

METROPOLITAN SEWERAGE DISTRICT BOARD

March 17, 1987

The regular monthly meeting of the Metropolitan Sewerage District Board was held in the Boardroom of MSD's Administration building at 2 p.m. on Tuesday, March 17, 1987.

Chairman Smith called the meeting to order and the following members were present: Mr. Aceto, Mr. Batts, Mr. Boggs, Mr. Dent, Mr. Edwards, Mr. Ivey, Mrs. Pope, Mr. Waddey and Mr. Williams. Others present were W. H. Mull, P.E., Engineer-Manager, Bill Morris and Bob Holbrook of Hendon Engineering Associates, Mrs. Edith Barden, Commissioner, Town of Montreat, Mayor Michael Begley and Town Manager Al Richardson of the Town of Black Mountain, and Town Manager Charles Horn of the Town of Weaverville.

Mr. Williams moved that the minutes of the February 12, 1987, Special Board meeting, and the minutes of the February 17, 1987, Board meeting be approved. Mr. Edwards seconded the motion, and voice vote carried unanimously in favor of the motion.

Due to the fact that public officials were present from the Town of Black Mountain, the Town of Montreat, and the Town of Weaverville, Chairman Smith moved to item 5b. of the Agenda, and turned the floor over to Mr. Batts, Chairman of the Budget Committee.

5. Report of Committee:  
b. Budget Committee - Mr. Batts

Mr. Batts reported that the Budget Committee met February 12, 1987, to consider requests received for an increase in sewer service billing charges from 15¢ per bill to 25¢ per bill. Mr. Batts stated that the Committee has discussed the requests, and does not feel it could recommend an increase without some justification. Mr. Batts said that to date, the Committee has not received justification in response to the Board's prior request. General discussion followed between the Board and public officials present.

Chairman Smith stated that requests for increase in sewer service billing charges would be referred back to the Budget Committee for further consideration.

3. Report of Engineer-Manager:  
a. Status Report of 201 Facilities Plan Addendum for Phase IV - Sludge Handling Alternatives:

Mr. Mull reported that the Board held a Public Meeting on March 10, 1987, and stated he has met with the State and EPA since the Public Meeting. A sample of sludge has been sent out for EP Toxicity tests and the District is waiting to get the results of these tests.

Mr. Mull reported that the District is trying to ash a sample of its' sludge and have EP Toxicity tests run on the ash.

Mr. Mull stated the State still plans to get their information in to the EPA by the end of this month on the Addendum, and said it will be up to the EPA to make a final ruling on the Addendum.

Mr. Mull stated he has received a number of copies of letters from the public which were sent to the EPA in Atlanta. Mr. Mull noted that he has tried to contact all of those who have written letters to the EPA, and said most of the people he has contacted are satisfied that the proper thing is being done concerning incineration.

Mr. Mull reported that the League of Women Voters advised him that they have not received any calls to date associated with the League's balloon launch of March 1, 1987.

b. Report on Visit to Composting, RDF and Incineration Facilities:

Mr. Mull reported that he and several Board members, along with Mr. Jon Creighton, Director of Buncombe County Planning and Development, visited several composting, RDF and incineration facilities in and near Philadelphia on March 6 and 7, 1987. Mr. Mull passed around photographs to the Board members of these

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facilities. Mr. Mull reported that the trip was a very impressive one, and asked the Board members who went to the facilities for their comments. General discussion followed.

c. Status Report on Phase 1 Plant Expansion:

Mr. Mull reported that basically everything is approximately 99% complete with the exception of the RBC procurement. Mr. Mull stated the final microscreens are working exceptionally well, and the only serious problem the District is having is with the primary microscreens, in that the primary microscreens will not take the design flow through the screens. At this time, Mr. Mull asked Bob Holbrook with Hendon Engineering Associates to give a brief report on the microscreens. Bob Holbrook stated that Envirex representatives are on-site trying to figure out what Envirex could and should do to make these screens operate according to design criteria.

Bob Holbrook stated that the MSD Operators are training this week on the microscreens, and hopefully a decision will be made within the next few days as to when the project will be turned over to the MSD.

d. Status Report on Possible Refunding of 1985A and 1986A Bond Issues:

This item was postponed until later in the meeting.

e. Schedule Meeting of the Budget Committee:

Mr. Mull stated the suggested date for the Budget Committee to meet is April 7, 1987, at 3:30 p.m. in the MSD Administration Boardroom. The Committee members agreed with this date and time.

Mr. Batts asked Mr. Mull to send the Committee members spread sheets of the Budget, 3 - 4 days before the meeting of April 7th, and Mr. Mull stated this would be done.

With a recommendation from the Budget Committee, the Personnel Committee scheduled a meeting for April 7, 1987, at 2:30 p.m.

4. Report of Officers:

a. Letter from State of North Carolina Local Government Commission:

Mr. Mull reported that this letter deals with the Local Government Commission's concern of the District not receiving its' Audit report soon enough to make full use of the information the Audit report contains. Mr. Mull stated that Mr. Robert High, who now understands that the problem lies not with the MSD but with local government units who fail to get their work completed and information to the MSD in a timely manner, suggested that Mr. Mull or the Board talk with representatives from the City of Asheville and others to see if the District could work out an agreement whereby, if in the event the District does not have the information it needs for the Audit report, the District could send its' Auditors in to get the information, and charge a fee for the Auditors to do this. (Mr. Robert High is with the Local Government Commission.) The Local Government Commission would then allow the District an additional one month extension to get its' Audit submitted.

Mr. Mull stated that with the Board's approval, he would be glad to meet with the City of Asheville and others to see what could be worked out, or a Committee of the Board could meet with them. Mr. Ivey made the motion that the Board leave this matter in the hands of the Engineer-Manager to resolve in the best interest of complying with the regulations of the State, and good accounting procedures. Mr. Dent seconded, and voice vote carried unanimously in favor of the motion.

5. Report of Committee(s):

At this time Chairman Smith stated that a request has been made that the Chair of the Sewer System Consolidation Committee, Mr. Ivey, be deferred to Mr. Aceto. Chairman Smith stated this is acceptable with him, and since there was no opposition, announced Mr. Aceto as Chairman of the Sewer System Consolidation Committee.

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b. Hydro Committee: Mr. Dyson

In the absence of Mr. Dyson, Mr. Mull gave the Hydro Committee report as reflected in the minutes of the Hydro Committee meeting of March 10, 1987.

Mr. Mull reported that it is a recommendation from the Hydro Committee that the tentative date for the Hydro Plant dedication be set for June 16, 1987, at 10:00 a.m. Brief discussion followed. There was no opposition to this date.

Mr. Mull presented a proposed list of invitees for the Hydro Plant Dedication to the Board, and asked each Board member to submit any other names they wished to add to the proposed list as soon as possible. General discussion followed. It was suggested that the following names be added to the proposed list of invitees: Former Congressman Hendon, Congressman Clark, Governor Martin, League of Women Voters, Mr. Roy Taylor, Federal Energy Regulatory Commission, and Fish and Wildlife personnel.

At this time Mr. Aceto gave a status report from the Sewer System Consolidation Committee. Mr. Aceto reported that the Sewer System Consolidation Committee met February 24, 1987, with the intention of seeing what needed to be done to kick-off sewer system consolidation.

Mr. Aceto stated the Committee sees the following steps to be taken with regard to the 1982 Wastewater Management Plant: 1) There will have to be some changes in the Plan to reflect the fact that we have committed a simultaneous transfer of the collector systems rather than a gradual transfer that was originally proposed by the Land-of-Sky Task Force, and asked the Engineers and Mr. Stevens to work on this; 2) Update the user charge projections, which will be done by the Engineer-Manager. Transfer of City and County personnel and collection systems should take place one (1) year after those changes are implemented.

Mr. Aceto stated that Mr. Mull has also suggested that he (Mr. Mull) report to the Board to describe needed additions to MSD's fiscal plant and new personnel requirements which would be implemented during the one (1) year period between execution of contract documents and actual transfer of the sewer systems.

Mr. Aceto recommended that our Attorneys should continue to negotiate consolidation agreements and Asheville will apparently be the model.

The Board has previously expressed a concern through Mr. Dyson that the municipalities should be bound in some manner to adequately communicate with their constituents regarding the increase in user fees that will result from Sewer System Consolidation. Mr. Aceto stated that hopefully we can do this, but realistically we have to recognize that it is not in their interest to do so, and the burden really will fall on MSD to state the bare facts that we are going to have to pay the piper now for years of neglect. Mr. Aceto stated that the Board members will have to become advocates for their position and move more aggressively to communicate the District's situation to the public.

Mr. Aceto stated that the Committee does not have any Board actions proposed at this time.

Responding to Mr. Aceto's report, Chairman Smith suggested that members of various committees of the Board make an effort to attend meetings that Mr. Mull schedules with their respective appointing bodies (i.e. City of Asheville, Buncombe County, etc.) to foster better communication and coordination between the Board and its appointing bodies. This would be in addition to the one-on-one meetings which Board members currently have with their appointing bodies.

Mr. Aceto stated he has also considered the idea that the District might hire a professional to put together a video presentation which would go into great detail regarding the reasons for rehabilitation and the expected benefits, and also explain the costs. Chairman Smith stated that maybe WLOS would do this for the District as a community service.

- 6. Unfinished Business: None
- 7. New Business: None

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At this time, Mr. Ivey excused himself from the meeting before any discussion took place on this item (Status Report on Possible Refunding of 1985A and 1986A Bond Issue).

Mr. Mull reported that Mr. Stevens has been looking into the possible refunding of the 1985A and 1986A Bond Issues, and stated that Tony Anthony of Interstate Securities is trying to set-up a meeting in Raleigh next week with the Local Government Commission, the Bond Attorney, Jack Stevens and himself. At this time Mr. Mull turned the floor over to Mr. Stevens to give a status report on the possible refunding of the 1985A and 1986A Bond Issues.

Mr. Stevens reported that he has contacted the Local Government Commission and talked with them about what the District is thinking about doing, and has talked with Interstate Securities. He also understands that Interstate has talked with Mr. Mull and plans to get a meeting started.

Mr. Stevens explained the procedures involved to the Board. He also reported that he has discussed with the Local Government Commission the subject of selection of underwriters. Mr. Stevens stated that there was some thought at the February Board meeting that due to the fact that E. F. Hutton had suggested the District think about possible refunding of bonds, the District might want to consider including them in the group of underwriters. Mr. Stevens stated that the Local Government Commission is pleased with the MSD and the success it has had through its' Bond Issues, and at the rating the District got, the Local Government Commission feels that the District's current underwriters have served them well. The Local Government Commission did not take a position on underwriter selection, although the Commission is pleased with MSD's current underwriters. Mr. Wadley moved that the Board reaffirm the District's current underwriting group. Mr. Williams seconded and voice vote carried unanimously in favor of the motion.

8. Date of Next Regular Meeting: April 21, 1987.
9. Chairman Smith adjourned the meeting at 3:40 p.m.

  
SECRETARY