

## METROPOLITAN SEWERAGE DISTRICT BOARD

October 15, 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, October 15, 1985.

Chairman Robinson and the following Board members were present: Messrs. Batts, Boggs, Dyson, Ivey, Pope, Smith, and Williams. Also present were Attorney John S. Stevens and Consulting Engineer Dean Huber.

Mr. Boggs moved that the minutes of the September 17 meeting be approved as written, and Mr. Williams seconded the motion. Voice vote was unanimous in favor of the motion.

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

- a. Update on Treatment Plant Expansion: Mr. Mull presented a graph to the Board which showed percent completion of the project. He said that Powell Construction Company had completed 23% of its work as of September 25, that Brevard Electric has completed 14% of its work, and that Moser has not begun work on HVAC as Powell has not progressed to the point where Moser can work. Powell is behind on its own schedule, but work is progressing on MSD's schedule. This report was received as information by the Board.
- b. Update on Hydro project: Mr. Mull presented a graph to the Board which showed that Cianbro has completed 71% of Section 1 of the project, Powell has completed 24% of Section 2, and Brevard Electric has completed 7% of its work. Brevard Electric is on schedule with the general contractor, Powell is slightly ahead of schedule, and Cianbro is about six weeks ahead of schedule. This report was received as information by the Board.
- c. Environmental Impairment Liability Insurance: Mr. Mull told the Board that the District now has \$20 million Wrongful Acts Coverage at a cost of \$9,800 for three-year periods and \$1 million General Liability Coverage at a cost of \$400 a year. He said Pollution (Environmental Impairment Liability) coverage, with coverage from \$1 million to \$10 million, can be obtained for a premium ranging from \$5,000 to \$15,000 a year. The premium will depend upon an engineering evaluation to be done by the insurance company's engineers and will cost the District \$10,000. After discussion, it was the concensus of the Board to ask Mr. David Flippin to meet with the Insurance Committee and to make recommendations on insurance coverage and, based on his recommendation, to ask Mr. Stevens to draw up a resolution by which, in the event of any claim against MSD Board or staff, the District would provide legal defense for such Board or staff member against whom a claim might be filed.
- d. Letter from Buncombe County re joint incineration: Mr. Mull read a letter to Chairman Robinson from Chairman Ratcliff of the Buncombe County Commissioners regarding sludge disposal and proposing a joint venture between the County and the MSD. It was the decision of the Board for the Sludge Committee to meet with Mr. Mull and Mr. Huber before the next Board meeting to review the consulting engineers' presentation of sludge disposal alternatives.
- e. Letters from Sayles Biltmore Bleacheries: This item was postponed until after all other business was completed today.
- f. Cogeneration: Mr. Mull gave the Board an article copied from Compressed Air, October 1985 issue, for information purposes only.

Mr. Stevens told the Board that there have been three meetings between City and County representatives, Mr. Mull, and himself since the September Board meeting in connection with Sewer System Consolidation. He presented a memorandum of meeting held on September 25, 8 a.m., in his law firm's offices, which Frank Smith, Charles Dent, George Ivey, Bill Mull, Jon Creighton, Larry

Minutes  
Page Two  
October 15, 1985

McDevitt, and Mr. Stevens attended. The purpose of that meeting was to discuss only those items outlined briefly hereafter and which were items of concern between the parties. (Each item is set forth in the Sewer System Consolidation Committee's draft of a Statement of Principles and can be found in the minutes of September 17, 1985.) The items included:

1. (SP#3) Whether all units of local governments must come into the consolidation or whether this may be achieved with only the City of Asheville, Buncombe County, Woodfin, and Biltmore Forest;
2. (SP#4) Whether to grant the right to opt out and thereby regain possession of the sewer lines by the political entities;
3. (SP#6) Whether MSD would buy equipment from the political entities or whether equipment would be given to the District;
4. (SP#7) Whether the hiring of existing sewer maintenance personnel by the District under present personnel criteria and standards of the MSD posed any problem;
5. (SP#8) Whether MSD could, under the Bond Resolution, collect an amount of money equal to 8.7% of its annual sewer user charge to be returned to the constituent political entities for new sewer construction and line extension;
6. (SP#9) Whether local ad valorem tax derived funds, Water Authority revenues, and State and Federal grant funds which are presently being used for collector line maintenance would be contributed to the District to help defray the cost of maintenance of existing collector lines;
7. (SP#10) Whether one year lead time between the closing of an agreement between itself and its constituent political entities and the transfer of ownership of collector lines and assumption of maintenance and rehabilitation responsibilities by the MSD was the appropriate time to make the transfer.

Negotiations are to continue in a meeting scheduled for Monday, October 21, 3 p.m.


Engineer-Manager's report continued:

- e. Letters from Sayles Biltmore Bleacheries: Mr. Batts, an employee of Sayles', excused himself and retired from the meeting. Mr. Mull then presented two letters from Sayles, the first regarding the District's requirement for construction of a flow equalization basin by Sayles and a Rotostep screen to remove lint/rags from Sayles' wastewater discharge. Sayles stated in their letter that they cannot afford the expenditure of approximately \$1 million for the basin as the import situation has seriously affected their operations. It was the concensus of the Board, after discussion, to give Sayles more time in which to construct the equalization basin providing the MSD can do this without adverse effects, with the matter to be discussed further at next month's Board meeting.

The second letter set forth Sayles' concern over increased industrial user charges for fiscal year '85-86, in which they again cited problems because of textile imports. It was the decision of the Board to take no action on Sayles' request to reconsider the rate increase, as this is a necessary increase imposed on all industrial users which amounts to an actual increase of 16%.

Mr. Mull told the Board that another local industry had requested that a credit of 1% be returned to them because that much of the water that came into the plant did not go into the sewer but was lost to evaporation. It was the decision of the Board to decline the request.

The next regular monthly meeting of the MSD Board is scheduled for November 19, 1985. There being no further business, the meeting adjourned at 3:50 p.m.

  
Secretary