

EXECUTIVE SUMMARY
CITY/COUNTY UTILITY COMMISSION MEETING
May 12, 2003

At its regularly scheduled monthly meeting, the Utility Commission agenda included 13 items.

WATER DISTRIBUTION AND SEWER COLLECTION SYSTEM EXPANSION

Projects in this category are associated with the distribution of water from treatment facilities to the customer and from the customer to the treatment facilities.

A public hearing was held to consider and adopt an appropriate verifiable percentage goal for participation by minority and women owned businesses for the following projects: Construction of the Archie Elledge Wastewater Plant Biosolids Storage Facility, the Muddy Creek Wastewater Biosolids Belt Press Modifications, Construction of the Beeson Dairy Road 16" Water Main Extension and Construction of the Lewisville-Clemmons, Holder, and Kinnamon Road 24" Water Transmission Main.

A public hearing date was set for June 9, 2003, for two sewer line extension projects and one water line extension project on Walkertown Plaza Boulevard, New Walkertown Road and Swaim Road.

Preliminary agreements with developers were approved for six projects where water and sewer facilities will be dedicated to the Utility Commission. These improvements are valued at \$825,630.00 and will provide service for 296 new water and sewer customers. A total of 26,280 feet of water and sewer main will be extended to provide water and/or sewer service for these projects. One developer will be eligible for a refund in the estimated amount of \$10,900.00, which will be collected from new customers connecting to the water and sewer mains.

Main Line extension projects under the City/County Utility Commission (CCUC) Feasibility Plan totaling \$823,200.00 were awarded to provide water service in the following residential areas of Forsyth County: Belews Creek Road, Belews Lake Drive, Nautical Point Drive, Montgomery Ridge Road, Shallowford Road, Hauser Road, Country Lane and Deer Run Drive. A total of 19,030 feet of water main will be extended to provide service for 109 water customers in existing residential areas. Each project will be constructed once the customers have paid their required capital charges.

The Commission approved the purchase of several easements for \$42,020.00. The land will be used as an access point for construction of the Glenn High Waterline Phase II.

A second easement was approved and purchased for \$6,450.00. The land will be used for construction of the Glenwood Road Outfall, which will serve the sewer mains on Glenwood Drive.

The Commission awarded one contract totaling \$462,670.10 to provide for improvements to the City's water distribution system along Brinkley Road, Parham Road, Oakview Road and Craig Road. The contract was awarded to Yates Construction Co., Inc. This project was a previously approved feasibility project and the customers have subsequently paid their required capital charges.

A rejection of all bids for the cleaning, repairing and painting of the Lewisville and Clemmons Single Pedestal Water Tanks was approved by the Commission. The State of North Carolina requires that contractors who perform municipal tank reconditioning hold a license classification "Specialty Contractor S (metal erection)." However, the two lowest bidders did not hold a license with this classification and the two highest bids exceeded estimates for the project. Therefore, the project will be re-bid at a later date.

On April 14, 2003, the Finance Committee of the Commission reviewed 28 requests for relief of assessments on various projects. Based on the facts of those properties that were presented by staff, the Commission denied relief of assessment for nine projects and approved relief of assessment on 19 projects. All relief of assessments would be subject to special privilege charges at the then current rates if the property is made buildable and is connected to the public utility.

The Commission approved 129 requests made by property owners to finance various connection charges and capital charges associated with water and/or sewer connections previously approved by the Commission. These charges have been treated the same as a confirmed assessment roll (assessment bills). The assessment bills for the connection charges will be financed over a five-year period at an 8% interest rate.

WATER DISTRIBUTION AND SEWER COLLECTION SYSTEM EVALUATION/REHABILITATION

Projects in this category allow for improvements to the distribution and collection system.

The Commission approved a \$126,300 payment for additional work associated with the Abbotts Creek Pump Station project. This additional work was required as a result of environmental regulatory reviews, zoning issues, and additional surveying.

SOLID WASTE DISPOSAL

The Commission held a public meeting on the 10 Year Solid Waste Management Plan. The purpose of this plan is to ensure adequate planning for solid waste disposal capacity, waste reduction and efficient and economical solid waste management practices for Forsyth County. Draft copies of the plan were made available for review at all municipal town halls in Forsyth County; the main branch of the Forsyth County Library; and at the City/County Utilities Division Administrative Offices.

The Commission awarded an additional contract to WRICO Equipment Corporation in the amount of \$350,000.00 to cover the cost of grinding storm debris left from the February 27, 2003 ice storm. The amount of this contract is included in the overall project cost that was approved by FEMA for reimbursement. The estimated total cost of managing and disposal of storm debris is \$725,422.42.

TOWNS

An amended agreement with The Wooten Company was approved by the Commission for the final phase of the Town of Walkertown's Sewer System. The Town has applied for an Economic Development grant to provide sewer service to commercial property located at US 311 and Highway 66. The additional cost to amend this contract totals \$22,000 for construction administration and \$55,000 for assessment maps, record drawings and extension to the construction contracts for previous additional work.

OTHER BUSINESS

The Utility Commission approved its fiscal year 2003-2004 operating and capital budget. The budget projects a 10.08% increase in operating expenses, including debt service. This year's proposed budget includes personnel and operating costs that are almost entirely associated with the start-up of the Northwest Water Treatment Plant. The capital improvement program totals \$38,372,900 and is a continuation of the previously approved capital plan. The proposed solid waste budget including debt service represents an increase of 15.85%. This increase includes personnel costs, debt service for the landfill expansion and additional county drop-off sites for recycling. Staff is in the process reviewing water and sewer rates, taking into account current needs, future capital needs, and future income. The staff will be recommending new rates to the Commission in June. The new rates will become effective the first billing cycle after October 1, 2003. In order to recover the cost of current operations and future disposal needs, the Commission increased the Hanes Mill Road Landfill tonnage fee from \$32 to \$33 per ton. This new rate will become effective July 1, 2003.

An informational packet regarding the City Council request for an annual report from the Commission was presented.

ADMINISTRATION

The Utility Commission has a regularly scheduled meeting on the second Monday of each month. The next meeting will be held on June 9 at 2:00 p.m. in the Council Chamber, located at 100 East First Street in City Hall South, fifth floor. For more information about the Commission agenda, please view the City's website at www.cityofws.org/meetings.