

SEPTEMBER 19, 1989

1. Call to Order and Roll Call:

The regular meeting of the Metropolitan Sewerage District Board was held in the Boardroom of MSD's Administration Building at 2 p.m. on Tuesday, September 19, 1989. Vice-Chairman Williams called the meeting to order at 2:00 p.m.

Vice-Chairman Williams and the following members were present: Aceto, Dent, Edwards, Ivey, Maas, McDonald, Pope, and Wadley. Others present were: W.H. Mull, Engineer-Manager, John S. Stevens, General Counsel, Messers Dean Huber, Bob Holbrook and Bill Morris, of Hendon Engineering Associates, Mr. Michael Begley representing the Town of Black Mountain, Mr. Tom Tarrant IV, City of Asheville Engineering Department, Mr. Clarke Morrison with the Asheville/Citizen Times, and Mr. Randy Simpson representing the League of Women Voters.

2. Minutes of August 8 and August 22, 1989:

Mrs. Pope moved that the Board minutes of August 8 and August 22, 1989 be adopted as written. Mr. Edwards seconded the motion and voice vote was unanimous in favor of the motion.

3. ANNUAL USER CHARGE REPORT - DEAN HUBER:

This item was postponed until later in the meeting, to be discussed under Item 6a, Sewer Service Charge Committee.

4. REPORT OF ENGINEER-MANAGER:**a. State Concerns Regarding Sludge Resolution:**

Mr. Mull reviewed a letter from Mr. John R. Blowe, Chief, Construction Grants Section of the North Carolina Department of Natural Resources and Community Development, Division of Environmental Management in Raleigh. Mr. Blowe expressed concern over the Resolution accepting the EPA Grant, and recommended that Item No. 3 in Dr. Maas' motion be changed to read as follows: "that the MSD adopt a policy of giving first priority to the beneficial reuse of sludge with incineration used as necessary." Mr. Mull stated he has discussed this with Dr. Maas via telephone and Dr. Maas has no objections to this change modifying the Resolution. Mr. Dent moved that Dr. Maas' Resolution of August 22, 1989, be rescinded and that the Board adopt a new Resolution for Sludge Handling Alternatives incorporating the above language as recommended above. Mr. Wadley seconded the motion and voice vote was unanimous in favor of the motion. This Resolution is attached hereto and made a part of these minutes.

b. Interest Expressed by J. Lee Peeler & Company, Investment Bankers, to Replace Carolina Securities (No Longer in Business) On Bond Financing Team:

Mr. Mull stated that the Board has talked about the possibility of refunding the 1985A Bonds, and the same team which the District previously used would have the responsibility of doing this. The District received a request from Mr. John M. Barnes with J. Lee Peeler & Company (Mr. Barnes previously worked with the Local Government Commission and also oversaw the District's first two Bond issues) to replace Carolina Securities (no longer in business) on the District's Bond Finance Team. Mr. Mull passed around a brochure on J. Lee Peeler & Company. General discussion followed. Mr. Dent moved that the District retain the three firms which represent the District's Bond Finance Team, and that the Chairman appoint a Committee to look into the possibility of providing a fourth firm to replace Carolina

Securities. Mr. Waddey seconded the motion, and voice vote was as follows: 8 Yeas, 1 Abstention (Mr. Ivey).

c. Status of Phase III Plant Expansion Contracts:

Mr. Mull reported on a problem the District is having with Brevard Electric under Phase I of the Plant Expansion and a portion of the Hydroelectric Contract. At this time, Mr. Waddey moved that the Board move into Executive Session to discuss this problem. Mrs. McDonald seconded, and voice vote was unanimous in favor of the motion. Vice-Chairman Williams called the Board into Executive Session at 2:25 p.m. At 2:40 p.m. Vice-Chairman Williams reconvened the regular Board Meeting.

Mr. Waddey moved that the Board authorize settlement with Brevard Electric as specified in a letter from Hendon Engineering Associates, Inc., dated August 21, 1989, and authorize the Chairman to sign the agreement. Mrs. McDonald seconded the motion, and roll call vote was unanimous in favor of the motion.

Mr. Mull reported that the Plant Expansion Committee met immediately following the last Board Meeting to discuss problems involved with microscreens. Mr. Holbrook stated the purpose of the Committee meeting was to bring the Committee up-to-date with the Consulting Engineering's discussions with Envirex on the efforts to allow primary and secondary microscreens to pass the specified flow in solids removal which are in Envirex's contract documents. Mr. Holbrook stated that Envirex is working on improving the flow operation, and are bringing in a pilot scale secondary microscreen.

Mr. Holbrook also reported that under Section 3, General Work, Republic Contracting Corporation is operating under the revised schedule, and is looking at completion of the entire project in March or April, 1990.

Mr. Holbrook reported that he, George Rhodes of Hendon Engineering Associates, Dave Oerke with Black & Veatch, and Marc Fender of the MSD Treatment Plant took a three day trip to Jupiter, Florida, Portland, Oregon, and Greenville, South Carolina to see three operating N-Viro facilities. Mr. Holbrook stated a video was made of these facilities, and encouraged all Board members to stay after the meeting to review the video, and deferred discussion until such time.

**d. Reschedule Board Meeting of October 17, 1989:
(WPCF Convention in San Francisco, October 15 - 18, 1989)**

Mr. Mull reported that the Board Meeting of October 17th needed to be rescheduled due to the National WPCF Convention in San Francisco, and suggested the meeting be changed to October 24, 1989. The Board adopted a motion by voice to reschedule the meeting to be held October 24, 1989.

5. Report of Officers:

None.

6. Report of Committees:

c. Sewer System Consolidation - Mr. Aceto:

Mr. Aceto stated that Mr. Michael Begley with the Town of Black Mountain was present at this meeting and requested that the Board indulge this Committee Report first. Mr. Aceto stated that the Sewer System Consolidation Implementation

Committee will meet September 20th. The basic draft agreement for Consolidation will soon be sent to the different municipalities' Town Boards and City and County Government for serious consideration and these entities will be expected to sign and return these Agreements to the MSD so the MSD could approve each agreement in principal. The City of Asheville is looking at the rate projections which were put together by the District's Engineers. The Town of Black Mountain has considered the Consolidation Agreement, and has added a condition to the Agreement, in that the Town of Black Mountain has named two projects which Black Mountain wants to see completed by the District under Consolidation. Mr. Begley was asked to speak on this matter, and general discussion followed. Mr. Aceto stated that these Agreements would require the Board's action at the October 24th Board meeting.

a. Sewer Service Charge - Mrs. Pope:

Mrs. Pope reported that the Sewer Service Charge Committee, Plant Expansion Committee and Budget Committee met on September 18th to review the Annual User Charge Report prepared by Hendon Engineering Associates, and as a result, the Committee recommends that the Board accept the proposed increases for 1989-90. These increases will help fund the \$2.4 million construction of the Chemical Stabilization facility for sludge handling. At this time, Mrs. Pope turned the floor over to Mr. Huber with Hendon Engineering to review the rate increases as outlined in the Annual User Charge Report with the Board. General discussion followed. Mr. Aceto moved that the Board accept the rate increases as outlined in the Annual User Charge Report for 1989-90 prepared by Hendon Engineering Associates, Inc. Mr. Edwards seconded and roll call vote was as follows: 8 Yeas and 1 Yea under protest (Mr. Dent), who explained that he felt the increase due to having to construct the chemical stabilization facility was a questionable expense.

b. Plant Expansion Committee - Mr. Dent:

Mr. Dent reported that the Plant Expansion Committee met September 18th concerning the need for a new Radio Communication System for the District. At this time, Mr. Dent asked Mr. Mull to outline the need for the system. Mr. Mull reported the District purchased its present radio system in 1982, and reviewed the system with the Board. Mr. Mull stated a quotation has been received from Motorola concerning a Radio Communication System. The City of Asheville is going out for bids currently for its own trunk system, and will be getting at least two bids due to the fact that the City has a number of towers around the area and the City wants to utilize these towers. The two options the Committee reviewed yesterday would be to go with the City and try to get on its bid; wait till the City gets its system bid and purchase the radios from the City and pay a maintenance fee to the City. Currently the District does not know what the maintenance fee would be, or what the radios would cost. The other option would be for the District to bid its own system and use the trunking system currently on Spivey Mountain. The District would then have a set maintenance fee (usually about \$10 per radio/month). The Committee requests that the Board authorize the District to advertise for bids for a Radio Communication System using a trunking system. The estimated initial quotation the District has is approximately \$17,000 for the full system (13 radios, two base stations, which would give the District complete coverage of the county and also provides the privacy system so it will not be monitored by various industries which the District might be monitoring). Since there are no federal

grant funds involved the District only has to advertise 10 days to 2 weeks in advance. Mr. Dent moved that the Board authorize the District to advertise for bids for a Radio Communication System using a trunking system as described above. Mr. Ivey seconded the motion and voice vote was unanimous in favor of the motion.

Mr. Mull raised a further question about Consolidation. Mr. Woodall with Interstate Securities in Charlotte offered his services to help the District develop a financing method for Consolidation for the District. It was the consensus of the Board that Mr. Mull should travel to Charlotte to work with Mr. Woodall on this matter.

7. Unfinished Business:

None.

8. New Business:

None.

9. Date of Next Regular Meeting - October 24, 1989

10. Adjournment:

There being no further business, the Board meeting was adjourned at 4:10 p.m.


Secretary

RESOLUTION

SLUDGE HANDLING

September 19, 1989

"That the motion relating to the acceptance of the EPA Grant Offer adopted at its August 22, 1989 meeting, and pursuant to a letter from John R. Blowe, Chief, Construction Grants Section of the North Carolina Department of Natural Resources and Community Development to W. H. Mull, Engineer-Manager dated September 11, 1989, be it hereby is amended as follows:

SAID RESOLUTION is rewritten to read as follows:

- 1) That the MSD retain a private firm to market the stabilized soil produced by the chemical stabilization process;
- 2) That the facility engineering and construction be conducted using a timetable that brings both facilities on-line at the same time; and,
- 3) That the MSD adopt a policy of giving first priority to the beneficial reuse of sludge with incineration used as necessary.



Frank S. Smith, III, Chairman
Metropolitan Sewerage District Board



RECEIVED

SEP 14 1989

4a.

Metropolitan Sewerage District
of Buncombe County

State of North Carolina
Department of Natural Resources and Community Development
Division of Environmental Management
512 North Salisbury Street • Raleigh, North Carolina 27611

James G. Martin, Governor
William W. Cobey, Jr., Secretary

September 11, 1989

R. Paul Wilms
Director

Mr. W. H. Mull, Engineer-Manager
MSD - Buncombe County
P.O. Box 8969
Asheville, North Carolina 28814

SUBJECT: Resolution Accepting EPA Grant
Project Number C370391-09
MSD - Buncombe County

Dear Mr. Mull:

This is in response to your letter of September 5, 1989, transmitting the Minutes of the August 22, 1989, MSD Buncombe County Board Meeting and requesting our review and comments on the Minutes.

It is recommended that Item No. 3 in Dr. Maas' motion be changed to read as follows: "that the MSD adopt a policy of giving first priority to the beneficial reuse of sludge with incineration used as necessary." Our recommendation will eliminate any audit questions or funding eligibility as the incinerator being constructed as a backup facility.

We trust this response will be beneficial. If you have any additional questions, please advise.

Sincerely,

John R. Blowe, Chief
Construction Grants Section

CMB/tp

cc: Asheville Regional Office
Faxed to John S. Stevens 9/14/89
Mailed to Sludge Committee Members and Frank Smith 9/14/89

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Frank S. Smith, III, Chairman
Metropolitan Sewerage District Board