

The Lincoln County Board of County Commissioners met as the governing body of the East Lincoln County Water and Sewer District at the Citizens Center, Third Floor, 115 West Main Street, Lincolnton, North Carolina, the regular place of meeting at 6:30 p.m. on March 17, 2003. The following were present:

Jerry W. Cochrane, Chairman

Thomas R. Anderson

Larry S. Craig

Carrol D. Mitchem

James "Buddy" Funderburk

Jeff Taylor, County Attorney

Stan Kiser, County Manager

Also present were Steve Gilbert, Director of Public Utilities and Amy S. Long, Clerk to the Board.

CALL TO ORDER

Chairman Cochrane called the March 17, 2003 meeting of the East Lincoln County Water and Sewer District Board to order.

INVOCATION

Rev. Ron Haithcock of Long Shoals Wesleyan gave the Invocation.

PLEDGE OF ALLEGIANCE

ADOPTION OF AGENDA

UPON MOTION by Commissioner Funderburk, the Board voted unanimously to adopt the agenda as presented.

Agenda

**EAST LINCOLN COUNTY WATER AND SEWER DISTRICT
BOARD OF COUNTY COMMISSIONERS
GOVERNING BODY
LINCOLN COUNTY, NORTH CAROLINA**

**MARCH 17, 2003
6:30 PM**

6:30 PM Call to Order

6:31 PM Invocation

| | | |
|-----|---------|--|
| | 6:33 PM | Pledge of Allegiance |
| | 6:34 PM | Adoption of Agenda |
| 1. | 6:35 PM | Approval of Minutes for December 16, 2002, Meeting |
| 2. | 6:40 PM | Forney Creek WWTP Electrical Evaluation – Steve Gilbert |
| 3. | 6:45 PM | Grinder Pump Issues – Steve Gilbert & Chris Henderson |
| 4. | 6:50 PM | Forney Creek Sludge Pump Bids – Steve Gilbert |
| 5 | 6:55 PM | Change Order for Via Electric Co. Contract – Steve Gilbert |
| 6. | 7:00 PM | Contract Amendment for Olver, Inc. – Steve Gilbert |
| 7. | 7:05 PM | Capital Project Reports – Steve Gilbert |
| 8. | 7:10 PM | Financial Report – Leon Harmon |
| 9. | 7:15 PM | Other Business |
| 10. | 7:20 PM | Adjourn |

Approval of Minutes – December 16, 2002: UPON MOTION by Commissioner Craig, the Board voted unanimously to approve the December 16, 2002 minutes as presented.

Forney Creek WWTP Electrical Evaluation: Steve Gilbert, Director of Public Utilities, stated that over the last year or two, the Forney Creek Wastewater Treatment Plant has been experiencing intermittent electrical control and monitoring problems. The computer based information system has been providing incorrect readings, which has necessitated physical monitoring of liquid levels in lieu of electronic level monitoring by the computer. We have had the equipment repaired when we have had an obvious malfunction, but we feel the only way to find out the root of these problems is to have an electrical evaluation made of the entire control and monitoring system.

Mr. Gilbert presented a copy of the proposal from WK Dickson's electrical engineer, Mark Ciarrocco. He will conduct an evaluation and provide a report with his findings as well as recommendations of equipment that may need replacement or upgrading to provide the reliable service we need. The work would be performed by Dickson personnel, with the exception if a Power Quality consultant is needed to evaluate the power source for the plant. If that need is seen, they will get a scope of his work and a maximum price for review and approval before he begins work. A Power Quality consultant would act as a subconsultant under WK Dickson.

UPON MOTION by Commissioner Craig, the Board voted unanimously to approve the contract.

Grinder Pump Issues: Chris Henderson reviewed current procedures and problems for grinder pump sales and service. He presented the following proposal:

1. Staff is recommending that the ELSD no longer purchase and sell any grinder pump units to its sewer customers. The warranty is provided by the certified supplier which is chosen from a list of approved grinder pump systems by the customer. Currently the ELSD has two (2) grinder pump systems that are approved for installation:
 - a. Barnes Pumps
 - b. Little Giant Pumps

Any future pump system manufacturers that would like to be considered for possible installation in the ELSD Low Pressure Sewer System must meet the minimum requirements in accordance with the Lincoln County Public Works Sewage Grinder Pumping Station Specification Section 11309. Each approved manufacturer will submit to the ELSD a certification letter that states it meets the minimum requirements and will maintain a minimum replacement inventory. The list of approved grinder pump systems will be submitted to Building and Land Development so that Building Inspectors can assure the proper system is installed in the ELSD.

2. Pre-paid Future Use Customers:

During the first two (2) years of the ELSD a policy was enforced that allowed future use customers the opportunity to pre-pay for their grinder pump units and lock in their fees. ELSD records show that 162 future use customers paid \$1,400.00 and 1 paid \$1,805.00 for their grinder pumps. As of March 10, 2003 \$228,605.00 has been paid to the ELSD for grinder pump fees. The ELSD no longer allows for future use payments of grinder pump units. There are also 6 grinder pump applications that paid \$2,206.00 in fees and are expected to be installed by the end of June 2003.

Currently the ELSD has a stock of 13 grinder pump units and is projecting the need for another order of 40 new units by the end of June 2003.

Option 1:

Future use customers are notified by letter that they can either pick up their grinder pump unit or a refund plus .4% annually (current savings account rate) will be issued in 30 days.

Pro - Possible addition of 162 sewer customers to the ELSD.

Con – Refund cost of \$228,605.00 plus .4% annually.

Option 2:

The ELSD provides a grinder pump unit at the time of requested service from the future use customer.

Pro – Deflect refund cost over time.

Con – Higher per unit cost at unknown future date.

| | |
|---------------|--------------------|
| Current Cost | \$2,206.00 |
| Customer Paid | <u>\$1,400.00</u> |
| Current Loss | \$ 806.00 Per unit |

Chairman Cochrane stated that he felt the 30 day time period in Option 1 was too short. He suggested 90 days instead.

UPON MOTION by Commissioner Anderson, the Board voted unanimously to adopt proposals 1 and 2, with Option 1 changed to 90 days.

Forney Creek Sludge Pump Bids: Steve Gilbert stated that on March 13, 2003, the Public Works Department received bids for a replacement of the Return Activated Sludge Pumps at the Forney Creek Wastewater Treatment Plant. This will allow more efficient handling of sludge, and the related improvements to the pump controls that are included in this contract will greatly enhance the ability to control flows through the plant.

The low bid was submitted by Gilbert Engineering in the amount of \$99,302.70. WK Dickson has reviewed the bids and has made a recommendation to award the contract to Gilbert Engineering. With the Board's approval, contract documents will be signed and Notice to proceed will be issued as soon as possible.

The summary bid tabulation is as follows:

| Company | Bid |
|---|---------------|
| Gilbert Engineering Co. – Statesville, NC | \$ 99,302.70 |
| James E. Harris Construction – Huntersville, NC | \$100,537.50 |
| Chris Rider, Inc. – Boone, NC | \$100,800.00 |
| Hickory Construction Co. – Hickory, NC | \$117,600.00 |
| Buckeye Construction Co. – Canton, NC | \$119,034.30. |

UPON MOTION by Commissioner Anderson, the Board voted unanimously to approve the bid by Gilbert Engineering of \$99,302.70.

Change Order for Via Electric Co. Contract: Steve Gilbert stated that on December 16, 2002, the Board approved the bid in the amount of \$404,370.00 from Via Electric Company to install generators on 11 sanitary sewer pump stations. This left one remaining pump station without a generator. We asked the contractor to submit a cost to add this generator to his contract, bringing the total amount to \$448,877.68. Money has been budgeted to include this addition to the contract.

This change order was discussed at the Board meeting on February 3, 2003, and the consensus at that time was to let the change order be approved in order for the contractor to order the material, with the formal approval request to be brought to tonight's meeting. With the Board's formal approval, the additional generator will be installed with the other eleven.

The Public Works Department recommends approval of the change order to Via Electric's contract in the amount \$44,507.68.

UPON MOTION by Commissioner Craig, the Board voted unanimously to approve the change order for Via Electric.

Contract Amendment for Olver, Inc.: Steve Gilbert stated that on March 18, 2002, the Board approved a contract with Olver, Inc., of Charlotte, to prepare an application for a Capacity Building Grant from the North Carolina Rural Center. Upon award of such a grant, Olver was to prepare a Capital Improvements Plan for the water and sewer systems. They were successful in obtaining a grant in the amount of \$36,000.00 which requires the Sewer District to spend an equal amount of \$36,000.00. Olver's original contract included \$5,000.00 for the grant application and \$20,000.00 for preparation of the Capital Improvements Plan, for a total of \$25,000.00. In addition to the preparation of the CIP, Olver plans to develop a computer model of the sewer system, utilizing digital scans of our existing sewer system plans. They are also investigating possible sites for a waste treatment plant for future needs. This additional work is expected to cost an additional \$17,500.00. As a part of the preparation of the CIP, Olver was able to obtain credit for the \$29,500.00 that the County spent to have WK Dickson develop a computer model of the County Water System. In summary, the cost figures for this project are shown below:

| Proposed Expenses | Actual Costs |
|--------------------------------------|--|
| Grant Amount \$36,000.00 | Olver Contract \$25,000.00 |
| County Obligation <u>\$36,000.00</u> | Computer Model \$29,500.00 |
| TOTAL PROJECT \$72,000.00 | Contract Amendment <u>\$17,500.00</u> \$72,000.00 |

| County's Expenses | |
|--------------------------|--------------------|
| County Obligation | \$36,000.00 |
| Already spent | <u>\$29,500.00</u> |
| To be spent | \$ 6,500.00 |

With the Board's approval of the contract amendment in the amount \$17,500.00, Olver will be authorized to complete the CIP as well as the mapping of the sewer system, the computer model of the sewer system and the site analysis for a new waste treatment plant. Total expense to the County at this time will be \$6,500.00.

The Public Works Department recommends that the Board approve this contract amendment with Olver, Inc. in the amount of \$17,500.00.

UPON MOTION by Commissioner Anderson, the Board voted unanimously to approve the contract amendment for Olver, Inc.

Capital Project Update – Steve Gilbert: Steve Gilbert gave a capital project update for projects in the sewer district, including Governor's Island Low Pressure Sewer, North Lincoln High School Pumping Station & Force Main, Force Main Relocation to Little Egypt Road, and Standby Power for Wastewater Pumping Stations.

Financial Report: Leon Harmon, Finance Director, gave an analysis of the financial position of the East Lincoln Sewer District.

Adjourn: UPON MOTION by Commissioner Craig, the Board voted unanimously to adjourn the meeting.

Amy S. Long, Clerk to the Board
Board of Commissioners

Jerry W. Cochrane, Chairman
Board of Commissioners