

METROPOLITAN SEWERAGE DISTRICT BOARD

SPECIAL MEETING

January 5, 1984

A special meeting of the Metropolitan Sewerage District Board was held in the Boardroom of MSD's Administration Building at 1 p.m., Thursday, January 5, 1984, for the purpose of discussing the sewer system consolidation.

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

Also attending the meeting were Engineer-Manager W. H. Mull, MSD attorney John S. Stevens, Consulting Engineers Dean Huber and Don Berryhill, and Jim Stokoe of Land-of-Sky Regional Council.

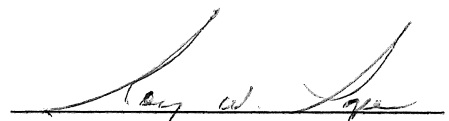
Mr. Stokoe presented a brief history of the sewer study that has been done over the past five years under the 208 program in collaboration with representatives from the various subdivisions trying to arrive at resolution of this problem.

Three charts (Schedule for I/I Rehab & Corrective Rehab, Interceptor Improvement Program, and User Charge Projections) were presented and explained to the Board by Mr. Huber, along with a copy of his letter of October 12, 1983, to Mr. Mull on Buncombe Wastewater Management Plan.

A basic plan and action steps to implement the basic plan were presented the Board, after which there was a discussion period. Mr. Smith then moved that the Board adopt under Decision #1 the Basic Plan A for a "Day One" takeover option with a target takeover date of January 1, 1985, to be financed by a combination bond referendum and pay-as-you-go; further, under Decision #2, that the Board authorize the consulting engineers to proceed with work on certain items, i.e., define personnel needs, develop job description for system superintendent and others, develop salary schedule, develop building needs, determine equipment needs, continue work on industrial/residential user fee structure, and develop final finance plan; also, to authorize the attorney to proceed with work on certain items, i.e., develop draft contract for consolidation/rehab process, develop procedures for right-of-way acquisition, and legal aspects of personnel transfer, benefits, etc., at MSD's expense. Mr. Pope seconded the motion, and roll call vote was unanimous in favor of the motion. A written resolution encompassing the Board's actions is to be prepared and submitted at the January 17, 1984, meeting.

Mr. Boggs requested that Mr. Mull develop estimates of the cost for technical and legal planning as set forth in Mr. Smith's motion above and see if the money for same is available in MSD's Repair and Extension Fund and to present these estimates at the January 17 Board meeting.

There being no further business, the meeting was adjourned at 3:50 p.m.



Secretary

METROPOLITAN SEWERAGE DISTRICT BOARD

January 17, 1984

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 17, 1984.

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

Also attending the meeting were Engineer-Manager W. H. Mull, MSD attorney John S. Stevens, and Consulting Engineers Dean Huber, Don Berryhill, and Lloyd R. Robinson, Jr.

Mr. Boggs moved that the minutes of the December 7, 1983, regular meeting and of the January 5, 1984, special meeting stand approved as written. Mr. Clark seconded the motion, and voice vote was unanimous in favor of the motion.

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

- a. Application of interest earned to offset user charges revenues: Mr. Mull presented to the Board a letter dated November 28, 1983, from Gundars Aperans, Bonding Attorney, in reply to Mr. Stevens' letter of September 21, 1983, in which Mr. Stevens requested information as to whether interest income constitutes revenues for the purposes of Section 503 of the Resolution securing outstanding bonds of the MSD. (Mr. Boggs had posed the question at a previous Board meeting.) It was Mr. Aperans' opinion that revenues, as such term is used in Section 503 as well as elsewhere in the Resolution, include interest and any profit realized from the investment of moneys in the Bond Service Account, the Reserve Account, the Redemption Account, and the Repair and Extension Fund; further, that Revenues appear to include interest and any profit realized from the investment of moneys in the Revenue Fund and the Operation and Maintenance Fund created by the Resolution; however, pursuant to Section 602, the interest and any profit realized from the investment of moneys in any special construction fund would be credited to such fund and would not be included in Revenues. This report was received as information by the Board.
- b. Status of South Buncombe and Weaverville projects: South Buncombe: Phases I and II, complete; Phase III, 97% complete; Phase IV status is unchanged. Weaverville: Project is 97% complete; line should be in service by January 31, 1984. This report was received as information by the Board.

Mr. Mull presented a non-agenda item pertaining to acquisition of rights-of-way to the Board, whereupon Mr. Stevens requested that the Board go into Executive Session for the purpose of dealing with matters of rights-of-way that involved possible litigation and for the purpose of discussing privileged information between attorney and client. Mr. Pope moved that the Board enter Executive Session, and Mr. Clark seconded the motion. Voice vote was unanimous in favor of the motion; the Board entered Executive Session at 2:11 p.m. At 2:17 p.m., Chairman Robinson reconvened the regular meeting.

- c. Status of Plant Expansion Plans: A 10% design review conference was held in Raleigh December 19, and the State was satisfied with our progress and the phased-in construction schedule. A 50% Value Engineering review is scheduled for the middle of March.

Unfinished Business: a. Sewer System Consolidation Resolution: Mr. Boggs moved that the Board adopt this Resolution, and Mr. Williams seconded the motion. Roll call vote was unanimous in favor of the motion. The Resolution in its entirety is as follows:

RESOLUTION

Mr. Boggs moved and Mr. Williams seconded that the will and intent of the Board with respect to the implementation of the Wastewater Management Plan for the consolidation, rehabilitation, replacement, and maintenance of the sewer systems of Buncombe County be as follows:

1. The MSD shall take over full maintenance of collector lines on that date on which such lines are transferred from any constituent political entity to the MSD, and there will be no phased-in maintenance schedule of those lines as originally contemplated in the Wastewater Management Plan.

2. There shall be a sewer user charge, based upon billable flow of waste, which shall be uniform throughout the MSD sewerage system (in such amounts as may be determined by the MSD to fully implement the Wastewater Management Plan) with the revenue derived from such charge to be applied toward the implementation of the Wastewater Management Plan for the maintenance, rehabilitation, and replacement of existing collector sewer lines.

3. Implementation of the Wastewater Management Plan and maintenance, rehabilitation, and replacement of sewer lines shall be accomplished on an as-needed priority basis rather than being accomplished with work to be done moving progressively outward from the center of the City as originally proposed in the Wastewater Management Plan.

4. The transition date on which MSD shall be conveyed the sewer systems and shall assume the responsibility for rehabilitation, replacement, and maintenance of those lines shall be on January 1, 1985.

5. The MSD will develop and implement a financing plan for providing necessary funding for the implementation of the Wastewater Management Plan. This plan will include a ten-year pay-as-you-go approach coupled with consideration by the Board of possible bond financing of up to \$25 million in order to accelerate the program and reduce the total time required for its implementation.

6. Following takeover of all of the sewer systems in the County, the MSD does not intend to make any determination with respect to any new sewer collector lines into areas where no collector lines presently exist, leaving the determination of where such lines should be built and the funding of such lines to the political entities having jurisdiction over the areas in question. The MSD would, however, acquire needed rights-of-way and construct such lines on a contract basis with any political entities which had previously determined where such lines were to be built and had provided the right-of-way and construction funding therefor. In the event any political entity elects to build its own collector lines with the intent to transfer such lines to the MSD, those lines shall be built according to MSD standards as a condition of their transfer.

7. The Consulting Engineers to the MSD, Harry Hendon and Associates, Inc., are authorized to proceed under the direction of the Engineer-Manager to begin certain tasks associated with preliminary implementation of the Wastewater Management Plan as follows: Define personnel needs, develop job description for system superintendent and others, develop salary schedule, develop building needs, determine equipment needs, continue work on industrial/residential user fee structure, and develop final finance plan.

8. The General Counsel to the MSD is authorized to proceed under the instructions of the Engineer-Manager to develop a draft contract for the transfer of sewer systems and the consolidation and rehabilitation work, develop procedures for right-of-way acquisition, consider legal aspects of developing a maintenance and rehabilitation work force, and such other work as he may be directed to perform by the Engineer-Manager.

Adopted this the 17th day of January, 1984.

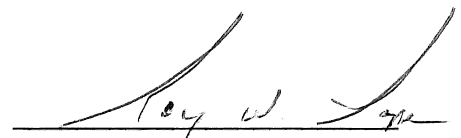
Page Three
Minutes
January 17, 1984

b. Estimates of cost for technical and legal planning for sewer system consolidation: Mr. Mull told the Board that he expects legal work to cost approximately \$25,000 and for consulting engineering fees to range from \$30,000 to \$40,000 with total expenditures anticipated to be approximately \$60,000. This report was received as information by the Board.

New business: Dr. Lloyd Robinson presented to the Board the proposed revised Sewer Use Ordinance, saying this is the fourth revision of the Ordinance with previous revisions being adopted in 1974, 1978, and 1982. The current revision is being sent to the State and all political subdivisions of the MSD, and these governmental units will be given a sixty-day period in which to make comments on the revisions. After the sixty-day period, MSD's pretreatment program will be rewritten and sent to the State for a 45-day comment period, after which the District will issue new permits to all industrial users. After Dr. Robinson's presentation, Mr. Boggs moved that the Board declare its intent to adopt this Ordinance as introduced to the Board on January 17, 1984. Mr. Pope seconded the motion, and roll call vote was unanimous in favor of the motion.

Date of the next meeting of the Board is scheduled for February 21, 1984.

There being no further business, the meeting was adjourned at 2:50 p.m.


Secretary