

**EXECUTIVE SUMMARY**  
**CITY/COUNTY UTILITY COMMISSION MEETING**  
**December 12, 2005**

At its regularly scheduled monthly meeting, the Utility Commission agenda included 10 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.*

The Commission approved agreements with developers for four projects (**Country Club Commons, Hyde Place, Oak Summit Road Waterline Extension, and Starling Meadows Subdivision**) where water and sewer facilities will be dedicated to the Utility Commission. These improvements are valued at \$1,813,200.00 and will provide service for 343 water and sewer customers. A total of 20,238 feet of water and 10,851 feet of sewer main will be extended to provide service for these projects. One developer is entitled to an immediate refund for oversized water and/or sewer mains in the amount of \$142,984.25.

The purchase of easements for the Balsom Road Outfall in the amount of \$1,700.00 and the Jordan Drive sewer line project in the amount of \$150.00 were approved by the commission.

**WATER AND SEWER TREATMENT FACILITIES**

*Projects in this category allow for improvements to treatment facilities that increase operational efficiency throughout the system.*

A resolution authorizing an amendment to the construction administration contract with Arcadis G&M was approved. In May 2001, the CCUC entered into an engineering services contract with Arcadis G&M for the design and construction administration of the South Fork Creek pump station. Construction start was delayed for 15 months pending approval of the environmental assessment by the NC DENR. As a result of the delay increases to the contract are needed for additional design services and additional costs of services during the construction.

A Professional Services Agreement (PSA) with Synagro to provide all materials, equipment and labor necessary for the removal, mixing, transportation, and beneficial reuse and/or disposal of liquid or cake biosolids generated by the wastewater plants was amended. The original contract stated that upon mutual agreement, the rate may be increased or decreased based upon the Consumer Price Index (CPI) change during the previous year. The U.S Bureau of Labor Statistics reports that the Consumer Price Index has increased 4.8% for 2005 based on October 2005 data. Due to the CPI increases over the past twelve months, Synagro has requested to increase the unit price for liquid disposal 4.8% and to increase the unit price for cake disposal by 4.8%. This action was approved.

The commission approved a resolution authorizing reassessment and/or denial of certain water agreements on Ploughboy Lane. This lot was originally assessed for 1,167 feet of road frontage at \$15.00 per foot or \$17,505.00. NCDOT is acquiring all but 229 feet of the road frontage making the reassessment total \$3,435.00. The NCDOT purchase includes the proposed right-of-way and controlled access in front of Tax Lot 28, a total of 938 feet of assessable frontage. The Utilities staff recommended approval of the request for relief of 938 feet of frontage. All relief of water assessments would be subject to special privilege charges at the then current rate when the lot is made buildable and is connected to the public water main.

A resolution rejecting bids received on October 19, 2005 for the purchase of two crawler/dozers for landfill operations was approved. In addition to the purchase price, bidders were required to bid for various lease options, including purchase price at the end of the lease, a 3-year full warranty, and two Total Maintenance and Repair (TM&R) options. After reviewing bid submittals, including both purchase and lease options, it appears the purchase option would be more advantageous to the Commission due to the increases in interest rates. In order to accurately forecast the lifetime cost of purchasing and owning the equipment, it was necessary for bidders to commit to a guaranteed buyback price at the end of the projected life of the machines. Bidders were not required to show a guaranteed buyback price in their bid. It was recommended that the bids of October 19, 2005 be rejected in order to rewrite the specifications for this equipment.

A purchase order was approved by the commission to Carolina Tractor & Equipment Company for two used water trucks for use at the Old Salisbury Road Landfill and Hanes Mill Road Landfill. These water trucks are converted scrapers (pans) with a large water tank. The truck at the Old Salisbury Road Landfill will replace a truck currently being leased; the other truck will replace the one in use at the Hanes Mill Road Landfill. Both trucks have been appraised by an independent dealer at a value of between \$140,000.00 and \$145,000.00 each. The appraiser has recommended light usage of each unit (448 hours on one and 594 hours on the other.) Carolina Tractor & Equipment Company has offered to sell the units for \$140,000.00 each.

## **ADMINISTRATION**

*Projects in this category are associated with general policies of the Commission.*

The Utility Commission has a regularly scheduled meeting on the second Monday of each month. The next meeting will be held on January 9, 2006 at 2:00 p.m. in the Public Meeting Room, located at 100 E. First Street in the City Hall South building, 5<sup>th</sup> floor. For more information about the Commission agenda, please view the City's website at [www.cityofws.org/meetings](http://www.cityofws.org/meetings).