

MINUTES

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

CANE CREEK WATER & SEWER DISTRICT
MONDAY, FEBRUARY 1, 2016

The Henderson County Board of Commissioners met for a regularly scheduled meeting at 5:30 p.m. in the Commissioners' Meeting Room of the Historic Courthouse on Main Street, Hendersonville.

Those present were: Chairman Tommy Thompson, Vice-Chairman Charlie Messer, Commissioner Grady Hawkins, Commissioner Mike Edney, Commissioner William Lapsley, County Manager Steve Wyatt, Assistant County Manager Amy Brantley, Attorney Russ Burrell and Clerk to the Board Teresa Wilson.

Also present were: Management Assistant Megan Powell, Director of Business and County Development John Mitchell, Finance Director Carey McLelland, Senior Planner Autumn Radcliff, Internal Auditor Darlene Burgess, Engineer Marcus Jones, Interim DSS Director Jerrie McFalls, Income Maintenance Administrator Sandy Morgan, HR Director Jan Pritchard, IT Director Becky Snyder, Deputy Tax Collector Luke Small, Fire Marshal Rocky Hyder, Sheriff Charlie McDonald, Registrar of Deeds Lee King, Director of Communications Lisha Stanley, Central Services and Construction Manager David Berry, Environmental Programs Coordinator Rachel Kipar, Assistant Engineer Natalie Berry and PIO Kathy Finotti--videotaping, Deputy Candy Carland and Jeff Banks as security.

CALL TO ORDER/WELCOME

Chairman Thompson called the meeting to order and welcomed all in attendance.

Commissioner Messer made the motion for the Board to convene as Cane Creek Water & Sewer District Board. All voted in favor and the motion carried.

MINUTES

Draft minutes were presented for CCWSD Board review and approval of the following meeting(s):

July 15, 2015

Chairman Thompson made the motion to approve the minutes of July 15, 2015 as presented. All voted in favor and the motion carried.

FLETCHER ACADEMY PROPOSAL - EXPAND MUD CREEK INTERCEPTOR PROJECT

Marcus Jones stated on January 5, 2015, the Board approval the selection of WGLA Engineering, PLLC to perform the pre-construction for the Mud Creek Interceptor from Riverstone subdivision to the District's Naples pump station, see attached project layout. This portion of the interceptor will allow the elimination of the Naples station and in turn provide gravity sewer service to the area in the vicinity of the I-26 and US 25 intersection. The District's Master Plan identifies this portion of the Mud Creek interceptor project plus the portion to the Fletcher Academy has the District's number one priority project. However, the project is only viable with the addition of sewer service to Fletcher Academy Inc. (FAI). FAI has not been interested in connecting to the system, and the District has pursued lower priority projects.

Shortly after the Board's selection of the WGLA, Mr. Gary Carlson, President / CEO of FAI approached staff regarding connection to District sewer as an option to replacing their aging, onsite wastewater treatment plant. Staff delayed starting the pre-construction to negotiate a proposed agreement with FAI to extend the project from Naples to their campus. The proposal letter from FAI was provided and represented the cost FAI would have to spend to upgrade their plant. Instead of upgrading their plant,

APPROVED: August 17, 2016

they proposal to contribute the cost to our project and connect to the District's system. The proposal letter includes an engineer's estimate of the cost to upgrade the plant.

Based on precedence from Board action over the past five years and the high priority of the project, staff recommends the Board direct staff to develop and execute and agreement with FAI to extend the project to serve FAI.

Other points regarding the project and proposal follow:

- The updated cost estimate for the interceptor from Riverstone to Naples is \$1.15M. The portion from Naples to FAI is \$2.2M. Total project is \$3.3M.
- Currently the District has a fund balance of approximately \$1,000,000 taking into account the recently started construction contract for the Mill Pond Creek Project. A portion of this project will need to be financed. Staff estimates that the approximate user fees collected from FAI will provide the revenue to pay 75% of the anticipated debt service.
- The District's current debt service payment (USDA Bond) of \$250,000 will end in December 2020. Staff would not anticipate an increase in user fees associated with the project.
- Staff has communicated with Municipal Sewage District of Buncombe County regarding this project and the possible financing. They did not voice any objections.
- Park Ridge Health's Hospital is a customer of FAI's treatment plant and in turn would become a District customer with this project.

Commissioner Edney would like for staff to attempt to get greenway approval from property owners with the right-of-ways if possible.

Commissioner Hawkins is concerned that property owners may not feel comfortable with a greenway allowing for human traffic on their property.

Commissioner Lapsley feels each entity should cover their cost for connection to the plant. The County should not subsidize the project. He suggested going back to Fletcher Academy to see if they are willing to further fund the project. He also suggested delaying any action on the project until staff has a chance to analyze the cost and talk further with Fletcher Academy.

Commissioner Lapsley made the motion to table the project. All voted in favor and the motion carried.

ADJOURN

Commissioner Messer made the motion to adjourn as the Cane Creek Water & Sewer District Board and reconvene as the Henderson County Board of Commissioners. All voted in favor and the motion carried.

Attest:

Teresa L. Wilson, Clerk to the Board

Thomas H. Thompson, Chairman



Christian Businesses for Christian Education

January 14, 2016

Marcus Jones, P.E., Director of Engineering
Henderson County Government
1 Historic Courthouse Square
Hendersonville, NC 2879

Dear Mr. Jones:

As you are aware, Fletcher Academy, Inc. (FAI) has been working on a long-term replacement solution for our aging waste water treatment plant. We have reviewed multiple options that include the following: 1) connection into the Cane Creek Water & Sewer District (CCWSD) via the proposed Mud Creek Interceptor, 2) a package plant, and 3) a land spray application.

In September 2015, after input by Will Buie, P.E. of WGLA and a review of these various options, the FAI Board of Directors voted that the preferred option would be to connect into the Cane Creek Water & Sewer District (CCWSD) via the proposed Mud Creek Interceptor.

As we have considered FAI's reasonable and fair contribution to the estimated \$2.2M for this project it is our understanding that there is precedent and rationale for using the amount of the replacement cost for our current lagoon with a WWTP system. We have discussed this concept with Landon Davidson at DEQ and requested his help with theoretical discharge limits for a new treatment facility. Will Buie has reached out to Mack Industries for a quote for a concrete package treatment facility, and with the information from Mack Industries has prepared an "all inclusive" cost estimate (see letter of December 8, 2015 from Will Buie and estimate from WGLA) that totals \$1,016,000.

FAI respectfully submits this estimate for a package treatment plant as the basis for the amount we would contribute to the Mud Creek Interceptor project and connecting to the CCWSD. Should this offer be acceptable we would welcome the opportunity to discuss more of the details including the possibility of financing FAI's commitment to the project in such a way that that we manage this cost over time.



Christian Businesses for Christian Education

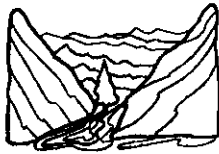
Thank you for your consideration of this proposal. If you have any questions or need more information, don't hesitate to contact my office. My direct line is 828-209-6701.

Sincerely,

A handwritten signature in black ink that reads "Gary P. Carlson". The signature is fluid and cursive.

Gary P. Carlson, President/CEO

CC: Will Buie, P.E.
G. Landon Davidson, P.G.



WGLA Engineering, PLLC

Civil Engineering & Land Planning

December 8, 2015

Mr. Gary Carlson, President and CEO
Fletcher Academy, Inc.
PO Box 5440
Fletcher, NC 28732

RE: Wastewater Treatment Facility
Preliminary Cost Estimate

Dear Mr. Carlson:

As you know, NCDEQ – Division of Water Resources has provided some idea of speculative limits if Fletcher Academy were to pursue permitting of a new wastewater treatment plant (WWTP) to replace the existing lagoon. DWR was very clear in their email that these limits were not official, but they understood we needed this information to prepare a cost estimate for a treatment facility. Per the email from Tim Heim with DWQ, the limits were estimated as follows:

BOD 10 mg/L
TSS 30 mg/L
NH3 2 mg/L

With this information, we contacted Mack Industries who is a supplier of precast concrete treatment facilities. We have worked with Mack Industries on numerous wastewater treatment facilities throughout Western North Carolina, and they were familiar with the Fletcher Academy facility. We provided Mack Industries with the estimated discharge limits, flow requirements and other significant information related to a new facility. They provided a budget estimate of \$575,000 - \$660,000 for the concrete, equipment and installation. Their budget did not include site improvements, piping, design, environmental, etc.

With the information from Mack Industries, we prepared an "all inclusive" cost estimate to incorporate the items not included in the Mack Industries budget. This estimate totals \$1,016,500.00. We believe this is an accurate budget estimate for the construction of a facility based on the information provided.

If you have any questions or need more information, don't hesitate to contact our office.

Sincerely,
WGLA Engineering, PLLC

William R. Buie, P.E.



WGLA ENGINEERING, PLLC
Consulting Engineers and Land Planners

PRELIMINARY

NOV 30

NOT FOR CONSTRUCTION

**Preliminary Cost Estimate
New Wastewater Treatment Facility
Fletcher Academy, Inc.**

Date: 11/30/15

Project #: 15101

Site Grading, Erosion Control, Etc.	I	LS	\$75,000.00	\$75,000.00
Mack Precast WWTP with flow EQ, aeration, sludge holding clarifiers, filters and chlorination/dechlorination	I	LS	\$625,000.00	\$625,000.00
Electrical	I	LS	\$45,000.00	\$45,000.00
Site piping	I	LS	\$35,000.00	\$35,000.00
Final site improvements including fencing, stone base, etc.	I	LS	\$30,000.00	\$30,000.00

TOTAL ESTIMATED CONSTRUCTION COST

\$810,000.00

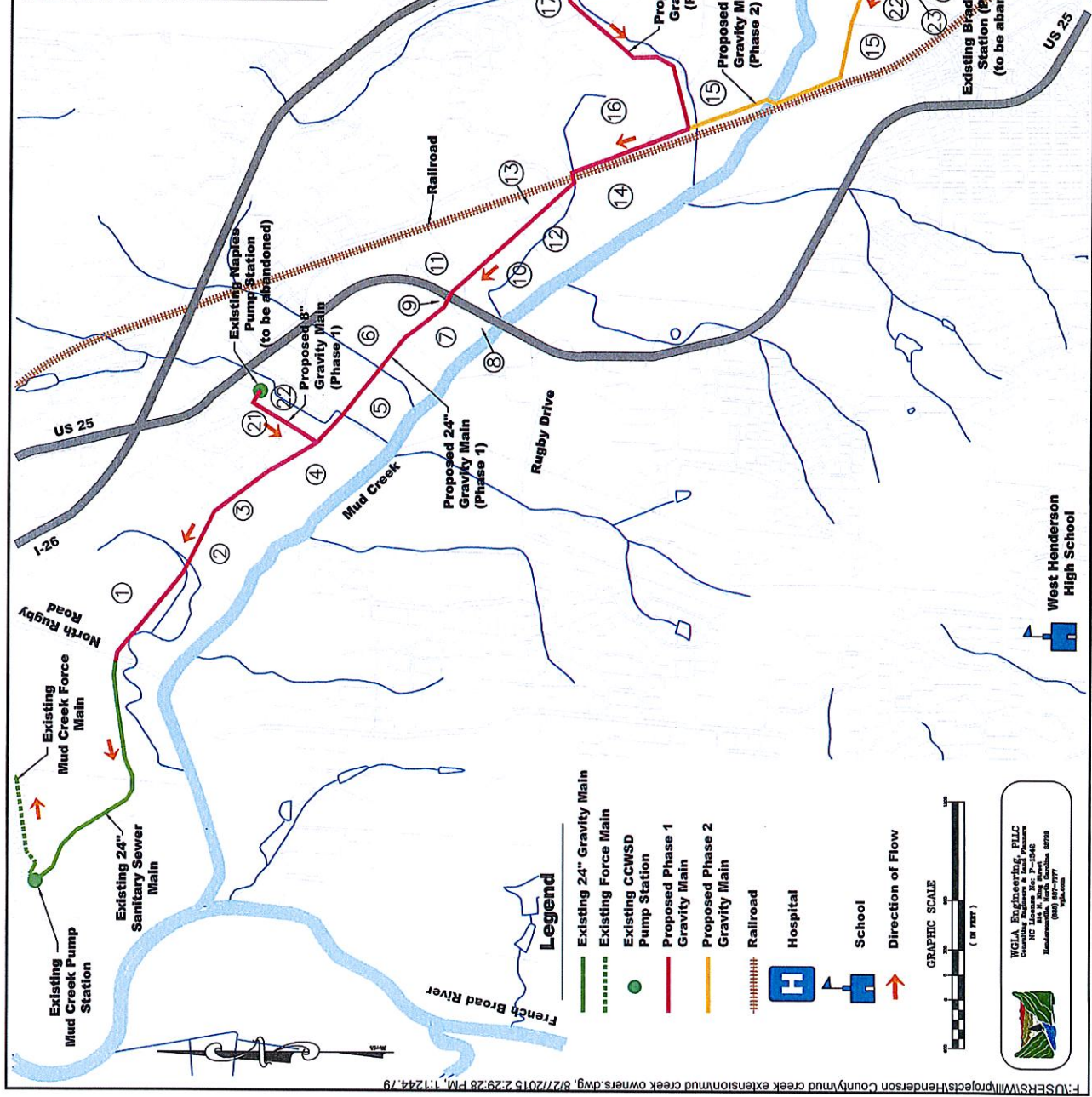
Contingency				\$81,000.00
Surveying				\$7,500.00
Alternative Analysis and Environmental				\$45,000.00
Engineering Design and Permitting				\$48,500.00
Construction Observation and Certifications				\$24,500.00

TOTAL ESTIMATED PROJECT COST

\$1,016,500.00

NUMBER	OWNER	DEED	PAR #	MALING ADDRESS	CITY	STATE	ZIP
1	WILSON, JAMES L. JR.	1152500	960131000	100 LUTHER AVE	HENDERSONVILLE	NC	28729
2	WILSON, JAMES L. JR.	1152500	960131000	100 LUTHER AVE	HENDERSONVILLE	NC	28729
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(PROPERTY INFORMATION FROM HENDERSON COUNTY GIS)



Legend

- Existing 24" Gravity Main
- Existing Force Main
- Existing CCWSD Pump Station
- Proposed Phase 1 Gravity Main
- Proposed Phase 2 Gravity Main
- Railroad
- Hospital
- School
- Direction of Flow



WGIA Engineering, PLLC
 100 North King Street
 Hendersonville, NC 28729
 (800) 397-3777
 www.wgia.com

Mud Creek / Interceptor / Extension / Priority

FY 09 Drainage Basin Study
 Cane Creek Water & Sewer District



100 North King Street
 Hendersonville, NC 28729