

METROPOLITAN SEWERAGE DISTRICT BOARD

September 20, 1983

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, September 20, 1983.

Chairman Robinson called the meeting to order, and Mrs. Duncan called the roll. In addition to the Chairman, the following members were present: Messrs. Batts, Boggs, Clark, Dent, Pope, Warlick, Williams, Smith and Mrs. Sciara.

Consulting Engineers from Harry Hendon and Associates, Inc., attending the meeting were Messrs. Don Berryhill and Dean Huber.

Legal Counsel from Redmond, Stevens, Loftin and Currie, attending the meeting were Messrs. Currie and Stevens.

Mr. Clark moved that the minutes of the August 16 regular meeting stand approved as written, and Mr. Batts seconded the motion. Voice vote was unanimous in favor of the motion.

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

- a. Status report on Hominy Valley, South Buncombe, and Weaverville projects: Hominy Valley: Phases I and II are complete; Phase III is 99% complete. South Buncombe: Phase I is complete; Phase II is 95% complete; Phase III is 56% complete; Phase IV is as said, start construction and bids. Weaverville: is 49% completed. This report was received as information by the Board.
- b. Right-of-Way Review Committee Report: No report this month.
- c. Report of Special Order by Consent for Main Plant: This Order is in effect until December 31, 1987, to allow for plant expansion to 40 million gallons per day. The Order allows additional taps to collection systems (in accordance with a list of proposed projects, which can be modified as needed) up to a capacity of 31.8 MGD, and provides for increased effluent limits on BOD and SS during winter months.
- d. Letter from Harry Hendon & Associates regarding Design problems with BAF System. Mr. Mull asked if there were any questions, would be glad to discuss. There were no questions.
- e. Report on increased costs for Hospitalization insurance for MSD Employees: Information shows a 42% increase. A Meeting is scheduled for September 30, 1983 at 9:00 A.M. in Chairman Robinson's Office to review new plans with other insurance carriers or whether to continue coverage if we can live with the increase. Attending the Meeting will be Mrs. Sciara, Mr. W. H. Mull and Mr. Frank S. Smith.
- f. Update on Hydroelectric Project:
 1. Harry Hendon & Associates Design Contract approved: Mr. W. H. Mull asked if everyone had reviewed the copy of letter he wrote to Mr. Robinson and Mr. Currie. The proposed engineering contract should be changed as follows per Mr. Currie:
 - a. Change Paragraph 3 - discuss right to terminate at any time.
 - b. Change the Paragraph regarding engineering services - renegotiate engineering services during program.

Both changes were agreeable to Harry Hendon & Associates.

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- f. 1. c. Provisions in Contract: The Project Representatives during construction should give number, rate and employment period.
 - d. Recommend: Engineers recommend to you how many, and what nature should be.
- Harry Hendon & Associates says fine.
- e. Subsurface investigations, if any be necessary, for the Project.
 - f. Engineers recommend what studies are required.
 - g. Engineering work - modern engineering practices SHOULD BE good modern engineering practices.

Mr. Currie said that with those changes, he recommends the Contract to MSD. Chairman Robinson said to get changes made and then sign.

- f. 2. Application for "Certificate of Public Convenience and Necessity" filed: Mr. Mull informed Board that we are filing Application with the State. Mr. Stevens commented that two regulatory agencies are involved; i.e., FERC and North Carolina Utilities Commission. Technically not obligated to get Certificate, we are exempt. Case law - municipal corporation is exempt. There is a catch, Bonding Law requires that before sell revenue bonding, must have Certificate. Therefore, Application filed. Should have in normal course of three or four months. The Board ratified the Application for Certificate by a unanimous roll call vote.
 - f. 3. Progress of FERC license for exemption application: Mr. Stevens reported to the Board that if FERC wants anything further from us, they will let us know. Problem of Fish and Wildlife Commission - will have to see how will work out. So far, so good.
 - g. Discussion of payment of invoices for DOT inspectors (Blyth Construction Company): Deleted.
 - h. Resolution of final payment on South Buncombe Section 1 (Hobson Construction Company): Mr. Currie briefed the Board on this. We are at the same place we were last May or June. Project was substantially complete, had until May 28th to finish and over ran 210 days.
- Three Items were Incomplete:
- 1. Paving of patched area on Clayton Creek Road (now completed).
 - 2. Robert Moore wanted grading work done on his property. This has been done.
 - 3. Topsoil on David Reid's garden - not resolved. Recommend to do: Make one more attempt to settle with Mr. Hobson on same terms discussed back in June, 1983.
- i. Progress report on Sewer System Consolidation Efforts: Board given summary of meeting. Please read and we will review at next Board Meeting. Chairman Robinson suggested that everyone read this particular summary.

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TABULATION OF BIDS FOR INDUSTRIAL
WASTE MONITORING VAN

COMPANY NAME SUBMITTING BID

TOTAL BID

Apple Tree Chevrolet
205 Smoky Park Highway
Asheville, North Carolina 28806

\$ 9,365.89

Dorato Motors, Inc.
860 Tunnel Road
Asheville, North Carolina 28805

\$ 8,294.25

Hunter Chevrolet
2520 Asheville Highway
Hendersonville, North Carolina 28739

\$ 8,855.00

APPARENT LOW BIDDER

Company Name

Bid

Dorato Motors, Inc.
860 Tunnel Road
Asheville, North Carolina 28805

\$ 8,294.25



Harry Hendon and Associates

INCORPORATED
ENGINEERS

TELEPHONE (704) 274-7711

ADDRESS REPLY TO P. O. BOX 5176

25 REED STREET · ASHEVILLE, NORTH CAROLINA 28813

HARRY H. HENDON
(1904 - 1973)

A. B. JOWERS
H. D. HUBER
P. L. BENTLEY

September 14, 1983
(Revised)

D. W. BERRYHILL
S. C. BOYD
H. E. BYAS, JR.

Mr. W. H. Mull
Engineer-Manager
Metropolitan Sewerage District
P. O. Box 8969
Asheville, North Carolina 28814

Subject: User Charge Analysis
Fiscal Year 1982-83

Dear Mr. Mull:

Transmitted herewith is our report on the Industrial and Domestic User Charges for FY 1982-83 and proposed user charges for FY 1983-84.

Based on actual year end data and calculations presented in this report the user charges for last fiscal year (FY 1982-83) are summarized as follows:

INDUSTRY RATES

	<u>ADOPTED RATE</u>	<u>YEAR END CALCULATED ACTUALS</u>
Flow (Q)	\$ 0.090/CCF	\$ 0.0825/CCF
BOD	\$ 0.064/LB.	\$ 0.0624/CCF
SS	\$ 0.035/LB.	\$ 0.0355/CCF

DOMESTIC RATE

Flow (Q)	\$ 0.32/CCF	\$ 0.379/CCF
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The industry rates adopted resulted in billings to industry of approximately \$24,000 or 4% more than the calculated industry share of the actual costs. It is recommended that rebates be made in the usual manner.

The FY 1982-83 adopted domestic rate of 32¢ per CCF produced a shortfall in the domestic share of the costs of approximately \$220,000.

The estimated rates for FY 1983-84 based on the adopted budget, the years debt service obligations, and assuming no changes in flow and waste loads, are summarized as follows:

INDUSTRY RATES

Flow (Q)	\$ 0.092/CCF
BOD	\$ 0.071/LB.
SS	\$ 0.040/LB.

DOMESTIC RATE

Flow (Q)	\$ 0.42/CCF
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This report recommends adoption of the above industry rates for FY 1983-84 and made retroactive to July 1, 1983 as done in previous years.

To implement the policy of annual adjustments to the domestic rates on the same basis as industry rates, the above domestic rate of 42¢/CCF is recommended for adoption effective October 1, 1983. It is proposed that excess collections or under collections that may result from the proposed rate be calculated into the following years rate.

We would like to express our appreciation for the fine assistance of your staff in the preparation of this report.

Very truly yours,

HARRY HENDON AND ASSOCIATES, INC.

By



Dean Huber

DH:1
R23/H1
Enclosure

- j. Consideration of Bids for Monitoring Van: Low bid was Dorato Motors. Reviewed bid and meets specifications advertised for. Mr. Clark moved that the Board accept Dorato Motors Bid for \$8,294.25 and Mr. Warlick seconded the Motion, and roll call vote was unanimous in favor of the Motion. Summary of bids attached.
- k. Annual User Charge Report - Mr. Huber: After considerable discussion, Mr. Smith moved to raise the domestic rate from 32¢ to 40¢ which is a 25% increase, and Mrs. Sciara seconded the motion. Roll call vote was unanimous in favor of the motion. (Effective October 1, 1983).

Mr. Boggs was concerned that MSD was not using interest income to offset user charges; Mr. Stevens advised that the Bond Resolution probably would not allow. After discussion, Mr. Smith moved that the Board have counsel determine from the Bond Attorneys what their interpretation of the use of interest income from the Bond should be and from that that the Board establish a statement of purpose as to the use of interest income and Mr. Boggs seconded the motion. Roll call vote was unanimous in favor of the motion.

Mr. Smith moved to accept proposed industrial rates as listed in our report (copy attached) for the coming year and Mr. Dent seconded the motion. Roll call vote was unanimous in favor of the motion.

Report of Officers - none given.

Report of Committees:

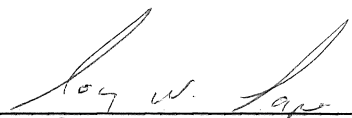
Mr. Smith discussed the results of a meeting of the Budget Committee wherein bids were reviewed for the purchase of an IBM PC to facilitate bookkeeping, preparation of the Annual User Charge Report, and other records keeping functions. Mr. Smith moved, on behalf of the Budget Committee, that the low bid of \$6,192 (for hardware and software) submitted by the Electronic Office, be approved. Mr. Dent seconded the motion. Roll call vote was unanimous in favor of the motion.

Unfinished Business: Update of Industry Violation Report presented at the August 16, 1983 regular meeting.

Mr. Mull reported to the Board that Blue Ridge Plating Co., Inc. had failed to cooperate and comply with Orders of Enforcement sent to Blue Ridge Plating Co., Inc. on August 18, 1983. A copy of the Orders of Enforcement is attached. A copy of Mr. Mull's report outlining the details of the violations, the consequences of allowing the violations to continue and steps taken to date toward getting the violations corrected is attached.

Subsequent to the District Board's receipt and examination of the Report, Mr. Dent made the motion that the Board hold a hearing on the matter of Blue Ridge Plating Co., Inc.'s reported violation. The motion was seconded by Mr. Smith. The roll was called and the vote unanimous in favor of the motion.

Date of the next regular meeting of the MSD Board is scheduled for October 18, 1983. There being no further business, the meeting was adjourned at 3:40 p.m.


Secretary

August 31 - Dated letter from the Blue Ridge Plating stated that the By-pass tee had been permanently capped and covered with concrete.
Metropolitan Sewerage District verified September 1, 1983.

September 1 - Wastewater discharged through sanitary sewer was in violation of Regulation limits for grease and oil, plus four heavy metal parameters. These discharges were in violation of Items No. 2 and 3 of the Orders of Enforcement.

September 13 - Blue Ridge failed to notify Metropolitan Sewerage District of pretreatment operation. Sample was obtained prior to shut-down of operation on September 16. Analysis not available.

September 17 - Meeting with Blue Ridge Plating in District Office. Company directed to accomplish 13 items outlined and discussed concerning operation/or discharge of wastewaters.

In summary, Blue Ridge Plating has violated Metropolitan Sewerage District Order of Enforcement by its:

- a. Continued discharge of heavy metals and oil/grease in violation of District Regulations. (Items No. 2 and 3)
- b. Failure to notify Metropolitan Sewerage District of pretreatment operation.

The consequences of allowing the violation to continue are as follows:

1. High concentrations of heavy metals:
 - a. Inhibit the biological treatment processes and reduce our plant efficiency which could result in a violation of our NPDES Permit and subject MSD to State and Federal fines.
 - b. Increase the toxicity of our sludge thereby reducing the proposed land application rate allowed by TVA and increasing the required acreage for land disposal activities.
 - c. Inhibit biological activity in our sludge digesters thereby causing improperly digested sludge to be pumped to our reservoir which would create odor problems.
2. The continued discharge of wastewaters having either a high or low pH would have the same inhibitory effects as heavy metals with respect to the biological treatment processes and sludge digestion processes.
3. The continued discharge of high concentrations of oil and grease create serious problems in the operation of our primary clarifiers and sludge digestion facilities by clogging transfer lines, inhibiting oxygen transfer, and preventing proper sludge recirculation within the digesters.
4. High and low pH fluctuations cause rapid deterioration of manholes and sewer lines as demonstrated by the fact that Buncombe County has already had to replace several manholes below Blue Ridge Plating where the concrete and mortar between bricks was simply eaten away.