

METROPOLITAN SEWERAGE DISTRICT BOARD

March 26, 1985

The regular monthly meeting of the Metropolitan Sewerage District Board was held in the Boardroom of MSD's Administration Building, 2 p.m., Tuesday, March 26, 1985.

Chairman Robinson and the following Board members were present: Messrs. Batts, Boggs, Clark, Dent, Ivey, Pope, and Williams. Also attending were Attorney John S. Stevens and Consulting Engineer Don Berryhill.

Mr. Williams moved that the minutes of February 19, 1985, stand approved as written. Mr. Dent seconded the motion, and voice vote was unanimous in favor of the motion.

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

- a. Agreement with CP&L for easement for temporary power line from Administration Building to Powell Construction trailers: Mr. Mull told the Board that the temporary line will be taken down as soon as the plant expansion is complete and that the easement will not be recorded. Mr. Pope moved that the Board authorize Board officers to execute the agreement on behalf of the MSD, and Mr. Dent seconded the motion. Roll call vote was unanimous in favor of the motion.
- b. WPCF Government Affairs Seminar, "Water Financing," Washington, DC, March 18 & 19: Mr. Mull, Mr. Stevens, and Mr. Dent briefly summarized items on the agenda during the seminar; this was received as information by the Board.
- c. Surplus vehicles appraisal: Mr. Mull presented to the Board two appraisals secured in connection with disposing of four MSD vehicles and a letter from the consulting engineers approving the District's plan to dispose of the vehicles. Mr. Stevens read a resolution to the Board, after which Mr. Williams moved that the Board adopt the resolution instructing Mr. Mull to proceed with disposing of the vehicles. Mr. Clark seconded the motion, and roll call vote was unanimous in favor of the motion. The resolution is as follows:

**RESOLUTION AUTHORIZING PUBLIC AUCTION SALE
OF PERSONAL PROPERTY**

WHEREAS, the Metropolitan Sewerage District of Buncombe County has determined that it is in its best interest to sell the articles of personal property listed below.

NOW, THEREFORE, BE IT RESOLVED BY THE Metropolitan Sewerage District Board as follows:

1. That the following items of personal property be sold at public auction:

1973 Plymouth 4-door sedan, 67,567 mi.
1975 Dodge van, 95,389 mi.
1976 Dodge pickup, 94,084 mi.
1978 Dodge pickup, 134,548 mi.

2. That the Engineer-Manager be, and he is hereby, authorized and directed to sell the items of personal property described above on behalf of the Metropolitan Sewerage District of Buncombe County at public auction to the highest bidder for cash provided, however, that the Metropolitan Sewerage District of Buncombe County, acting through its duly authorized officer, reserves the right to reject any or all bids.

3. That said personal property shall be sold on an item-by-item basis or in lots or groups, whichever is determined by said Engineer-Manager to be in the best interest of the Metropolitan Sewerage District of Buncombe County, that said personal property shall be sold in "as is condition," and that all purchasers shall be required to make immediate payment in full by cash or by certified or cashier's check.

4. That notice of such sale be advertised at least once in a newspaper of general circulation in the City of Asheville and County of Buncombe not less than ten days prior to the date of such sale.

5. That such sale shall be held at the Administration Building, Highway 251 North, Asheville, North Carolina, at 12 noon on Monday, the 15th day of April, 1985.

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6. That said Engineer-Manager report such sale to the Board of the MSD at their next regular meeting following such sale, listing each item or group of items sold, the amount of each sale, and the name of the purchaser of each item or group of items.

I move the adoption of the foregoing Resolution.

/s/ M. Leon Williams
Board Member

Seconded by: /s/ Ben H. Clark
Board Member

Read, approved, and adopted this 26th day of March, 1985.

C. L. Robinson
Chairman

Attest: Roy W. Pope
Secretary

- d. Resolution regarding MSD policy concerning noncash compensation, i.e., providing a car for personal use: Mr. Dent moved that the Board adopt this resolution, and Mr. Boggs seconded the motion. Roll call vote was unanimous in favor of the motion. The resolution is as follows:

RESOLUTION

WHEREAS, the Local Government Commission, in consultation with the League of Municipalities, the County Commissioners Association, State Agencies, Certified Public Accountants and Finance Officers, has reviewed the current Internal Revenue Service (IRS) travel regulations and determined that units of government are not exempt from these regulations; and

WHEREAS, the 1984 Tax Act contains new rules for fringe benefits that must be taxed as income when they are provided to employees and the IRS has recently issued regulations that interpret this new law; and

WHEREAS, in most cases the use of a vehicle provided by an employer must be included in the employee's income with this noncash compensation (like providing a car for personal use) must be treated as income subject to income tax withholding, Social Security, and State unemployment insurance reporting and withholdings, if applicable; and

WHEREAS, travel/auto allowances and noncash taxable fringe benefits must be added to regular wages in determining if an employee has met the Social Security ceiling of \$39,600., with this income not included as salary or wages for purposes of calculating State retirement or local retirement in systems administered by the Department of State Treasurer; and

WHEREAS, G.S. 14-247 states, "It shall be unlawful for any officer, agent, or employee of the State of North Carolina, or of any county or of any institution or agency of the State, to use for any private purpose whatsoever any motor vehicle of any type or description whatsoever belong to the State, or to any county, or to any institution or agency of the State."; and

WHEREAS, as set forth in a memorandum dated February 5, 1985, from the State of North Carolina, the State does not feel there is a conflict of G.S. 14-247 and the new IRS regulations but simply that the IRS is using their definition to define taxable income, the State recommends that units of government reevaluate their travel policy and that increased costs to the unit and employee and new documentation and withholding requirements be considered in a cost/benefit analysis during reevaluation.

NOW, THEREFORE, BE IT RESOLVED that personal use of any and all vehicles owned by the Metropolitan Sewerage District of Buncombe County is hereby prohibited.

Adopted this 26th day of March, 1985, by unanimous roll call vote by the Board of the Metropolitan Sewerage District of Buncombe County.

METROPOLITAN SEWERAGE DISTRICT
OF BUNCOMBE COUNTY, NORTH CAROLINA

C. LeRoy Robinson
C. LeRoy Robinson, Chairman of the Board

ATTEST:

W. H. Mull
W. H. Mull, P.E.
Engineer-Manager

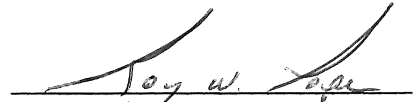
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- e. Proposal for lighting hydroelectric facility: Mr. Mull told the Board that there has been frequent vandalism along the river and at the old power plant, i.e., theft of two pumps from Cianbro, removal of signs and boulders intended to keep people away from the old power plant, shooting of firearms at the old power plant, etc. Because of this vandalism, Mr. Mull and the consulting engineers have determined that lighting of the area would probably be in the best interest of the District, with such lighting costing \$40,000 to \$45,000 to install and approximately \$3 a day to maintain. This would be an extra, added on feature of the hydro project as it was not in the original scope of work and is not necessary for the function of the project. Mr. Pope moved that the Board approve this proposal for lighting the project as a deterrent to vandalism, and Mr. Williams seconded the motion. Roll call vote was unanimous in favor of the motion.

Mr. Mull and Mr. Stevens reported on the meeting in Raleigh with the bonding attorneys, underwriters, and Local Government Commission. It was the recommendation of the Local Government Commission and the underwriting group that the District combine the local share of Phase 1 of the plant expansion with the hydro project, which would increase the bond referendum to a figure of somewhere between \$13 million and \$15 million but would, hopefully, enable the District to avoid the expense of a third bond issue. The Board agreed in principle to combine the two issues if it is demonstrated to the Board that this would be in the overall best interest of the District and that it would be economically sound to do so.

Date of the next regular meeting of the MSD Board will be April 16, 1985.

There being no further business, the meeting was adjourned at 3:10 p.m.


Secretary