

MINUTES OF THE METROPOLITAN SEWERAGE DISTRICT BOARD

JANUARY 15, 1980

The regular monthly meeting of the Metropolitan Sewerage District Board was held in the Boardroom of MSD's Administration Building at 2 p.m., Tuesday, January 15, 1980.

Chairman Robinson called the meeting to order, and Mrs. Crowe called the roll. In addition to the Chairman, the following members were present: Messrs. Black, Boggs, Clark, Griffith, Hyatt, Pope, Smith, Warlick, and Williams.

In addition to the Board members, the following attorneys, consultant, and staff members were present: Messrs. Anthony Redmond and John S. Stevens; Mr. Dean Huber; Mr. W. H. Mull, Mrs. Jan Crowe, and Mrs. Linda Duncan.

Mr. J. Ray Elingburg, Clerk of Superior Court, administered the Oath of Office to three members reappointed to three-year terms to the MSD Board, effective January 19, 1980. Taking the oath, being sworn by Mr. Elingburg, were:

Mr. Paul E. Griffith, Town of Black Mountain
Mr. Paul W. Warlick, Town of Biltmore Forest
Mr. M. Leon Williams, Buncombe County

No word has been received to date on the reappointment of Mr. Walter J. Boggs, an appointee of the City of Asheville.

The members having received copies of the November 20, 1979, meeting, Mr. Griffith moved that the minutes stand approved as written. Mr. Clark seconded the motion, and voice vote was unanimous.

Mr. W. H. Mull, Engineer-Manager, reported on the following:

- (a) Public Official Liability Insurance: Mr. David A. Flippin, Executive Director of the Asheville Buncombe Insurance Advisory Committee, presented proposals from three insurance companies--Midland Insurance Company, Forum Insurance Company, and International Surplus Lines Insurance Company. Midland quoted \$2,667 for \$1 million coverage with \$1,000 deductible per claim; Forum quoted \$2,523 for \$1 million coverage with \$1,000 deductible per claim, \$4,023 for \$2 million, and \$4,523 for \$3 million; International Surplus Lines quoted \$2,037 for \$1 million coverage, \$2,740 for \$2 million, \$3,042.90 for \$3 million, \$3,549.80 for \$5 million, and \$5,304 for \$10 million, all quotes to include Board and Tax Fees. After discussion, Mr. Warlick moved that the Board purchase the Public Official Liability Insurance with International Surplus Lines Insurance Company for \$3 million coverage, with \$5,000 deductible per claim, at an annual cost of \$3,042.90 which will provide coverage for all MSD Board members, MSD Board attorney, MSD Engineer-Manager, and all full-time MSD employees. Mr. Smith seconded the motion, and roll call vote was unanimous.
- (b) Amendment to Engineering Contract, 201 Facilities Plan, S.S.E.S.: After presenting the amendment to the engineering contract, Mr. Mull told the Board that the proposed amendment simply transfers funds originally contracted for flow monitoring to smoke testing and does not increase total cost of the project. Mr. Smith moved that the Board accept this amendment to the engineering contract and authorize the Chairman to execute said amended contract on behalf of the Board. Mr. Pope seconded the motion, and roll call vote was unanimous.

- (c) Resolution required for transfer of moneys to Repair and Extension Fund: After Mr. Redmond read the resolution to the Board, Mr. Smith moved that the Board adopt the resolution authorizing and directing the Trustee to transfer such funds as they may be available up to a maximum of \$2 million and to invest these funds in accordance with the provisions of the Bond Resolution. By formal report in writing, the Consulting Engineers recommended that the amount in the Repair and Extension Fund be increased to a level of approximately \$2 million. Mr. Boggs seconded the motion, and roll call vote was unanimous. A copy of the resolution is attached and thereby made a part of these minutes.
- (d) Schedule of Annual and Regular Meeting Dates: Received as information by the Board.
- (e) Update on proposal for communications system: Mr. Mull told the Board that MSD has received approval from the frequency coordinator in Raleigh and that the Communications System Committee will meet with Mr. Wayne Cordell, Blue Ridge Communications Systems, on Friday, January 18.
- (f) Industrial Sewer Services Charges Comparison Sheet: Received as information by the Board.

After a brief discussion, Mr. Smith suggested the possibility of issuing a check to each industry for their rebate rather than giving credit on monthly billings should rebates be due industrial users in future years. Mr. Redmond told the Board this could be considered but that the Bond Resolution should be checked to see if this can be done. Mr. Mull then requested Mrs. Crowe to prepare a comparison sheet showing the total charges for each year for each industrial user for presentation at the next Board meeting.

- (g) Four-Wheel Drive Vehicle: After discussion, Mr. Smith moved that the Board accept the 1980 truck at the bid price of \$6,239.04, buy the winch which was inadvertently left off the bid price, and allow Carolina Truck and Body to install the winch free of charge; also, that Mr. Mull and Mr. Redmond talk with Mr. Dan Welch of Carolina Truck and Body and ask specifically about documents regarding price protection which may have been in effect when the truck was originally ordered. Estimated cost of the winch is \$1,200; and, in the event price protection was in effect at first order date, price of the winch could be reduced by the amount of price protection. Mr. Black seconded the motion, and roll call vote was unanimous, with exception of Mr. Warlick, who voted no.
- (h) Request for approval of appraisal reports on South Buncombe: Mr. Mull requested that the Board consider only those parcels listed on page one of the two sheets presented to the Board, as those parcels listed on page two were being reappraised. Mr. Pope then moved that the Board accept the appraisers' estimated fair compensation due owners for taking and the nominal compensation figures on all those listed on page one for South Buncombe parcels with Parcel 63-C to show estimated fair compensation due owners for taking \$600 rather than zero, this having been picked up from a typographical error on the front page of the appraisers' report. Mr. Smith seconded the motion, and roll call vote was unanimous. See list on page 294.

Mr. Mull distributed to the Board copies of a Special Order by Consent in the matter of the construction of additional sewerage facilities to eliminate the discharge of wastewater to Reems Creek from the Weaverville Plant by the MSD, said Order by Consent to be entered into with the North Carolina Environmental Management Commission. This matter will be considered at the next Board meeting.

Mr. Smith moved that the Board enter Executive Session to discuss legal matters with the MSD attorney, i.e., negotiations with State Officials regarding fish kills in the French Broad River. Mr. Black seconded the motion, and voice vote was unanimous. The Board entered Executive Session at 3:05 p.m.

At 3:12 p.m., Chairman Robinson reconvened the regular session. Mr. Pope then moved that the Board authorize Mr. Redmond and Mr. Mull to continue negotiations leading to a conclusion of the fish kill matter with the Environmental Management Commission. Mr. Hyatt seconded the motion, and roll call vote was unanimous.

Date of the next regular meeting of the MSD Board was set for February 19, 1980.

There being no further business, the meeting was adjourned at 3:17 p.m.


Secretary

Approved appraisals: HC: #63, Barnwell, nom.; #63-A, Youngblood, nom.; #63-B, Ball, nom.; #63-C, Turner, \$600; #63-D, Shannon, nom.; #65, Youngblood, nom.; #66, Youngblood, nom.; #67, Baldwin, nom.; #68, Ruth, nom.; #69, Merrill, nom.; #70, Wilkie, nom.; #72, Souther, nom.; #73, Harris, nom.; #74, Dodge & Hamilton, nom.; #75, Pinner & McFalls, nom.

R E S O L U T I O N

WHEREAS, Section 508, (V-14), paragraph (c) of the Bond Resolution provides for the transfer of funds remaining in the Revenue Fund to the Repair and Extension Fund after making the required transfers to the Bond Service Account and the Reserve Account as provided for in sub-paragraphs (a) and (b) of said Section 508; and

WHEREAS, by formal report in writing, the Consulting Engineers have recommended that the amount in the Repair and Extension Fund be increased to a level of approximately \$2,000,000, and

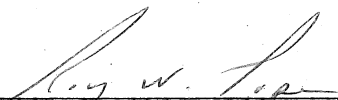
WHEREAS, the Trustee has informed the District Board that there will be surplus funds accruing in the Revenue Account during the fiscal year 1979-80:

NOW, THEREFORE, BE IT RESOLVED that the Trustee is authorized and directed to transfer any balance remaining in the Revenue Fund, after making the transfers under clauses (a) (b) of Section 508, pages V-13 and V-14 of the Bond Resolution, to the Repair and Extension Fund from time to time as such funds may be available up to a maximum of \$2,000,000, and to invest these funds in accordance with the provisions of the Bond Resolution.

Read, approved and adopted this 15th day of January, 1980.



Chairman of the Board
Metropolitan Sewerage District of
Buncombe County



Secretary