

MARCH 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, March 20, 1990. Vice-Chairman Williams called the meeting to order at 2:00 p.m. Vice-Chairman Williams and the following members were present: Aceto, Dent, Dyson, Edwards, Maas, Pope, Waddey and Williams. Others present were: W. H. Mull, Engineer-Manager, John S. Stevens, General Counsel, Messrs Dean Huber and Bill Morris of Hendon Engineering Associates, Inc., and Debra Price of CIBO.

2. Minutes of February 20, 1990:

Mrs. Pope moved that the minutes of February 20, 1990, be adopted as written, 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 reported that the District is still looking at a completion date on Phase III of July, 1990. Work is progressing on the project. The RBC's are now being installed in the final clarifier basin at the Treatment Plant.

b. Status Of Bid Opening - Phase III - Section 3D, Administration Building Furniture, and Section 3E, Laboratory Equipment and Supplies;

Mr. Mull reported that the District Opened Bids on March 1, 1990, for Phase III, Section 3D, Administration Building Furniture, and received the following bids: Jim Ammons Office Supply had a total base bid of \$20,619.89, excluding tax; Hoyle Office Supplies, Inc. had a total base bid of \$24,351.33, excluding tax; The Rudd Group, Inc. had a total base bid of \$18,725.24, excluding tax, and Office Environments of Asheville had a total base bid of \$15,942.68, including tax. Office Environments of Asheville was the Apparent Low Bidder for the furniture.

On March 1, 1990, the District also opened bids on Phase III, Section 3E, Laboratory Equipment and Supplies. The District received the following bids: Fisher Scientific had a total base bid of \$339,265.08 (Bid Bond), McDonald Enterprises, Inc. had a total base bid of \$543,644.00 (Bid Bond), and Laboratory Design & Equipment had a total base bid of \$482,018.00 (Personal Check).

Mr. Mull reviewed a letter from Mr. Walter Currie, Attorney for the District, concerning his review of the above bids for Section 3D and Section 3E, and it is the recommendation of the Attorney that the District award the contract for Section 3D, Administration Building Furniture, to the low bidder, Office Environments of Asheville in the amount of \$15,942.68, including tax. The Attorney also recommended that, since EPA grant funds will be used to purchase laboratory equipment and EPA regulations require a minimum of two or more responsible bidders, MSD reject all bids and readvertise the laboratory equipment procurement. The attorney also recommended that the Engineer inform EPA of the bids received on March 1 and the reasons for rejection and readvertisement and ask for EPA concurrence in proceeding with the procurement by second advertisement. Once EPA concurs in rejection of all bids and readvertisement, then the Attorney recommends that the MSD Board reject all bids and authorize

readvertisement. Mr. Mull stated that Mr. Tom Fahnestock and Mr. Cecil Madden with the State Office, which administers EPA grant funds, have been contacted. Mr. Fahnestock approves award of contracts and Mr. Cecil Madden reviews the specifications. Mr. Fahnestock and Mr. Madden advised that they concur with rejecting all bids and advised that the District readvertise. The readvertisement shows several changes and Mr. Mull reviewed these changes with the Board.

- c. **Ratify Board's Decision via Telephone Poll March 8, 1990, to Award Contract for Phase III, Section 3D, to Office Environment of Asheville (Apparent Low Bidder), and Reject All Bids for Phase III, Section 3E, Laboratory Equipment and Supplies and Readvertise:**

Mr. Mull recommended that the Board ratify its' decision of March 8, 1990. Mr. Dent moved that the Board authorize awarding of contract for Phase III, Section 3D, Administration Building Furniture, to Office Environment of Asheville in the amount of \$15,942.68, including tax. Mr. Dyson seconded the motion and roll call vote was as follows: Yeas: 8; Nays: 0. Mr. Waddey moved that the Board reject all three bids received on March 21, 1990, for Phase III, Section 3E, Laboratory Equipment and Supplies, and readvertise. Mr. Dyson seconded. Roll call vote was as follows: Yeas: 8; Nays: 0.

Mr. Mull reported that Phase III, Section 3E, Laboratory Equipment and Supplies, will be readvertised with a bid open date of April 5, 1990. General discussion followed.

- d. **Status of Readvertisement for Phase IV - Sludge Handling:**

Mr. Mull reported that bids were originally received February 13, 1990, and the District could only open Section 1A, Electrical Equipment and Wiring, with the low bidder being Haynes Electric Construction Company, a Division of M. B. Haynes Corporation, in the amount of \$1,878,000.00. Other sections of the project were readvertised with a bid open date of March 29, 1990, at 2:00 p.m. in the Boardroom.

- e. **Proposed Surplus Property Resolution:**

Mr. Mull reviewed the Proposed Surplus Property Resolution with the Board, which is attached hereto and made a part of these minutes. No upset bids were received by the District in response to Public Notice, and Buncombe County declined to purchase said property on March 6, 1990. Mr. Dyson moved that the Board adopt the Surplus Property Resolution concerning the sale of property located on Pearson Bridge Road at a cost of \$11,000. Mr. Waddey seconded the motion. Roll call vote was as follows: Yeas: 8; Nays: 0.

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

5. **Report of Committees:**

- a. **Capital Improvement Plan - Mr. Aceto:**

Mr. Aceto directed the Board's attention to the Minutes of the CIP Committee meeting of February 14th and noted that this meeting was summarized at the last Board meeting, but minutes were not available at that time. Mr. Aceto reviewed the minutes of the CIP Committee of March 7, 1990. The next meeting of the CIP Committee will specifically cover the question of reimbursement for projects which the municipalities are undertaking and the Operation & Maintenance Budgets.

The Minutes of the Capital Improvement Committee meetings of February 14 and March 7, 1990, are attached hereto and made a part of these minutes.

As a result of discussion by the Board, several concerns were expressed over consolidation, those being: 1) level of funding for consolidation; 2) O & M Budgets being too far out-of-line; 3) Reimbursement of projects funded; and 4) Sewer maintenance charges and unspent funds for same being transferred to MSD.

6. Unfinished Business:

Mr. Dyson asked the status of the Sewer Consolidation & Renovation Finance Committee. Mr. Mull stated that the Sewer Consolidation & Rehabilitation Finance Committee would be meeting after the March Board meeting. Several concerns were expressed by the Board during discussion, and as a result Mr. Aceto moved that the Board request the Sewer Consolidation & Renovation Finance Committee to provide recommendations of issues the Board should be considering and any needs the Committee has specifically the Board should be looking at toward arriving at a decision concerning funding. This information should be submitted to the District before the next Board meeting in April. Dr. Maas seconded. Voice vote was unanimous in favor of the motion.

Funding was discussed at length by the Board.

7. New Business: None.

8. Date of Next Regular Meeting - April 17, 1990

9. Adjournment:

There being no further business, the Board Meeting was adjourned at 3:30 p.m.



Charles M. Dent, Secretary

DISBURSEMENTS CONTINUED

COLLECTION SYSTEM OPERATIONS =====	1989-90 BUDGET -----	ACTUAL THROUGH 3/31/90 -----	ESTIMATED 1989-90 EXPENDITURES -----	SURPLUS OR (DEFICIT) -----	RECOMMENDED 1990-91 BUDGET -----	INCREASE (DECREASE) FROM FY 89-90 -----
700 SALARIES & WAGES.....				0	111,400 (21)	111,400
702 INSURANCE.....					14,000 (13)	14,000
(HEALTH & LIFE.....12,100)						
(WORKMANS COMP.....1,900)						0
(VEHICLES..... 0)						0
(BLDG. & EQUIP..... 0)						0
704 FICA TAXES @ 7.15%.....					8,745	8,745
706 NC RETIREMENT @ 8.59%.....					9,469	9,469
710 CHEMICALS.....				0		0
720 TELEPHONE.....				0		0
725 OFFICE SUPPLIES.....						0
730 POWER & LIGHTS.....				0		0
740 SMALL TOOLS & SUPPLIES.....				0		0
750 WATER & GARBAGE.....				0		0
760 VEHICLE EXPENSE.....				0		0
771 LINE CLEANING SUPPLIES.....				0		0
780 UNIFORM SERVICE.....				0		0
791 SCHOOLS.....				0		0
800 MAINTENANCE BLDG. & GROUNDS.				0		0
810 MAINTENANCE PIPELINE.....				0		0
820 MAINTENANCE EQUIPMENT.....				0		0
830 CAPITAL OUTLAY--NEW.....				0		0
840 CONTRACT MAINTENANCE.....				0	2,263,000	2,263,000
850 CONTINGENCY.....						0
TOTAL COLLECTION SYSTEM OPERATIONS ...	0	0	0	0	2,406,614	2,406,614
TOTAL EXPENDITURES.....	2,097,368	1,165,983	1,720,730	376,638	4,982,723	2,885,355
(ADMINISTRATION, PLANT, AND COLLECTION SYSTEM)						

Total salaries (line items 200, 500 & 700) are 42.8% higher than 1989-90. The breakdown is as follows:

CATAGORY	% OF TOTAL SALARIES	
C.O.L. and merit raises.....	6.67%	
Adjustments.....	3.72%	
New Positions.....	32.41%	(22.21% DUE TO CONSOLIDATION)
		(10.20% DUE TO PLANT EXPANSION)
TOTAL.....	42.80%	

Percent Increase from FY 89-90.	
Due to Consolidation...	123.90%
Due to Plant Expansion.	10.54%
Subtotal.....	134.44%
Wages & Other.....	3.13%
Total.....	137.57%

FOOTNOTES:
=====

- (1) Have not hired assistant.
- (2) 38% increase BC&BS; additional facilities on line due to plant expansion.
- (3) Positions not filled due to plant expansion delays.
- (4) See attached memo.
- (5) Wet year.
- (6) Rate increases, water used by contractor and leak at Carrier Bridge Pump Station.
- (7) Rebuilt engine - van, dumpster truck hydraulics, flatbed truck work.
- (8) New employees.
- (9) TNTM
- (10) New 4-WD vehicle Engineer II: \$17,000; Replace operators' truck: \$12,000.
- (11) Five new positions for collection system (Approved December).
- (12) System growth - If we go to \$1.30 from \$.30, will need to increase from 72,000 to 312,000.
- (13) Redistribution to plant and collection system.
- (14) For six months - we will do our own bookkeeping (Jan. 1991).
- (15) Collection system work.
- (16) Per hour increase.
- (17) 4-WD vehicle for collection system Supt: \$17,000; radio: \$1,200, + additional office equipment.
- (18) Seven new positions for plant expansion plus merit raises, adjustments & C.O.L. increase.
- (19) Two new mini-vans for electronic technicians: \$25,200; radio's: \$2,400; one new mechanics' truck: \$13,000; radio: \$1,200.
- (20) Replace monitoring crew van - \$13,000.
- (21) Five new positions.

BOND RESOLUTION REQUIREMENTS:

PRELIMINARY BUDGET MUST BE FILED WITH TRUSTEE ON OR BEFORE MAY 15.

(WILL MAIL APRIL 18 IF BOARD APPROVES APRIL 17)

PUBLIC HEARING MUST BE HELD ON OR BEFORE JUNE 15.

(SCHEDULE FOR MAY 15)

BUDGET SHALL BE ADOPTED PROMPTLY AFTER THE PUBLIC HEARING.