Broadwell Land Company Elliot Farm Road Project Counter Proposal to City of Fayetteville/PWC October 26, 2017

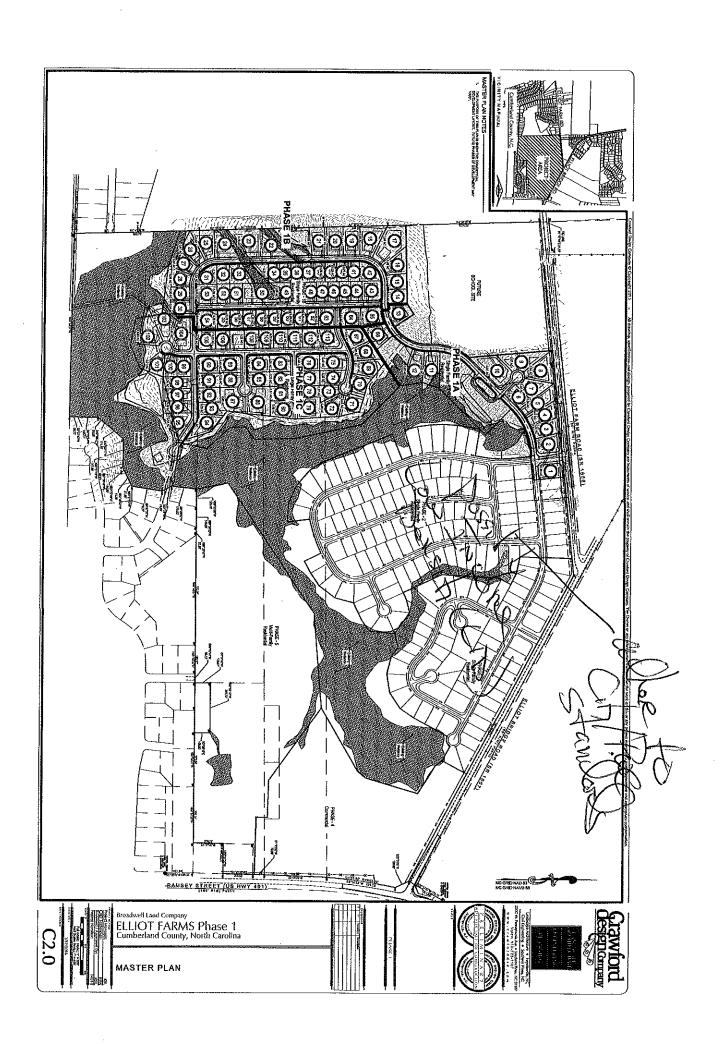
Broadwell Land Company commends staff of the City of Fayetteville and PWC for opening up dialogue between all parties as it relates to this project. We were in the Construction Documents development phase of the engineering process, adhering to Cumberland County infrastructure and Harnett County water/sewer standards, when we were approached by the City and PWC to consider alternative solutions. The decision in 2012 to utilize Harnett County utilities was based on project economics as they were the lower cost provider at that time by a significant margin. Broadwell Land Company traditionally utilizes PWC services whenever it can, and most development projects occur within the City of Fayetteville limits as a result.

A proposal by the City/PWC was presented to all parties at a meeting on Monday, June 5, 2017 at City Hall, and is attached as Exhibit A. While we appreciate the City and PWC concessions with regard to infrastructure, utility, and cost participation requirements related to the project in exchange for annexation we cannot dismiss the resources, effort, and prior transations that have been incurred/transpired to date. Some of the more relevant items for consideration are as follows:

- Broadwell Land Company has incurred over \$300,000 in engineering, design and permitting fees to date for Phase 1 of the project, consisting of approximately 118 single family dwelling units; State stormwater and NCDOT driveway permits have been secured; Master planning with respect to traffic and environmental impact analysis have been performed and approved
- Broadwell Land Company has conveyed approximately 20 acres to the Cumberland County Board of Education and the completion of the sale is contigent upon like utility and infrastructure provisioning by Broadwell Land Company
- The overall project area is 264 acres and will consist of approximately 350 single family dwelling units, 350 multi-family dwelling units and 30 acres of commercial area that fronts Ramsey Street; The project area that has been engineered/planned to date consists of Phase 1 residential, and, the sale of land to the Cumberland County Board of Education, both components located to the rear of the project; Phase 1 is 17% of the total residential units of the overall project

In an effort to balance the City/PWC goal of community/system growth while recognizing the work that has been completed to date, Broadwell Land Company offers a counter proposal to the City/PWC in reference to jurisdictional authority/utility service provisioning for the project, as follows:

- PWC will be the service provider to the overall multi-use project consisting of single family, multi-family and commercial components
- PWC will extend water and sewer mains through the Elliot Farm Project as depicted in preliminary survey/design drawings by CDM Smith (water) and MK&R (sewer), attached as Exhibit B
- Broadwell Land Company will participate in the extension of main extensions at \$500,000, with no FIF credits earned
- PWC will waive certain design requirements as outlined in the original proposal, attached as Exhibit A, to the single family dwelling component of the project designated as Phase 1 (approximately 118 units) and Broadwell Land Company will redesign accordingly
- The City of Fayetteville will waive the annexation requirements for Phase 1 and the parcel sold to the Cumberland County Board of Education
- All other areas of the project will be annexed by the City of Fayetteville and developed to applicable standards through a petition by Broadwell Land Company



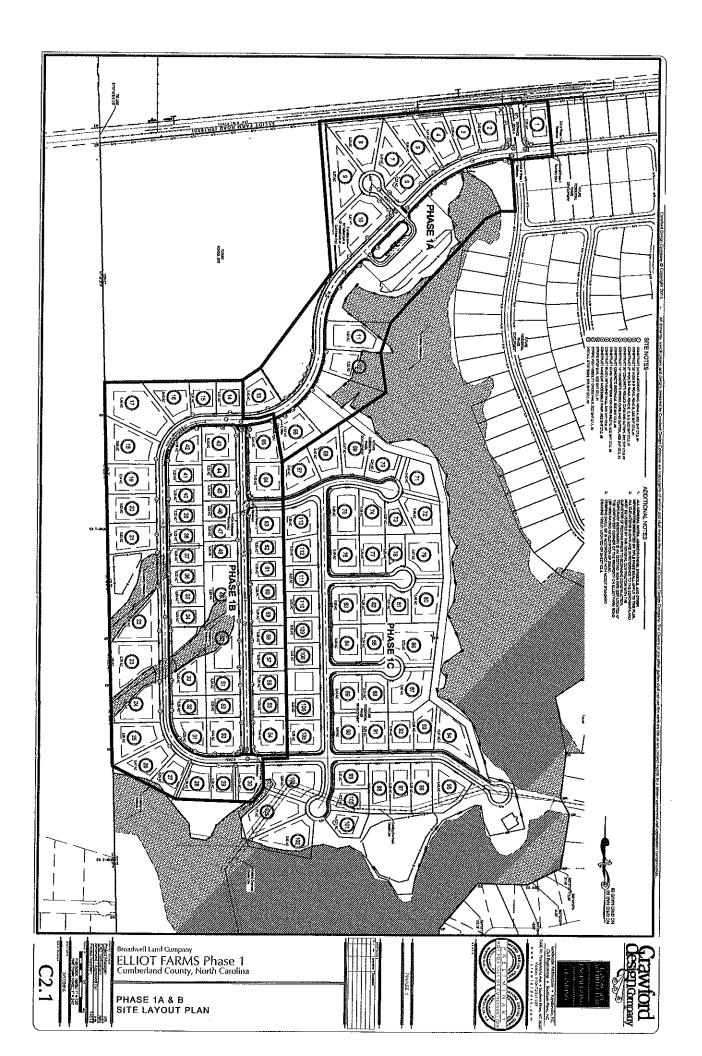


EXHIBIT A

City/PWC Proposal

- PWC has reviewed the existing water and sewer design. We are willing to waive several PWC requirements in order to prevent the need for design changes. (See Separate PWC Attachment)
- PWC will require some changes in material and some upsizing, but this will not significantly change the existing design. (See Separate PWC Attachment)
- PWC is requesting a participation of \$ 1,000,000. This is a 50% reduction in PWC's previous request for this project.
- All permits will need to be applied for to include Stormwater Permit.
- Sidewalks will be required on both sides of the streets to include pedestrian connections to adjacent phases and future school.
- The site appears to be a good candidate for Low Impact Development (LID). Design
 modifications are needed to satisfy the stormwater requirements. While modifications are in
 process LID concepts could be considered to reduce cost, timing and impacts. Narrower streets
 could be an LID component to be considered along with others.

PWC Review of the Existing Broadwell Water and Sewer Design

PWC reviewed the preliminary plans provided by Kevin Lindsay. We did find any major design issues that would cause a need for significant revision to the plans. PWC's position on the items requested by Kevin Lindsey is show in red below.

1. Water is SDR 21.

PWC WRE will require the water to be C900. This will result in increased material charges, but no significant change to the design.

2. Water is not under pavement as per DOT.

PWC WRE does not have an issue with this and it will be acceptable as designed outside the pavement.

3. Sewer is SDR 35.

PWC WRE will require the sewer to be SDR-26. This will result in increased material charges, but no significant change to the design.

4. Water is 3' deep vs 3.5.

PWC requirement is for 3.5' bury on water mains. However, PWC WRE is willing to waive this requirement on this project if it causes the need for major design changes.

5. A few of the lines are 6" vs 8".

PWC requirement is 8" minimum. This will result in increased material charges, but no significant change to the design.

6. Sewer lateral are at 1% vs 2%.

PWC requirement is minimum 2% slope for 4-inch sewer laterals. However, PWC WRE is willing to allow 1% slope on 4-inch sewer laterals on this project if it causes the need for major design changes.

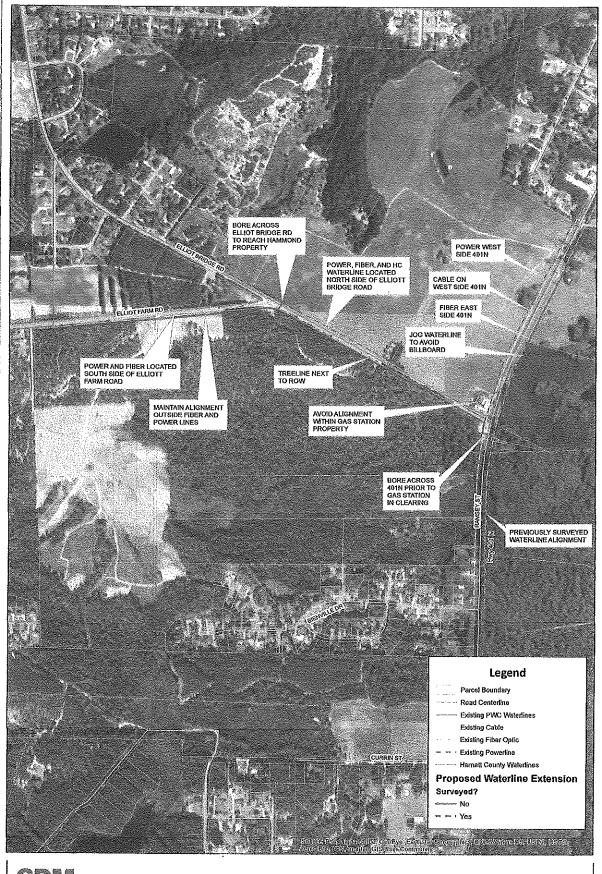
7. Water laterals at ¾".

PWC WRE will require the water laterals to be 1-inch instead of ¾-inch. This will result in increased material charges, but no significant change to the design. PWC WRE does not require the use of a 2-inch conduit under the road, so the elimination of the 2-inch conduit could offset some of the increased material charges for the 1-inch laterals.

8. Water meter/sewer lateral locations on lots.

PWC requirement is that water meters and sewer cleanouts be located at the center of lots. However, PWC WRE is willing to waive this requirement on this project if it causes the need for major design changes.

EXHIBIT B



CDW Smith



0 300 600 1,200 Feet

1 inch = 600 feet

Highway 401 North Waterline Extension Preferred Alignment Fayetteville, North Carolina