

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT

FEBRUARY 19, 1991

1. Call to Order and Roll Call:

The regular monthly meeting of the Board of the Metropolitan Sewerage District was held in the Boardroom of MSD's Administration Building at 2:00 p.m. on Tuesday, February 19, 1991. Chairman Smith called the meeting to order at 2:00 p.m. with the following members present: Aceto, Bryson, Ivey, Maas, McDonald, Penny, Smith, Waddey, Wallace and Williams.

Others present were: W. H. Mull, Engineer-Manager, John S. Stevens, General Counsel, Dean Huber and Bill Morris of Hendon Engineering Associates, Inc., and Harold Holcombe, representing CIBO.

2. Minutes of January 15, 1991:

Mr. Penny moved that the dates in paragraphs 4.b and 4.c be changed to read December 18, 1990. Mr. Williams moved that the minutes be approved with the above changes. Mr. Waddey seconded. Voice vote was unanimous in favor of the motion.

3. Appointment of Treasurer & Assistant Secretary/Treasurer:

Mr. Smith appointed Ms. Jackie W. Bryson to replace former board member Mr. Charles M. Dent as Secretary/Treasurer and appointed Mr. Wayne Edwards as Assistant Secretary/Treasurer. Mr. Aceto moved that the Board accept the appointments. Dr. Maas seconded. Voice vote was unanimous in favor of the motion.

4. Report of Engineer-Manager:

a. Appointment of MSD Board Members:

Mr. Mull announced the reappointment of Jackie W. Bryson by the Woodfin Sanitary Water & Sewer District, the appointment of Carolyn R. Wallace by Buncombe County to replace Charles M. Dent and the appointment of Charles W. Penny by the City of Asheville to replace E. Charles Dyson.

b. Status of Phase III & IV Main Plant Expansion Contracts:

Mr. Mull reported that Phase III & IV Main Plant Expansion was slowly nearing completion with the exception of some minor work to be done. Mr. Mull stated that the official completion date was December 31, 1990 and that liquidated damages under the contract were being assessed on a daily basis. A discussion followed regarding the timing of bidding on the Alkaline Stabilization portion of Phase IV. Dr. Maas stated that it would be advantageous to provide more lead time in marketing and development prior to construction. Mr. Mull stated that he would contact Bob Holbrook regarding the proposed contract stipulations on marketing and report to Dr. Maas prior to the next board meeting.

c. Proposal for design & construction inspection services for Old Haw Creek Road private sewer rehabilitation (William G. Lapsley & Associates, P.A.):

Mr. Mull presented a proposal from William G. Lapsley & Associates, engineers, for the replacement of an existing 4-inch private sewer, located off Old Haw Creek Road. Mr. Mull reported the \$2,000.00 fee would include detailed plans and specifications, submittal of documents for State approval, solicitation for bids, contract administration and periodic construction inspection. In reference to the above mentioned line, Mr. Mull presented a letter from the City of Asheville requesting that the District replace approximately six hundred feet of line and the necessary acquisition of easements at a cost of approximately \$30,000.00. Mr. Mull stated that after review of a study and map prepared by MSD Engineering Staff and presented to the Sewer System Consolidation Committee at the February 11, 1991 meeting, the committee recommended that the Board authorize the approval of this project at an estimated cost of \$21,360.00 and to

proceed with contacting property owners for approval. Mr. Waddey moved to proceed with the Old Haw Creek project at an estimated cost of \$21,360.00 along with the approval of preliminary engineering work proposed by William G. Lapsley & Associates in the amount of \$2,000.00; contingent on landowner approval. Dr. Maas seconded. Roll call vote was as follows: 10 Ayes; 0 Nays.

d. Proposal for design & construction inspection services for Wildwood Park sewer in Weaverville (Amendment to existing contract, McGill Associates).

Mr. Mull presented an Addendum to a previous contract for design and construction inspection services for Wildwood Park in Weaverville, along with a map showing the sewer line in question. Mr. Mull stated that this line which was left off the original designations of lines for the Town of Weaverville would increase the contract "lump sum" to \$33,900.00 (\$4,100.00 increase), and the contract "Maximum not to Exceed" to \$24,550.00 (\$1,350.00 increase). Discussion followed. Mr. Aceto moved that the Board approve the addendum to the agreement with McGill Associates. Ms. Bryson Seconded. Roll call vote was as follows: 10 Ayes; 0 Nays.

e. Authorization for Board Members and Staff to attend Annual Land of Sky Regional Council Dinner Meeting:

Mr. Mull presented an invitation to the Seventeenth Annual Land-of-Sky Regional Council Dinner to be held February 27, 1991 at the Hendersonville Country Club and extended an invitation to those board members who have not signed up. Mr. Penny moved that the cost of attendance for board members be approved. Mr. Waddey seconded. Roll call vote was as follows: 10 Ayes; 0 Nays.

f. Proposed wording on plaque for new Sludge Handling Facility:

Mr. Mull presented a preliminary plaque design for the new Sludge Handling Facility and asked the Board for any corrections or additions. It was suggested that professional designations be included to read, Dr. Richard P. Maas, PhD, Mr. Steven T. Aceto, J.D. and Ms. Diane K. McDonald, J.D.

g. Potential Storm Water Discharge Permit Requirement:

Mr. Mull stated Federal Regulations require a Storm Water Discharge permit for wastewater treatment plants with a design capacity of 1 mgd or greater. These permits also apply to landfills, airports, garage facilities, salt storage, etc. Mr. Mull announced the State will hold a meeting at Asheville-Buncombe Technical Community College, February 26, 1991, 2-5:00 p.m. to explain the requirements for storm water discharge permits. Mr. Waddey reported that the EPA passed this ruling October 19, 1990, but was not known to him until approximately the fourth week in January. Mr. Waddey stated that in talking with the North Carolina Association of County Commissioners that they were going to file a joint application. Discussion followed regarding permit applications and if the permits encompassed all or portions of the property in question.

h. Collection System Maintenance Equipment (Jet Wash/Vacuum Machine):

Mr. Mull presented a portion of Hendon Engineering's April 23, 1990 report to the Board which included two high pressure wash and vacuum machines at an estimated cost of \$280,000.00 and requested the Board's approval to proceed with procuring this equipment. Mr. Mull stated that because of the lead time involved in procuring this equipment it was necessary to proceed with approval prior to the July 1, 1991 collector sewer line takeover in order to provide proper maintenance to the sewer lines. A lengthy discussion followed regarding cost and need for this equipment opposed to contracting the work out. Mr. Penny moved to proceed with preparing specifications and bid proposals, and to investigate the value on the existing City equipment. Ms. McDonald seconded. Voice vote was unanimous in favor of the motion.

i. **Shelburne Road Sewer Replacement:**

Mr. Mull reported that a sewer located on Shelburne Road within the City of Asheville was damaged and overflowing and needed to be replaced. After discussion, Mr. Stevens advised that the Board was authorized to empower the Engineer-Manager to go through the informal bid process at a cost not to exceed \$15,000.00. After general discussion Ms. McDonald moved to authorize the Engineer-Manager to proceed with an informal bid process. Mr. Williams seconded. Roll call vote was as follows: 10 Ayes; 0 Nays.

5. **Report of Officers**

None

6. **Report of Committees:**

Mr. Smith presented a revised copy of committee assignments and announced the following appointments: Budget Committee, Mr. Penny will replace Mr. Dyson; Easement Committee, Mr. Edwards will replace Mr. Dyson; Facility Maintenance and Hydro Committees have been deleted; Insurance Committee, Mr. Penny will replace Mr. Waddey; Plant Expansion Committee has been deleted; Sewer Service Charge Committee, Ms. Wallace was appointed to serve; Sewer System Consolidation Committee, Mr. Penny will replace Mr. Dent; Sludge Committee, Mr. Smith proposed that Mr. Edwards serve as Chairman; Bond Finance Committee, Mr. Smith ask for approval to reactivate this committee with the following members: George Ivey, Chairman, (who will be excused from any discussion or consideration regarding choosing underwriters for bond issues), Mr. Penny, Ms. McDonald and Mr. Smith.

a. **Sewer System Consolidation - Mr. Aceto**

At 3:05 p.m. Mr. Aceto moved that the Board go into Executive Session to discuss the Collection System Maintenance Facility Site. Mr. Waddey seconded. Voice vote was unanimous in favor of the motion.

At 3:30 p.m. Dr. Maas moved that the Board reconvene the regular Board meeting. Mr. Aceto seconded. Voice vote was unanimous in favor of the motion.

Mr. Aceto moved that the Board authorize an option to purchase certain real property at a cost not to exceed \$25,000.00 for a term not less than 60 days and not more than 120 days at a purchase price not to exceed \$1.2 million and if the option is exercised, then to proceed with an MAI Appraisal on the real property to determine its value. Ms. McDonald Seconded. Roll call vote was as follows: 10 Ayes; 0 Nays.

Mr. Aceto inquired about the status of a recent \$500,000.00 payment received from the City of Asheville four months late, minus deductions for the money the City calculated it was due from MSD for maintenance services. Mr. Aceto stated that this matter was brought before the Capital Improvement Plan Committee at the January 15, 1991 meeting. Mr. Mull reported that the last payment was received February 7, 1991 with no deductions made, but did not include a budget breakdown for prior charges. Mr. Mull further reported that interest on earnings from the late payment have been deposited to the credit of MSD. Mr. Mull was asked to look into the matter.

Mr. Aceto reported on the following items discussed at the February 11, 1991 meeting:

1. Gill Branch Line

Mr. Aceto stated that because of difficulty in obtaining easements from owners on the Gill Branch Sewer line in the Town of Weaverville, the Sewer

System Consolidation Committee recommended that a letter be addressed to the Weaverville Town Board asking that it (or the town) proceed with taking the necessary measures to acquire easements, including "quick take" condemnation. Mr. Aceto expressed his thanks to Mr. Stevens for writing to the legislative delegation requesting that MSD also have the "quick take" condemnation authority that the City, County and municipalities now have.

2. Pisgah View Sewer Line

Mr. Aceto reported that a video presentation was given by Mr. Bill Lapsley of William G. Lapsley & Associates on the Pisgah View Sewer line rehabilitation project. Mr. Aceto reported that this project was listed on the CIP list as a \$13,000.00 project only, but after review by the Engineer it was discovered that the entire line was in need of replacement at an estimated cost of \$200,000.00 to \$250,000.00. Mr. Aceto stated that after review the committee recommended that the District approve \$13,000.00 to do "spot repairs" to portions of the line, thereby eliminating surcharge problems, then go back to the County to see what priority it wants to reassign the rest of the project's position.

3. Private Sewer Systems

Mr. Aceto reported that the Hawthorne Village Homeowners Association approached the MSD regarding possible takeover of the sewer system. Mr. Aceto stated that the MSD has not been asked to expend funds for this project but that the Homeowners Association would rehabilitate the project first. Mr. Aceto further stated that the MSD would only agree to this request as a rehabilitated project and as a courtesy, the MSD engineering staff has provided preliminary appraisal of conditions and possible construction costs.

4. Connections in Annexed Areas

Mr. Aceto stated that the committee agreed that if any sewer line were to be constructed in an annexed area that taps would be installed as a part of the CIP Annexation Project thereby saving money on future connections.

5. CIP Funding for Montreat

Mr. Aceto reported that CIP funding for the Town of Montreat was inadvertently overlapped with funding for the North Swannanoa Interceptor Project. Mr. Aceto stated that some of the same lines assigned under the SSES Survey were identified as being inside the Town of Montreat's priorities and MSD priorities but that no budget changes for the Montreat portion were evident as a result of this confusion.

6. Status of Sewer Projects

Mr. Aceto reported that the South Swannanoa Sewer Project, originally scheduled for completion at the end of 1990, should be completed in approximately two weeks.

b. ad hoc Committee:

Mr. Aceto stated that at the request of Board Member George Ivey, an ad hoc committee of the Board met to review procedures for selection and retention of professional engineering service firms in order to meet MSD's fiduciary responsibilities. Mr. Ivey stated that the reason for convening this committee was because MSD was awarding some very large contracts without the same review process required on items that fell under the bidding laws of the State of North Carolina. Following a brief discussion, Mr. Aceto proposed on behalf of the committee that the Board adopt the policy and procedures developed by the committee as follows:

1. Determine the capabilities and expertise of various engineering, architectural and surveying firms and tentatively select the most qualified firm on the basis of demonstrated competence and qualifications without regard to fee other than unit price information for each specific project.
2. Review charges for reasonableness and fairness.
3. On a contract-by-contract basis, determine that staff has evaluated alternatives in order to determine the costs of proposed services are fair and reasonable and thereafter negotiate a contract for such services at a fair and reasonable fee with the best qualified firm. If a contract cannot be negotiated with the best qualified firm, negotiations with that firm shall be terminated and initiated with the next best qualified firm.
4. Rely on the Board's committees as the primary source of review and make final Board selection of firm.
5. From time to time solicit by announcement or other appropriate notice Requests for Qualifications for specific sewer work.

A lengthy discussion followed. Mr. Aceto moved that the Board adopt the report of the ad hoc committee meeting, as revised, as being representative of the Board's policy in this regard. Mr. Ivey seconded. Voice vote was unanimous in favor of the motion.

7. Unfinished Business

Mr. Aceto moved to adopt a resolution thanking Mr. Charles M. Dent for his service on the MSD Board. Dr. Maas seconded. Voice vote was unanimous in favor of the motion.

8. New Business

Mr. Bill Morris of Hendon Engineering presented a very informative video on the condition of the existing sewer system which was obtained during rehabilitation work on the Street and Sidewalk Project.

9. Date of Next Regular Meeting: March 19, 1991

10. Adjournment:

There being no further business, the meeting was adjourned.



Jackie W. Bryson, Secretary/Treasurer

CAPITAL IMPROVEMENT PLAN (CIP) COMMITTEE

March 13, 1991

Mr. Aceto, Chairman, called the meeting to order at 2:05 p.m. with the following present:

Steve Aceto, Chairman
Frank Smith
Al Richardson
Pete Post
Nelson Smith
Swain Ballard
R. Lee Matthews
Mike Hobbs
Billy Clarke
Bill Mull
Stan Boyd
Bill Morris
Max Haner

1. Charges for Deactivating/Activating Water Meters and Sewer Service:

Mr. Aceto stated that there was some concern over possible lost of revenue regarding minimum fees charged by the municipalities for deactivating/activating water meters and sewer service to seasonal residents. A discussion followed on the policy in respect to these charges and the committee's sense concerning the possibility of MSD charging a reactivation fee. With the exception of Montreat (who in July discontinued the policy of charging to deactivate/activate service), a \$10.00 reactivation fee and/or new service fee is charged. It was the consensus of the committee that a continuous 12 month minimum charge and/or a separate MSD fee for reactivating service would be inappropriate at this time because of the expected overall rate increase of 25% and other economic factors.

2. Purchase of Equipment by MSD:

Mr. Aceto gave a brief description of a proposal for the purchase of two jet/wash vacuum systems and the condition of equipment now being used by the City and County. Mr. Aceto then inquired about the frequency of use for this type of equipment and the committee's opinion on the necessity for the purchase of more than two jet wash/vacuum machines. Mr. Stan Boyd requested that the committee inform the MSD of any available equipment not being used prior to the July 1, 1991 system takeover. A lengthy

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discussion followed on the use of this equipment, and the means by which this equipment will be purchased. It was suggested that other forms of financing be investigated other than revenue bonds, such as lease-back or through banks that offer low interest rates.

3. Extension of Maintenance Contracts:

Mr. Aceto reported that there was a possibility that the Town of Montreat's Maintenance Contract would be extended beyond July 1, 1991 and inquired about other municipalities extending their maintenance contracts. A discussion followed as to the level of service expected, response time in getting problems handled, how work will be prioritized, and the concept of substations in each section of Asheville to house equipment.

4. Policy on Private Sewer Rehabilitation:

Mr. Boyd reported there are two projects in Buncombe County that are presently being worked on (Oak Forest and Tucker Road in Ridgecrest) at an estimated cost of \$45,000.00 and one project in the City of Asheville (Old Haw Creek Road) at an estimated cost of \$20,000.00, leaving to date approximately \$130,000.00 in the budget for 1990-91. Mr. Boyd further reported that two other requests are being evaluated, one of which is Windswept, located in the City of Asheville with a line serving approximately 500 people at an estimated cost of between \$150,000.00 - \$200,000.00.

5. Buncombe County Request Project Funding (Pisgah View):

Mr. Aceto reported that the County has requested that the funds set up for Lee's Creek Sewer Extension be used for the rehabilitation of the Pisgah View Sewers.

6. May 1 Report on Rehabilitation Program:

Billy Clarke stated that he is preparing a required Annual Report from the Capital Improvement Plan Committee on Rehabilitation Programs. He further stated that this report will be complete in approximately one month for review.

7. Proposed Construction Site Signage:

Mr. Aceto presented for review a proposed sign to be erected at construction sites in the different municipalities.

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8. Unfinished Business:

Al Richardson of Black Mountain reported that the last two sections of the annexation were effective as of February 1, 1991. Therefore, construction on McCoy Cove Road, Camp Branch Road, Avina Road and Blue Ridge Road must begin by February 1, 1992 and completed by February 1, 1993.

Mr. Bill Morris of Hendon Engineering presented an old CIP listing of projects that has been updated, and reported on revisions made in several projects. Mr. Morris stated that the list does not show the amount of money spent this year or amounts invoiced by MSD. A discussion followed regarding possible cost escalation on projects and shifting of priorities within the CIP list.

The next meeting is scheduled for May 8, 1991 at 2:00 p.m.

There being no further business, the meeting was adjourned at 3:05 p.m.

State of North Carolina

County of Buncombe

Resolution

Whereas, Charles M. Dent has been a member of the Metropolitan Sewerage District Board as a representative of the County of Buncombe from May 21, 1974 until January 19, 1977 and from January 19, 1982 to January 19, 1991; and

Whereas, Charles M. Dent has rendered conscientious and distinguished service to the Board and to the citizens of Buncombe County; and

Whereas, Charles M. Dent has been a faithful member during his twelve years of tenure and rendered unique assistance to the Board due to his training and background in both engineering and management. Charles M. Dent was especially conscientious in attending to his responsibilities as a Board member including his service as Secretary-Treasurer of the Board, as Chairman of the Plant Expansion Committee, as Chairman of the Sludge Committee and as a member of the Sewer System Consolidation Committee and the Sewer Rate Review Committee. His quiet but effective counsel will be greatly missed.

Now, Therefore, Be It Resolved:

One: That Charles M. Dent be and he hereby is congratulated and thanked by the Board for his twelve years of dedication to the work of the Board and on behalf of the County of Buncombe and the people of Buncombe County.

Two: That the original of the Resolution be placed in the permanent records of the Board and copies transmitted to Charles M. Dent and the Commissioners of Buncombe County.

Duly adopted this 19th day of February, 1991.

Frank J. Smith, Chairman

M. Leon Williams Vice-Ch

Martin Ernest Waddley

Carolyn Wallace

Marian H. McDonald

Richard P. Maas

Stan Rowntree

Charles W. Perry

Jackie W. Bayson

George E. Gray

Thomas Edward

John L. Stearns

General Counsel

W. J. Miller

Engineer-Manager