



SOUTH GRANVILLE WATER AND SEWER AUTHORITY MEMO



August 19, 2013

To: Mr. Tom Mercer, Manager, City of Creedmoor

From: Lindsay L. Mize, Executive Director

After our meeting on July 30, 2013, I shared the information you provided with the SGWASA Negotiating Committee. You had stated that your direction from the City of Creedmoor's Council was to determine a price for the system first before any other issues are discussed. Based on this aspect of the negotiations as well as a few other points that have been discussed, the SGWASA Negotiating Committee has informed me that they would recommend the following to the full SGWASA Board at this time in the negotiations:

- SGWASA would pay the City of Creedmoor \$15,000,000.00 for its water and sewer system (as long as SGWASA can get approved for the loan);
- The City of Creedmoor would become a voting member of SGWASA, when an agreement is signed regarding Creedmoor customers being SGWASA customers;
- SGWASA would not consider buying nutrient poundage at this time,
- The City of Creedmoor would agree not to pursue other sources of water/sewer other than through SGWASA;
- SGWASA will not be a part of any discussions regarding ETJ or water/sewer service areas.

I realize that there are additional points that are to be discussed, but hopefully this will start to address this set of issues so that we may move onto the others. Please review and contact me as soon as you have had a chance to review this.

Thanks,
Lindsay