

**NOTICE OF A SPECIAL MEETING OF THE
ASHEBORO CITY COUNCIL**

Thursday, January 30, 2014

5:30 p.m.

Notice of a special meeting of the Asheboro City Council is hereby given. This meeting will be held on Thursday, the 30th day of January, 2014, at 5:30 p.m. in the Asheboro City Hall Council Chamber, 146 North Church Street, Asheboro, North Carolina 27203.

This special meeting has been called for the purpose of enabling the governing board to discuss and act, if such action is deemed advisable by the City Council, on analysis and planning for the long-term development, maintenance, and operation of the city's water and sewer infrastructure. Specific topics to be considered as part of this analysis and planning for the water and sewer utility are as follows:

1. The potential impact of water and sewer utility decisions on economic development initiatives will be discussed. Ms. Bonnie Renfro, President of the Randolph County Economic Development Corporation, will contribute comments and insights to this specific discussion.
2. The water and sewer utility rate study recently prepared by Cavanaugh & Associates, P.A. will be presented and discussed.
3. A review of water and sewer utility capital needs identified by Water Resources Director Michael Rhoney, P.E. will be discussed.

This notice is issued on the 24th day of January, 2014, in accordance with the laws and ordinances of the State of North Carolina and the City of Asheboro.

/s/ David H. Smith
David H. Smith, Mayor
City of Asheboro, North Carolina

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**SPECIAL MEETING
ASHEBORO CITY COUNCIL
CITY COUNCIL CHAMBER, MUNICIPAL BUILDING
THURSDAY, JANUARY 30, 2014
5:30 p.m.**

This being the time and place for a special meeting of the Asheboro City Council, a meeting was held with the following elected officials and staff members present:

- David H. Smith) – Mayor Presiding

Talmadge S. Baker)
Clark R. Bell)
Edward J. Burks)
Linda H. Carter) – Council Members Present
Michael W. Hunter)
Walker B. Moffitt)
Charles A. Swiers)

- John N. Ogburn, III, City Manager
Holly H. Doerr, CMC, NCCMC, City Clerk/Paralegal
Leigh Anna Johnson, Public Information Officer
Michael L. Leonard, P.E., City Engineer
Trevor L. Nuttall, Community Development Director
Deborah P. Reaves, Finance Director
Michael D. Rhoney, Water Resources Director
Jeffrey C. Sugg, City Attorney

1. Call to order.

A quorum thus being present, Mayor Smith called the meeting to order for the transaction of business, and business was transacted as follows.

2. Impact of water and sewer utility decisions on economic development initiatives.

City Engineer Michael Leonard utilized a visual presentation to facilitate a discussion regarding the impact of water and sewer utility decisions on economic development initiatives. During his presentation, Mr. Leonard highlighted and discussed the following potential economic development projects as previously introduced during the Council's regular January 9, 2014 meeting.

a.) Pineview Street Industrial Area:

- Goodyear site
- Opportunity to open access to the undeveloped property north of the former Goodyear facility
- Opportunity to improve traffic flow and safety by extension of Commerce Place to Pineview
- Infrastructure in place – water, sewer, power, gas, highway access
- Protects largest industrial park in Asheboro and Randolph County
- Potential to work with client or developer
- Profile
 - -160.4 acres of land
 - -1,900,000 square feet in buildings
 - -6 parcels
- Potential project cost (under the scenario used in the visual presentation to facilitate discussion): \$380,224.28

b.) New Century Industrial Park

- Veteran's Loop site
- Opportunity to improve access to small industrial tracts and PEMMCO
- Opportunity to improve traffic flow and safety by reducing traffic on McDowell Road
- Infrastructure in place – water, sewer, power, gas, and highway access
- Potential to work with client or developer
- Profile
 - 60 acres of land
 - 3-4 parcels
- Potential project cost (under the scenario used in the visual presentation to facilitate discussion): \$531,018.50

c.) Heath Dairy Road

- Heath Road site
- Opportunity to establish new growth corridor at strategic location
- Infrastructure must be extended and improved, both public and private
- Takes advantage of new I-73/74 access north of site
- Potential to work with client or developer
- Duke Energy matching grant available for due diligence
- Profile
 - 174.46 acres of land
 - 1,019,000 square feet in buildings
 - 6 parcels
- Potential project cost (under the scenario used in the visual presentation to facilitate discussion): \$2,726,958.30

Throughout discussion, Council Members offered positive comments in regards to these potential projects. Additionally, Ms. Bonnie Renfro, President of the Randolph County Economic Development Corporation (RCEDC), and Mr. Rick Powell, who is a member of the Board of Directors of RCEDC and President of PEMMCO, were in attendance and offered comments in support of further exploration of these economic development activities. Mr. Powell, also offered specific comments in support of the New Century Industrial Park proposal and the positive impact it could have in connection with PEMMCO.

In summary, Mr. Ogburn emphasized to the Council that these were only potential projects, but recommended that city staff should begin reviewing plans for the extension of New Century Drive. Once plans are available, city staff will forward said plans to Council for review and approval.

A copy of the visual presentation utilized by Mr. Leonard is on file in the City Clerk's office.

3. Water and sewer utility capital needs. [Agenda Item Number 4]

Mr. Rhoney utilized a visual presentation and highlighted the following projects that are currently part of the city's water and sewer utilities capital improvements program:

- Wastewater Treatment Plant Primary Digester Cover Replacement Project. Estimated cost is \$1,000,000.00
- Water Treatment Plant's South Plant Filter Replacement and Upgrade Project. Estimated cost is \$757,000.00
- Giles Chapel Road Water Line Replacement Project including the replacement of approximately 4,200 LF of dilapidated 2 inch galvanized water line with 8 inch ductile iron. This project is anticipated to be completed by June 2014.
- Radio Read Water Meter Program involving the installation of radio read meters. The anticipated completion date is April 2014, and, when completed, approximately 4,000 of 13,000 meters will be radio read meters.
- Lift Station #18 survey and plat for property acquisition and driveway construction. Driveway construction is needed for maintenance access and to bring to city standards. Estimated cost for project is approximately \$25,000.00
- Lift Station #21 Fence Enclosure at Tot Hill Farm – Construction of a fence enclosure is needed for compliance with state regulations.
- Lift Station #22 Driveway Construction and Fence Enclosure at Tot Hill Farm – Construction of a fence enclosure is needed for compliance with state regulations along with driveway construction for compliance with city standards.
- Cedar Road Water Line Replacement - Replacement of approximately 850 LF of dilapidated 2 inch galvanized water line with 6 inch ductile iron.
- Water Treatment Plant Electrical Panel Replacement – Replacement of inadequate/obsolete 1200 Amp Electrical Panel – estimated cost is \$65,000.00.

Additionally, with the list of current projects, Mr. Rhoney noted new projects to be added to the city's water and sewer utilities capital improvements program. These projects include the following:

Water Capital Outlay Highlights (annual expense over \$150,000)

- Replace all galvanized water lines
- Water tank maintenance contracts
- Rebuild remaining water filters
- Replace North Plant Electrical Panel
- Replace North Plant filter valves
- Replace high service pump
- Replace two (2) variable speed Raw Booster Pumps at Lake Lucas and Lake Reese
- New Century Drive – Phase 1A

Sewer Capital Outlay Highlights (annual expense over \$150,000)

- Replace Nitrification Control System
- Rehab/replace 36 inch sewer line
- Rehab/replace 24 inch sewer line
- Chemical Feed building
- Press Building Lime Feed System
- Upgrade Lift Station #3
- Upgrade Lift Station #3 Force Main
- Centralized Lab
- Remaining digester cover

A copy of the visual presentation utilized by Mr. Rhoney is on file in the City Clerk's office.

4. Water and sewer utility rate study prepared by Cavanaugh & Associates. [Agenda Item Number 3]

Ms. Reaves reviewed the current fiscal year 2013-2014 water and sewer fund rate structure along with budget revenues and expenses in order to give the Council Members an overview of how the city must plan for the capital needs that were previously noted. As part of the on-going planning process, Ms. Reaves introduced representatives from Cavanaugh and Associates, an engineering firm.

