

EXECUTIVE SUMMARY
CITY/COUNTY UTILITY COMMISSION MEETING
July 13, 2009

Items Considered: 16; Items Approved: 16

Distribution/Collection	Water and Wastewater Treatment
<p>The Utility Commission approved a resolution to set a public hearing on September 14, 2009 to consider the approval of a sufficient sewer petitioned project for Becks Church Road, Choyce Court and Havencrest Road.</p> <p>The Commission confirmed the assessment rolls for the Cecil Drive and Pineview Drive sewer main project.</p> <p>The Utility Commission approved an agreement with PM Development for the Northeast Lower Abbotts Creek outfall project, where sewer facilities will be dedicated to the Commission. These facilities are estimated to be valued at \$702,842.70. A total of 9,527 feet of sewer main will be extended to serve this new project. The developer is eligible for potential refunds for intervening sewer mains in the estimated amount of \$221,185.00.</p> <p>The Utility Commission approved a resolution amending an agreement with Milburn, LLC, for a water line extension to serve Milburn subdivision. The amendment allows for an immediate refund estimated to be \$45,500.00 for a hydraulic tie-in that staff later determined to be necessary for water quality.</p> <p>The Utility Commission authorized the extension of water main along Iris Street to serve a property owner whose well has failed. The project is approximately 310 feet long and is estimated to cost \$22,600.00, with the cost to the property owner being \$5,865.00 in special privilege and water connection charges; leaving \$16,735.00 to be born by the Commission.</p> <p>The Utility Commission authorized the use of its powers of eminent domain for the acquisition of easement for the Northeast Lower Abbotts Creek sanitary sewer outfall project by deed or condemnation. This project is a developer initiated project, so all costs including the appraised value of \$9,000.00 will be born by the developer.</p> <p>The Commission authorized the acquisition of easement from Mr. and Mrs. O'Connor for the Lake Meadow Court outfall project through a negotiated settlement. In consideration of various items valued at \$2,341.28 not considered by the appraisal, the Utility Commission authorized the settlement of acquisition for those items and the value of the appraisal \$11,450.00, bringing the total settlement to \$13,791.28.</p> <p>The Commission approved an engineering agreement with HDR Engineering for a capacity evaluation of the Reynolds and Tomahawk Creek sewer basins. HDR has proposed a not-to-exceed fee of \$99,787 to perform this evaluation. The funding for this contract will come from the FY 2010 Wastewater Collection System Improvements CIP.</p>	<p>The Utility Commission approved an engineering agreement with Schnabel Engineering, PC for pre-design services associated with the Salem Lake Dam repairs project. Schnabel will determine the depth to bedrock, bedrock permeability, and soil conditions prior to any design work of the repairs for a proposed fee of \$59,800.00.</p> <p>The Utility Commission approved an engineering agreement with Hydrostructures, PA for inspection services associated with the raw water pipeline evaluations project. Hydrostructures will determine the condition and provide rehabilitation / replacement recommendations for the 36" raw water main from the Thomas Water Treatment Plant to the Nielson Water Treatment Plant and for the 48" steel water main from the Thomas Water Treatment Plant to Salem Lake for a fee of \$674,883.00, which is 5% less than the cost of constructing a new main.</p>
	Solid Waste
	<p>The Utility Commission declined an offer that was made to purchase property located at 5455 Woodcliff Drive and recommends to the City Council of the City of Winston-Salem that the same property be sold instead by auction as permitted in N.C.G.S. 160A-270.</p> <p>The Commission approved the purchase of a used Caterpillar 836-G compactor from Caterpillar Financial Services, Inc. for use at the Hanes Mill Road Landfill. Upon the consideration of three alternatives, the option to purchase the compactor for \$92,442.60 was the most cost effective.</p>
	Administration
	<p>The Utility Commission approved an agreement that allows the Lewisville Fire Department to subsidize the capital charges associated with the West Bend Water Main Feasibility Extension Project for 38 connections. The agreement allows the Fire Department to receive potential intervening main refunds of additional capital charges collected by the Utility Commission up to it's invested subsidy of \$169,300.00.</p> <p>The Commission authorized the transfer of funds to cover the cost of certain utility expenses related to the Brewer Road and Buchanan Street intersection improvement. The utility design and construction costs are estimated to be \$3,600.00 for water expenses and \$4,000.00 for sewer expenses.</p> <p>The Utility Commission approved the amendment to the resolution awarding contract 2008-5 to Carolina Environmental Specialists, Inc. for water distribution system improvements on Iris Street. This addition amounts to \$16,127.96 or will add 3% to the original contract amount.</p>

Administration Cont.

The Commission adopted a resolution that amends the terms for financing special assessments for water and sewer project liens. Historically the Utility Commission offered two options to finance these assessments based on a three (3) year period at a rate of prime plus 1% and a five (5) year period at a rate of 8%. The Commission has now adopted the following three options as terms for financing special assessments:

Financing Period	Index	FY2009-2010 Rate
3 Year Term	Prime Plus 1%	4.25%
5 Year Term	Prime Plus 1.5%	4.75%
10 Year Term	Prime Plus 2%	5.25%

These three options base the interest rate on the prime interest rate (set annually on July 1 of each year) plus a nominal percentage that increases as the term increases. The interest rate for each term will cap at 8% as required by N.C.G.S. 160A-233. These options for financing are available to those water and sewer assessment projects that were confirmed on or after May 12, 2008 and for new feasibility project liens that are approved after August 1, 2009.