

METROPOLITAN SEWERAGE DISTRICT BOARD

July 31, 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, July 31, 1984.

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

Also attending the meeting were Engineer-Manager W. H. Mull, MSD attorneys Walter L. Currie and Gwynn G. Radeker, and Consulting Engineer Don Berryhill.

Mr. Clark moved that the minutes of June 19 stand approved as written, and Mr. Boggs seconded the motion. Voice vote was unanimous in favor of the motion.

Mr. Boggs moved that the Board reelect the present Chairman and Vice-Chairman for Fiscal Year 1984-85, and Mr. Clark seconded the motion. Voice vote was unanimous in favor of the motion. (Mr. Robinson, Chairman; Mr. Williams, Vice-Chairman.)

Mr. Smith moved that the Board table action on appointing a Secretary/Treasurer and an Assistant Secretary/Treasurer until next month's meeting and, at that time, let the Chairman make those appointments, with current officers serving until that time. Mr. Pope seconded the motion, and voice vote was unanimous in favor of the motion.

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

- a. Resolution to award contract for Section 6, South Buncombe Interceptor Sewer project: Mr. Mull told the Board that the apparent low bid received after readvertisement on this project was for \$478,949.50 submitted by Hobson Construction Company, Arden, N. C. The consulting engineers reviewed the bid and recommended that tentative award be made to Hobson Construction Company, and the District's attorneys found the bid to be in acceptable form. Mr. Boggs moved that the Board adopt the resolution tentatively awarding the contract for this project to Hobson Construction Company, subject to State and EPA approval. Mr. Batts seconded the motion, and roll call vote was unanimous in favor of the motion. The resolution in its entirety is as follows:

RESOLUTION

WHEREAS, the Metropolitan Sewerage District of Buncombe County, North Carolina, desires to expand its sewerage system in the interest of the public's health; and

WHEREAS, competitive bids have been solicited and received from contractors for Project No. 522, Section 6, South Buncombe Interceptor Sewer; and

WHEREAS, the following low bidder for Section 6 has been reviewed by Harry Hendon and Associates, Inc., and found to be responsible:

Hobson Construction Co., Inc.  
P. O. Box 250  
Arden, NC 28704  
\$478,949.50

NOW, THEREFORE, BE IT RESOLVED by the Metropolitan Sewerage District Board to award said contract to said low bidder pending North Carolina Department of Natural Resources and Community Development and United States Environmental Protection Agency approval; and

BE IT FURTHER RESOLVED to pledge the required local funds for Section 6 (approximately \$127,200); and

BE IT FINALLY RESOLVED to authorize Mr. W. H. Mull, Engineer-Manager of the Metropolitan Sewerage District of Buncombe County, to execute all contracts and documents relating to this project on behalf of the Metropolitan Sewerage District.

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RESOLVED this 31st day of July, 1984, by the Vice-Chairman  
of the Board of the Metropolitan Sewerage District of Buncombe County.

METROPOLITAN SEWERAGE DISTRICT OF  
BUNCOMBE COUNTY, NORTH CAROLINA

M. Leon Williams  
M. Leon Williams  
Vice-Chairman of the Board

[Signature]  
Secretary

The only other bid received (\$491,824.00) was submitted by C.F.W. Construction Company. Since this was a rebid, three bids were not necessary to award.

- b. Update on Blue Ridge Plating: Mr. Radeker reported to the Board that to date there have been two hearings in connection with the enforcement problems with Blue Ridge. He said that Jim Erwin, attorney for Blue Ridge, reported that Blue Ridge has changed their process, i.e., where there was high water usage and high discharges to the sewer, water usage has been greatly reduced with subsequent discharge reduction and that Blue Ridge can now recycle their wastewater and discharge from their lagoon once every six months. It was the consensus of the Board that MSD continue to monitor Blue Ridge's activities and to verify each new process; and, if Blue Ridge has changed their process, they must apply for a new discharge permit. Also, a new method of monitoring the manhole at Blue Ridge is under study. This report was received as information by the Board.
- c. Industrial Pretreatment Program: Mr. Mull told the Board that 180 applications for permit to discharge have been sent out, of which 124 completed applications have been returned and are being processed. Of the remaining 56, two companies were duplications or were operating under two separate names, eight companies are out of business, two companies were granted one-week extensions, ten companies are not on the MSD system, and seven companies reported no industrial waste. Of the 29 remaining applications, a few have been returned as undeliverable as addressed but have been sent out again. A letter will be sent out requesting the last few companies to submit their completed applications. This report was received as information by the Board.
- d. Hydro update: Mr. Mull and Mrs. Sciara presented to the Board a summary of activities relating to the hydroelectric project since June 19. Highlights of the summary included a June 27 meeting with the Local Government Commission in Raleigh to discuss the hydro project and possible bond referendum, which was attended by Mr. Stevens, Mr. Huber, and Mr. Mull; a July 5 meeting between Mayor McDevitt and Mr. Stevens to discuss the City's bond referendums for sidewalk and street improvement and future storm sewer project, the proposed Water Authority's bond referendum, and the possibility of postponing MSD's bond referendum until sometime next year when it could be held at the same time as one or more of the other referendums; a July 9 letter from Harry Hendon and Associates reporting that the technical review of the proposal for equipment for the hydro project is completed; a July 9 letter from Harry Hendon and Associates advising that the civil works portion of the hydro project has been divided into two phases--one being the flume wall and intake structure, two being the powerhouse; a July 26 meeting of the Hydroelectric and Bond Referendum Committees at Mr. Stevens' office, which was attended by Mr. Williams, Mrs. Sciara, Mr. Dent, Mr. Boggs, Mr. Berryhill, and Mr. Mull, at which time all the foregoing items were discussed in detail. It was the consensus of the Committees

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that the District should proceed with the hydroelectric project as rapidly as possible since it is a unique project in that there would be an actual savings to the people as a result of the construction of the hydroelectric facility. It was also felt that it would not be in the best interest of the District to tie its bond referendum into one involving sidewalks and street improvements and the proposed Water Authority issue. It was the Committees' recommendations to the Board (1) that the consulting engineers be authorized to proceed with the advertisement and receipt of bids for Phase 1 of the hydroelectric facility at the earliest possible date and (2) that the Hydroelectric and Bond Referendum Committees be instructed to pursue the feasibility of the following three sources of financing for the hydroelectric project: (a) defeasing the existing debt and issuing revenue bonds as necessary; (b) general obligation bond referendum; (c) other, including but not limited to private financing and corporate financing via Carolina Power & Light.

Mr. Dent moved that the Board authorize advertising for bids for Phase 1 (flume wall and intake structure) of the hydroelectric project and instruct the Hydroelectric and Bond Referendum Committees to pursue avenues of financing for the project. Mr. Batts seconded the motion, and roll call vote was unanimous in favor of the motion.

Mr. Dent moved that the Board award the contract for three generating units to the low bidder, Allis-Chalmers Corporation, which contract involves a commitment of approximately \$43,950 to cover the cost of shop drawings and has a right-to-cancel clause until December, 1984. Mr. Pope seconded the motion, and roll call vote was unanimous in favor of the motion. Allis-Chalmers', \$1,464,998; Axel Johnson, \$1,664,580; GE, \$1,822,274.

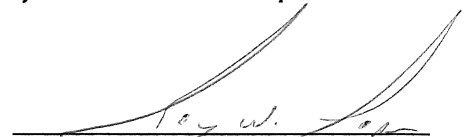
Since Mr. Ivey was not yet a member of any of the MSD Committees, Mr. Smith recommended that he be added to the Bond Referendum Committee. It was the consensus of the Board that Mr. Ivey be included on that committee.

- e. Sayles' repayment schedule request: Mr. Batts excused himself and left the meeting when this item was presented to the Board. Mr. Mull told the Board that he had received a letter from Mr. J. C. Fleming of Sayles proposing a repayment schedule to settle billings for July 1981 through April 1984 in the amount of \$202,000. The schedule is as follows: Month 1, \$50,000 plus current month's charges; Months 2-7, \$25,000 plus current month's charges; Month 8, \$2,000 plus current month's charges. Mr. Smith moved that the Board accept this schedule as presented, and Mr. Pope seconded the motion. Roll call vote was unanimous in favor of the motion, with Mr. Batts not present and not voting on this issue.

Mr. Boggs presented a letter he had received from Congressman Clarke in connection with continuing the Clean Water Act, which has been passed by the House and is now before the Senate. Mr. Boggs will answer the letter.

Date of the next regular meeting of the MSD Board will be August 21, 1984.

There being no further business, the meeting was adjourned at 3:20 p.m.

  
Secretary