20/2018	Waiting on final inspection
27	Alice Place Subdivision	2018066	Asheville	28803	19	480	6/19/2018	Waiting on final inspection
28	Ingles Smokey Park Highway	2018074	Asheville	28806	1	1,289	4/11/2014	Installing
29	Cypress Knoll Gardens	2018121	Asheville	28803	7	90	10/30/2018	Pre-con held, construction not yet started
30	West Keesler Avenue	2007176	Black Mountain	28711	6	410	11/15/2016	Final Inspection complete, awaiting close-out docs
31	808 Montreat Road	2015126	Black Mountain	28711	4	371	4/18/2017	Final Inspection complete, awaiting close-out docs
32	Sweet Birch Lane	2017111	Black Mountain	28711	65	780	9/28/2018	Testing
33	Chapman's Cove	2017227	Black Mountain	28711	10	430	9/21/2018	Waiting on final inspection
34	White Oak Circle	2018197	Black Mountain	28711	4	330	10/30/2018	Pre-con held, construction not yet started
35	Hyde Park Phase 2	2013058	Buncombe Co.	28704	14	500	12/3/2013	Waiting on final inspection
36	Creekside Cottages	2014095	Buncombe Co.	28704	7	504	3/12/2015	Waiting on final inspection
37	Avondale Subdivision	2015052	Buncombe Co.	28803	4	215	4/7/2017	Final Inspection complete, awaiting close-out docs
38	Bee Tree Village	2015158	Buncombe Co.	28778	26	1,118	3/17/2017	Waiting on final inspection
39	Newbridge Pkwy Apts. Phase II	2016013	Buncombe Co.	28804	154	1,368	10/27/2017	Final Inspection complete, awaiting close-out docs
40	Weatherwood Subdivision	2016034	Buncombe Co.	28704	19	785	7/21/2017	Final Inspection complete, awaiting close-out docs
41	Perry Lane Apartments	2016075	Buncombe Co.	28704	120	710	11/7/2017	Waiting on final inspection
42	The Preserve at Avery's Creek	2016089	Buncombe Co.	28704	141	4,000	6/16/2017	Phase 1 complete pending closeout docs/ Phase 2 installing
43	NCDOT I-5504 NC 191A-26 Interchange	2016132	Buncombe Co.	28806	0	355	10/23/2017	Installing
44	New Salem Heights	2016192	Buncombe Co.	28778	25	816	2/13/2018	Waiting on final inspection
45	Villas of Avery Creek	2017068	Buncombe Co.	28704	270	3,170	9/18/2018	Installing
46	Curry Court - Habitat	2017086	Buncombe Co.	28715	12	557	4/13/2018	Waiting on final inspection
47	240 Old Farm School Road	2017112	Buncombe Co.	28805	4	340	2/9/2018	Final Inspection complete, awaiting close-out docs
48	Fields BMW	2018022	Buncombe Co.	28704	3	490	10/9/2018	Installing
49	Rosscraggon Road Subdivision	2018048	Buncombe Co.	28704	4	370	4/20/2018	Waiting on final inspection
50	Upper Grassy Branch Road	2018087	Buncombe Co.	28805	6	250	8/31/2018	Installing
51	New Riparian	2018156	Buncombe Co.	28778	5	275	9/28/2018	Installing
52	Starview Heights	2016184	Weaverville	28787	16	Private	1/12/2018	Final Inspection complete, awaiting close-out docs
53	Wheeler Road	2017019	Weaverville	28787	72	1,535	3/28/2018	Waiting on final inspection
54	44 Central Ave	2017107	Weaverville	28787	7	275	10/27/2017	Final Inspection complete, awaiting close-out docs
55	Maple Trace Phase 2	2017160	Weaverville	28787	37	2,560	3/27/2018	Waiting on final inspection
56	Ambler's Chase	2017249	Weaverville	28787	21	1,235	11/29/2018	Installing
57	Crest Mountain Phase 3B	2013041	Woodfin	28806	69	1,329	10/15/2013	Punchlist pending, awaiting closeout documents (roadwork remaining)
58	Reese & Jan Lasher (High Hopes)	2015152	Woodfin	28806	14	320	4/26/2016	Final Inspection complete, awaiting close-out docs
59	Ventana Phase 2A	2016059	Woodfin	28806	8	900	2/17/2017	Final Inspection complete, awaiting close-out docs
60	Olivette Development-Phase 1 Gravity	2016065	Woodfin	28804	356	1,155	3/29/2018	Installing
61	Olivette Pump Station/Force Main	2016213	Woodfin	28804	356	1,740	2/27/2018	Casing tested and passed / Grading has begun
62	Ricky Robinson Property	2017088	Woodfin	28804	1	385	7/31/2018	Waiting on final inspection
63	Apple Lane	2017130	Woodfin	28804	4	60	8/31/2018	Pre-con held, construction not yet started
64	88 North Merrimon Avenue	2017196	Woodfin	28804	Comm.	455	5/11/2018	Waiting on final inspection
65	Greenwood Fields Phase 2	2018006	Woodfin	28804	158	2,200	3/9/2018	Final Inspection complete, awaiting close-out docs
66	Olivette Gravity Phase 2	2018116	Woodfin	28804	94	12,406	11/27/2018	Pre-con held, construction not yet started
67	Skyfin-Terraces at Reynolds Mtn -Phase 3&4	2018187	Woodfin	28804	22	845	8/8/2017	Waiting on final inspection and phasing
			TOTAL		2,995	61,030		