

REQUEST FOR BOARD ACTION

CANE CREEK WATER AND SEWER DISTRICT BOARD OF DIRECTORS

MEETING DATE: February 1, 2016

SUBJECT: Fletcher Academy Proposal
Expand Mud Creek Interceptor Project

PRESENTER: Marcus A. Jones, P.E.

ATTACHMENTS: Yes

1. Proposal Letter form Fletcher Academy
2. Project Layout

SUMMARY OF REQUEST:

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 is attached and represents the cost FAI would have to spend to upgrade their plant. Instead of upgrading their plant, 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.

BOARD ACTION REQUESTED:

Direct staff to develop an agreement with Fletcher Academy based on their proposal to contribute to the District's Mud Creek Interceptor project from Riverstone subdivision to Fletcher Academy campus.

Suggested Motion:

I move that the Board direct staff to develop an agreement with Fletcher Academy based on their proposal to contribute to the District's Mud Creek Interceptor project from Riverstone subdivision to Fletcher Academy campus.



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 written in a cursive style and is positioned below the word "Sincerely,".

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 2015

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

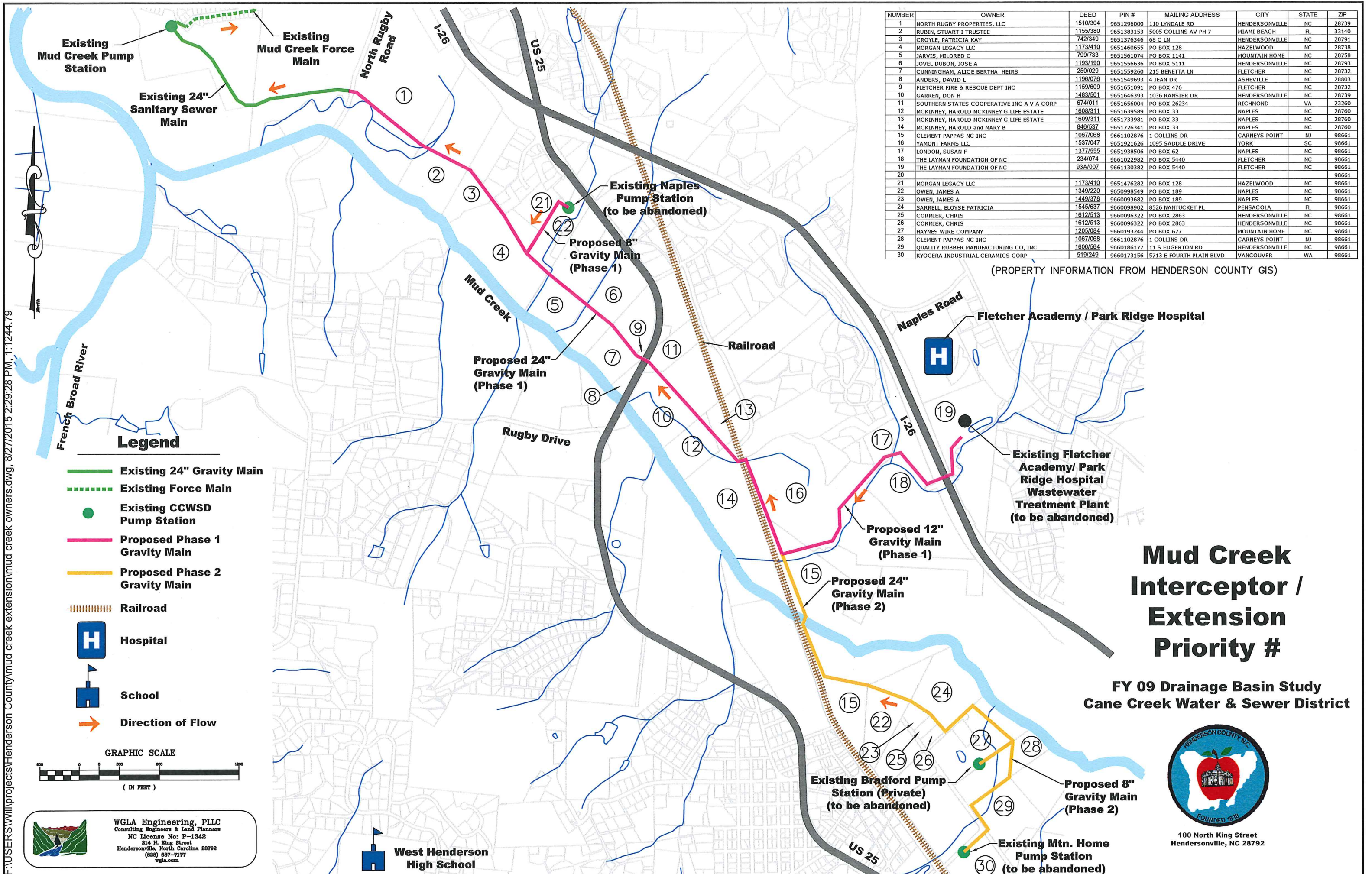
\$810,000.00

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

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NUMBER	OWNER	DEED	PIN #	MAILING ADDRESS	CITY	STATE	ZIP
1	NORTH RUGBY PROPERTIES, LLC	1510/304	9651296000	110 LYNDALD RD	HENDERSONVILLE	NC	28739
2	RUBIN, STUART I TRUSTEE	1155/380	9651383153	5005 COLLINS AV PH 7	MIAMI BEACH	FL	33140
3	CROYLE, PATRICIA KAY	742/349	9651376346	68 C LN	HENDERSONVILLE	NC	28791
4	MORGAN LEGACY LLC	1173/410	9651460655	PO BOX 128	HAZELWOOD	NC	28738
5	JARVIS, MILDRED C	799/733	9651561074	PO BOX 1141	MOUNTAIN HOME	NC	28758
6	JOVEL DUBON, JOSE A	1193/190	9651556636	PO BOX 5111	HENDERSONVILLE	NC	28793
7	CUNNINGHAM, ALICE BERTHA HEIRS	250/029	9651559260	215 BENETTA LN	FLETCHER	NC	28732
8	ANDERS, DAVID L	1196/076	9651549693	4 JEAN DR	ASHEVILLE	NC	28803
9	FLETCHER FIRE & RESCUE DEPT INC	1159/609	9651651091	PO BOX 476	FLETCHER	NC	28732
10	GARREN, DON H	1483/501	9651646393	1036 RANSIER DR	HENDERSONVILLE	NC	28739
11	SOUTHERN STATES COOPERATIVE INC A V A CORP	674/011	9651656004	PO BOX 26234	RICHMOND	VA	23260
12	MCKINNEY, HAROLD MCKINNEY G LIFE ESTATE	1608/311	9651639589	PO BOX 33	NAPLES	NC	28760
13	MCKINNEY, HAROLD MCKINNEY G LIFE ESTATE	1609/311	9651733981	PO BOX 33	NAPLES	NC	28760
14	MCKINNEY, HAROLD and MARY B	846/537	9651726341	PO BOX 33	NAPLES	NC	28760
15	CLEMENT PAPPAS NC INC	1067/068	9661102876	1 COLLINS DR	CARNEYS POINT	NJ	98661
16	YAMONT FARMS LLC	1537/047	9651921626	1095 SADDLE DRIVE	YORK	SC	98661
17	LONDON, SUSAN F	1377/555	9651938506	PO BOX 62	NAPLES	NC	98661
18	THE LAYMAN FOUNDATION OF NC	234/074	9661022982	PO BOX 5440	FLETCHER	NC	98661
19	THE LAYMAN FOUNDATION OF NC	93A/007	9661130382	PO BOX 5440	FLETCHER	NC	98661
20							98661
21	MORGAN LEGACY LLC	1173/410	9651476282	PO BOX 128	HAZELWOOD	NC	98661
22	OWEN, JAMES A	1349/220	9650998549	PO BOX 189	NAPLES	NC	98661
23	OWEN, JAMES A	1449/378	9660093682	PO BOX 189	NAPLES	NC	98661
24	SARRELL, ELOYSE PATRICIA	1545/637	9660098902	8526 NANTUCKET PL	PENSACOLA	FL	98661
25	CORMIER, CHRIS	1612/513	9660096322	PO BOX 2863	HENDERSONVILLE	NC	98661
26	CORMIER, CHRIS	1612/513	9660096322	PO BOX 2863	HENDERSONVILLE	NC	98661
27	HAYNES WIRE COMPANY	1205/084	9660193244	PO BOX 677	MOUNTAIN HOME	NC	98661
28	CLEMENT PAPPAS NC INC	1067/068	9661102876	1 COLLINS DR	CARNEYS POINT	NJ	98661
29	QUALITY RUBBER MANUFACTURING CO, INC	1606/564	9660186177	11 S EDGERTON RD	HENDERSONVILLE	NC	98661
30	KYOCERA INDUSTRIAL CERAMICS CORP	519/249	9660173156	5713 E FOURTH PLAIN BLVD	VANCOUVER	WA	98661

(PROPERTY INFORMATION FROM HENDERSON COUNTY GIS)

Mud Creek Interceptor / Extension Priority

FY 09 Drainage Basin Study
Cane Creek Water & Sewer District



100 North King Street
Hendersonville, NC 28792

Legend

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

GRAPHIC SCALE
(IN FEET)

WGLA Engineering, PLLC
Consulting Engineers & Land Planners
NC License No: P-1942
814 N. King Street
Hendersonville, North Carolina 28792
(888) 887-7177
wglac.com



West Henderson High School