

FEBRUARY 20, 1990

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 2:00 p.m. on Tuesday, February 20, 1990. Chairman Smith called the meeting to order at 2:00 p.m. Chairman Smith and the following members were present: Aceto, Dent, Ivey, Maas, McDonald, Pope, Waddey and Williams. Others present were: W. H. Mull, Engineer-Manager, John S. Stevens, General Counsel, William Clarke, Attorney for the District, Walter Currie, Attorney for the District, Messrs Dean Huber, Bob Holbrook and Bill Morris of Hendon Engineering Associates, Inc., Debra Price, CIBO, and Clarke Morrison with the Asheville Citizen-Times.

2. Minutes of January 16, 1990:

Mr. Dent requested that the minutes of January 16, 1990 be amended to reflect the fact that Mr. Dent was in favor of the Board adopting a 3% goal for participation by Minority Firms as subcontractors, but was not in favor of the 5% goal set by the Board under Item Number 3. Mr. Aceto moved that the minutes of January 16, 1990, be adopted as amended, and Mr. Waddey seconded. Voice vote was unanimous in favor of the motion.

3. Report of Engineer-Manager:**a. Status of Phase III Plant Expansion Contracts:**

Mr. Mull stated that this item would be discussed later in the meeting.

b. Status Report of Bid Opening - Phase IV - Sludge Handling Facilities:

Mr. Mull reported that the District held a Bid Opening February 13, 1990, for Phase IV, Sludge Handling Facilities, and only opened bids for Section 1A, Electrical Equipment and Wiring. The District did not receive a sufficient number of bids for Single Prime Contractor, General Work, Section 1, Heating, Ventilating and Air Conditioning, Section 1B, and Plumbing, Section 1C. A Bid Reopen date of March 21, 1990, has been scheduled for Section 1, Section 1B and Section 1C.

Bids received for Section 1A, Electrical Equipment and Wiring, are as follows: M. B. Haynes Corporation, total base bid of \$1,878,000.00; Hayes & Lunsford Electric Company, total base bid of \$1,982,362.00; and King Electric, Inc., total base bid of \$2,343,488.00. Mr. Walter Currie, Attorney for the District, reported that he is in the process of reviewing these bids.

a. Status of Phase III Plant Expansion Contracts:

At this time, Mrs. McDonald moved that the Board enter into executive session to discuss negotiations about legal matters and potential litigations. Mr. Williams seconded, and voice vote was unanimous in favor of the motion. At 2:10 p.m. Chairman Smith declared the Board in Executive Session.

At 2:45 p.m. Chairman Smith reconvened the regular Board meeting.

- c. **Reappointment of MSD Board Members:**
 - a. Edwards - Town of Weaverville
 - b. Smith - City of Asheville
 - c. Wadley - Buncombe County

Mr. Mull reported that the foregoing members of the Board were reappointed in January, 1990. Mr. Stevens asked that these members take their oaths of office at the Office of Clerk of Superior Court.

- d. **Proposed Enforcement Management Strategy:**

At this time, Mr. Mull turned the floor over to Mr. William Clarke, Attorney for the District, to review this matter with the Board.

Mr. Clarke stated that the State Pretreatment Office and the Local Pretreatment Office is proposing that every publicly owned treatment facility have a strategy for enforcing compliance with pretreatment. This proposed Enforcement Management Strategy basically sets up a system of how you will respond in the event of noncompliance by an industrial user with MSD Sewer Use Ordinance. Mr. Aceto moved that the Board adopt the proposed Enforcement Management Strategy and Dr. Maas seconded. Voice vote was unanimous in favor of the motion.

- e. **Proposed Sale of Property to The Education Center, Inc. and Request to Publish Public Notice of Sale;**

Mr. Mull reviewed the property site with the Board, along with the Surplus Property Resolution, attached herewith and made a part of these minutes. This property, located on Pearson Bridge Road, was purchased by the District about a year ago, but the District only needs a portion of the property which houses the District's Siphon Screening Facility. The proposed purchase price is \$11,000.00. Mr. Dent moved that the Board authorize the adoption of the Surplus Property Resolution and Request to Publish Public Notice of Sale. Mrs. McDonald seconded the motion, and general discussion followed. Voice vote was unanimous in favor of the motion.

- f. **Preliminary Plans for Expansion of Administration Building:**

Mr. Mull turned the floor over to Mr. David Aiten with Danie A. Johnson, Architect, who reviewed the preliminary plans for the proposed expansion of the Administration Building and parking lot, as well as other space allocations and cost figures. General discussion followed. The proposed total new square footage is 2,998, with a cost per square foot of \$80.00, and a total construction cost of \$239,840.00.

4. **Report of Officers:** None.

5. **Report of Committees:**

- a. **Sewer Consolidation & Renovation Finance - Mr. Ivey:**

Mr. Ivey reported that this Committee met February 12, 1990 and reviewed the names of those in attendance and gave a brief report of discussions which took place at the Committee Meeting. A copy of the Minutes of this Committee meeting are attached.

b. Capital Improvement Plan - Mr. Aceto:

Mr. Aceto reported that the CIP Committee met twice since the last Board meeting, January 24th and February 14th, to review the plan of projects for the municipalities, in order to get the Bond Issue underway by July 1, 1990. The Minutes of the CIP Committee of January 24th are attached. One of the major hang-ups is lack of adequate mapping. On February 14th, the municipalities were told that in order to meet a deadline of July 1, 1990, Bond Issue, it is absolutely necessary that the District have in-hand detailed mapping information as to location of sewer lines to be replaced, prior to 15 March, 1990. The next CIP Committee meeting will be March 7, 1990. Mr. Mull stated that the District met with the County and will get copies of the maps needed to make the initial evaluation, and eventually will get a procedure worked out to be able to utilize the County's system on maps.

6. Unfinished Business:

Mr. Mull reported he would like to have a meeting with the Budget Committee in the next three weeks.

7. New Business: None.

8. Date of Next Regular Meeting - March 20, 1990

Chairman Smith stated he would not be at the March Board meeting and asked Mr. Williams to chair the meeting.

9. Adjournment:

There being no further business, the Board Meeting was adjourned at 3:23 p.m.



Charles M. Dent, Secretary

SURPLUS PROPERTY RESOLUTION

WHEREAS, the Metropolitan Sewerage District of Buncombe County desires to dispose of surplus property according to the procedures set forth in North Carolina General Statutes, Chapter 160A, Article 12; and

WHEREAS, the Metropolitan Sewerage District has determined that a 3.41 acre tract of land located at Pearson Bridge Road and described in Exhibit A attached hereto and made a part hereof, is unnecessary and undesirable for use by the Metropolitan Sewerage District; and

WHEREAS, the Metropolitan Sewerage District has received an offer from The Education Center, Inc., in the amount of \$11,000.00 for the purchase of this property; and

WHEREAS, the Metropolitan Sewerage District is of the opinion that this is a fair and appropriate offer for said property.

NOW, THEREFORE, BE IT RESOLVED by the Metropolitan Sewerage District of Buncombe County as follows:

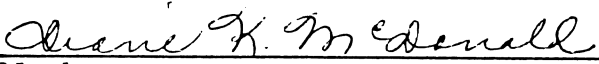
1. That the property described in Exhibit A attached hereto and made a part hereof, be and it is hereby declared unnecessary and undesirable for use by the Metropolitan Sewerage District.
2. That the Metropolitan Sewerage District tentatively accepts the aforesaid offer from The Education Center, Inc., as a fair and appropriate offer and that the Metropolitan Sewerage District is authorized to advertise the property for upset bids according to North Carolina General Statutes, Section 160A-269.
3. That the Metropolitan Sewerage District also offer said property to the County Commissioners of Buncombe County on the same terms and price as the offer from The Education Center, Inc.
4. That if Buncombe County declines to purchase the property, the property be conveyed to the highest bidder by Non-Warranty Deed, reserving easements for all presently existing utility and sewer lines and necessary appurtenances thereto.

I MOVE THE ADOPTION OF THE FOREGOING RESOLUTION:



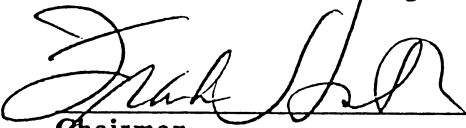
Member

SECONDED BY:




Member

READ, APPROVED AND ADOPTED, THIS 20th DAY OF February, 1990.



Chairman



Secretary

EXHIBIT A

BEGINNING at the northeastern corner of the property conveyed to the Metropolitan Sewerage District by Deed recorded in Deed Book 1555 at Page 122 and from said Beginning point thus established runs thence South 28° 49' West 90.51 feet to a point located in the centerline of Pearson Bridge Road; runs thence with the centerline of said Road the following five calls: (1) North 44° 38' 12" West 196.69 feet to a point, (2) on a curve to the left with a radius of 169.50 feet, an arc length of 306.25 feet to a point, (3) on a curve to the left with a radius of 169.50 feet, an arc length of 226.46 feet to a point, (4) South 44° 42' 27" East 60.73 feet to a point, and (5) on a curve to the right with a radius of 45 feet, an arc length of 70.23 feet to a point; runs thence South 44° 42' 33" West 67.09 feet to a point; runs thence South 88° 44' West 232.50 feet to a point; runs thence North 79° 27' 58" East 266.53 feet to a point; runs thence North 56° 58' 30" West 165 feet to a point; runs thence North 40° 51' 35" West 48.28 feet to a point; runs thence North 13° 31' 25" West 50 feet to an iron pin located at a corner of the Hughes property as described in Deed Book 1314 at Page 496; runs thence on a curve to the right with a radius of 388.13 feet, an arc length of 234.17 feet (Chord = North 00° 07' 23" West 230.63 feet); runs thence North 12° East 28 feet to a point; runs thence on a curve to the right with a radius of 550.9 feet, an arc length of 89.61 feet (Chord = North 14° 14' 03" East 89.51 feet) to a point; runs thence North 14° 42' East 22.11 feet to a point; runs thence on a curve to the left with a radius of 103.27 feet, an arc length of 149.92 feet (Chord = North 26° 53' 20" West 137.10 feet); runs thence North 68° 28' 40" West 232.40 feet to a point; runs thence North 48° 19' 19" West 62.71 feet to an iron pin; runs thence North 66° 35' 30" East 43.06 feet to an iron pin; runs thence South 68° 28' 40" East 297.72 feet to an iron pin; runs thence South 39° 45' 36" East 227.42 feet to an iron pin; runs thence South 60° 20' 25" East 486.90 feet to the point and place of **BEGINNING**. Said tract of land consisting of 3.41 acres, more or less, and being a portion of the property conveyed to the Metropolitan Sewerage District by Deeds recorded in Deed Book 1555 at Page 122 and Deed Book 1552 at Page 227, Buncombe County Registry.

CAPITAL IMPROVEMENT PLAN (CIP) COMMITTEE

FEBRUARY 14, 1990

Mr. Aceto, Chairman, called the meeting to order at 2:00 p.m. with the following present:

Steve Aceto, Chairman
Charles Anderson
Billy Clarke
Jon Creighton
Max Haner
Harold Huff
Lee Matthews
Bill Morris
Bill Mull
Pete Post
Swain Ballard
Marvin Waddey
Mike Plemmons

1. Approval of Minutes:

The Committee reviewed and approved the minutes of the January 24, 1990, CIP Committee Meeting.

2. Review Report of Renovation Finance Committee and Its Impact On Rates:

Mr. Aceto stated Mr. Clarke is going to review the Sewer Consolidation and Renovation Finance Committee meeting of Monday, February 12, 1990. Mr. Clarke reported that the need for up-front-money is deemed by this Committee to be critical, and the Sewer Consolidation and Renovation Finance Committee recommended that the MSD go ahead and issue Bonds for the short term projects. The Bond issue would be to raise money to reimburse the municipalities for the work going on now, and pay for the projects in 1990-1991. This recommendation will be brought to the District Board on February 20, 1990.

Mr. Aceto asked what are we going to have to do regarding rates. Mr. Clarke stated that the recommendation of the Sewer Consolidation and Renovation Finance Committee was to go ahead and issue Bonds, and raise your rate as you see fit, to pay for the Bond issue, keeping in mind the fact that you are going to have capital improvement needs throughout. There was no recommendation concerning bonds or pay-as-you-go financing over the long term. The Finance Committee feels this needs to be looked at in more detail. Mr. Mull stated the Finance Committee looked at a few rate comparisons Mr. Morris put together, one being a red-line option which is a series of Bond issues, and the other option being a blue-line option which is one bond issue. Mr. Morris stated that raising the

rates and not having a Bond issue is a possibility, but you would have to postpone your projects to do it this way. This is an option which is being looked into.

To have the Bond issue passed and accepted by the Local Government Commission by July 1, 1990, we need three months lead time with basically all the data in-hand and the report prepared. This means we would have to have all project information which we don't currently have, along with base maps, by March 15, 1990. Project information which is not received by March 15th will be left out of the Bond package, and included in any future bond package.

Mr. Mull reported that a comparison sewer service charge chart was put together for the Finance Committee, which consisted of 11 different communities and their domestic rates, and any impact fees or assessment fees or up-front fees or sewage connection fees these communities might have. Industrial rates were also included on this chart. Mr. Mull stated that as far as industrial rates are concerned, we took the companies currently in MSD (Asheville-Buncombe County, etc.) and ran these through all the various towns what they would be paying annually in sewer service charges if they were located in another town with that same discharge. The District is on the high side with the domestic rates currently. The Industrial rates show the District on the low side.

3. Review Revised Two-Year Capital Improvement Plan Proposals;

Mr. Morris reviewed the revised two-year capital improvement plan proposals with the Committee, which included postponing many projects required under the consolidation agreement. Priority one interceptor projects will be substituted at the same funding levels to the extent MSD can proceed with those parts of the system it does not yet own.

4. Review Status of Project Information and Mapping Requested from Each Municipality:

Mr. Morris stated that base maps have been requested from the County and City, and the City of Asheville plans on letting the District use their maps, as soon as the City gets the go ahead from the County that this can be done. Mr. Morris stated that a meeting is being held Thursday, February 15th, with the County regarding maps. Lengthy discussion followed. Maps must be received by the District no later than February 21, 1990.

5. Adjournment:

A progress report should be sent out around March 1st to see if the mapping situation is being done. The next meeting date of the CIP Committee will be Wednesday, March 7, 1990, at 2:00 p.m.

Mr. Mull introduced Mr. Stan Boyd, Engineer for the District, to the Committee. Stan will be assisting in the work on the maps, and also will be developing some standard specs for various projects.

Mr. Morris reiterated that the District needs to be made aware of any pending projects any municipality has.

There being no further business, the meeting was adjourned.