

EXECUTIVE SUMMARY
CITY/COUNTY UTILITY COMMISSION MEETING
July 12, 2010

Items Considered: 4; Items Approved: 4

Distribution/Collection	General Information
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The Utility Commission authorized the execution of various agreements regarding proposed water and or sanitary sewer improvements to be installed within various developments. The total estimated cost of all water improvements is \$103,600.00 and the estimated cost of sewer improvements is \$ 66,530.00.

<u>Project No.</u>	<u>Development</u>	<u>Estimated Costs</u>	
		<u>Water</u>	<u>Sewer</u>
11846	Triad Park-Phase 8	\$ 47,500.00	\$ 0.00
11872	CVS Pharmacy #1944	\$ 2,380.00	\$ 0.00
11874	Zone 7 Elem. School	<u>\$ 53,720.00</u>	<u>\$ 66,530.00</u>
		\$103,600.00	\$ 66,530.00

The Utility Commission authorized execution of an agreement with Dipak L. Soin and wife, Madhu B. Soin for a sewer line extension to serve Salem West Section 4. The estimated cost of all sewer improvements is \$40,175.00. The developers will be eligible for future refunds for intervening sewer mains in the estimated amount of \$7,210.00 as customers connect to these lines.

The Utility Commission authorized increasing the oversized sewer refund payable to McAlpine Group, LLC for Bethany Trace, Phase Two project. Staff recently determined that the refund of \$4,800.00, which was granted on April 10, 2006, was insufficient. Therefore the developer has received final approval and is now due a total of \$9,481.75 in oversized sanitary sewer refunds.

The Utility Commission authorized acquisition of property near the Elledge Wastewater Treatment Plant on Griffith Road. The property is identified as PIN 6813-36-6683 and it is owned by Fifth Third Bank of Ohio at a tax value of \$883,700. An offer to purchase the property has been accepted and approved in the amount of \$416,000 with the buyer's agent's commission of approximately \$16,640 being credited back to the Commission at closing for an approximate net purchase price of \$399,360. Note that Commissioner Paul S. McGill acted as buyer's agent on behalf of the Utility Commission, received no commission, and abstained from voting on this item.

Staff assessed the financing interest rate for the water and sewer special assessments. These rates are based on the Federal Prime Rate as of July 1 and the terms remain the same since the Federal Prime interest rate is unchanged from 3.25%. The rates for the next fiscal year are as follows.

<u>Finance Period</u>	<u>Rate</u>
3 Year	Prime Plus 1% 4.25%
5 Year	Prime Plus 1.5% 4.75%
10 Year	Prime Plus 2% 5.25%