

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
APRIL 16, 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, April 16, 1991. Vice Chairman Williams called the meeting to order at 2:00 p.m. with the following members present: Aceto, Bryson, Edwards, Ivey, Maas, McDonald, Penny, Wadley, 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., Gary Davis of McGill Associates, Leah Karpen representing the League of Women Voters, Debra Price representing CIBO, Ann LaVeck and Stan Boyd, MSD.

2. Minutes of March 19, 1991 Board Meeting and March 28, 1991 Special Board Meeting:

Mr. Edwards moved that the minutes of the March 19, 1991 Board meeting and March 28, 1991 Special Board meeting be adopted as written. Mr. Penny seconded. Voice vote was unanimous in favor of the motion.

3. Hendon Engineering Associates Annual Report:

Mr. Dean Huber of Hendon Engineering Associates, Inc. presented Hendon Engineering Associates's Annual Report and stated that after meeting with the Sewer Rate Committee, Sewer System Consolidation Committee, and Capital Improvement Plan Committee that Hendon Engineering Associates, Inc. concurs with committee recommendations that a rate increase proposed for July 1, 1991 be postponed until January 1, 1992 in order to allow for an evaluation of the District's financial status after the close of the 1990-91 fiscal year. Mr. Huber further stated that Hendon Engineering Associates, Inc. has determined that a bond issue for new funds is not necessary at this time or within the next 9 to 12 months.

4. Report of Engineer-Manager:

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

Mr. Mull reported that Phase III was 99% complete with the exception of some minor work to be done and that a new completion date is scheduled for June, 1991. Mr. Mull further reported that Phase IV is still behind schedule and to date 22% complete. A discussion followed on collection of penalties being assessed on a daily basis.

b. Mt. Carmel Acres:

Mr. Mull presented a status report, prepared by staff on Mt. Carmel Acres, located in the Erwin Hills section of Buncombe County. Mr. Mull reported that starting next month customers will get a bill from the Asheville-Buncombe Water Authority reflecting the following charges: water consumption charge, MSD treatment charge and MSD meter charge. In addition, customers will be billed a flat rate of \$25.00 per month by Carolina Water Service to provide for the operation and maintenance of Carolina Water's collection system and pump station that serve the subdivision. Mr. Boyd reported that Carolina Water Service has recently requested that the Asheville-Buncombe Water Authority include this additional \$25.00 a month fee in the regular billing. After a lengthy discussion regarding charges, billing options and legislation required to bring the subdivision into the District, the Board agreed to delay action until after a public meeting, scheduled for March 19, 1991 and until additional information is available.

c. Collection System Maintenance Equipment Bids:

1. Jet Wash/Vacuum Machines:

Mr. Mull presented correspondence from Walter L. Currie, Attorney for the District concerning his review of the following bid documents and stated that

procurement of apparatus, supplies, materials and equipment is sufficient if one bid is received. Mr. Mull also presented a letter from Mr. Currie stating that in his opinion MSD may either reject the bids of Public Works, City Supply and Bruder/Sharp and accept the lowest acceptable bid of Jet-Vac Sanitary Services, Inc., or may reject all bids and readvertise for procurement of the equipment. The results of the April 3, 1991 bid opening are as follows: Public Works Equipment & Supply with a total base bid of \$253,732.00; Cities Supply Company, Inc., with a total base bid of \$296,488.00; Cities Supply Company, Inc., with a total base bid of \$316,400.00; Bruder/Sharp, Inc., with a total base bid of \$250,330.00; Bruder/Sharp, Inc. with a total base bid of \$257,182.00 and Jet-Vac Sanitary Services, Inc. with a total base bid of \$273,200.00. Mr. Mull stated that although Jet-Vac Sanitary Services, Inc. was not the apparent low bidder, it met all required specifications and none of the others met the specifications. Therefore, Mr. Ivey moved that the Board accept staff recommendations to approve the bid of Jet-Vac Sanitary Services, Inc. of \$273,200.00 for two Jet/Wash Vacuum systems. Mr. Aceto seconded. Roll call vote was as follows: 9 Ayes; 0 Nays

2. Trucks & Equipment:

a. Two Four-door, Four Wheel Utility Vehicles:

Mr. Mull reported that in Mr. Walter Currie's letter of April 16, 1991 concerning his review of the following bid documents Mr. Currie stated that in his opinion the bid from Parkway Chevrolet-GEO, Inc. was unresponsive and can be rejected; the bid from Harry's Cadillac-Pontiac-GMC should be rejected as not being firm and being qualified and that the bid from Matthews Ford, Inc. is acceptable. The results of the April 10, 1991 bid opening are as follows: Parkway Chevrolet-GEO, Inc. with a base bid of \$33,989.60 (Apparent Low Bidder); Harry's Cadillac-Pontiac-GMC with a base bid of \$35,554.00 and Matthews Ford, Inc with a base bid of \$34,972.62. Mr. Ivey moved that the Board accept the recommendation of Mr. Currie and approve the bid from Matthews Ford, Inc. for two (2) 1991 Ford Explorers at a cost of \$17,486.31 each for a total base bid of \$34,972.62. Dr. Maas seconded. Roll call vote was as follows: 9 Ayes; 0 Nays

b. Two Tilt Trailers:

Mr. Mull reported that in Mr. Walter Currie's letter concerning the following bid documents Mr. Currie stated that in his opinion all bid documents appear to be acceptable. However, the bid documents of Prime Equipment and Viking Equipment did not indicate whether or not sales tax was included. Mr. Mull stated that a letter was received from Prime Equipment stating that all equipment bids submitted on April 10, 1991 would be honored. The results of the April 10, 1991 bid opening are as follows: Arden Equipment Company, Inc. with a base bid of \$17,358.60; Prime Equipment with a total base bid of \$12,168.00 (Apparent Low Bidder); Viking Equipment Company with a base bid of \$15,080.00 and Farm Equipment Company of Asheville, Inc. with a base bid of \$12,877.90. Mr. Penny moved that the Board accept the bid from Prime Equipment for two (2) Hudson HTD 20D - 9 Ton Tilt Trailers at \$6,084.00 each for a total base bid of \$12,168.00. Mr. Wadley seconded. Roll call vote was as follows: 9 Ayes; 0 Nays

c. One Ramp Trailer:

Mr. Mull reported that in Mr. Walter Currie's letter concerning the following bid documents that the bid documents appeared to be acceptable, however, the bids of Prime Equipment and Viking Equipment did not indicate whether or not sales tax was included. Mr. Mull stated that a letter was received from Prime Equipment stating that all equipment bids submitted on

April 10, 1991 would be honored. The results of the April 10, 1991 bid opening are as follows: Arden Equipment Company, Inc. with a base bid of \$6,377.70; Prime Equipment with a base bid of \$4,764.00 (Apparent Low Bidder); Viking Equipment with Company with a base bid of \$5,675.00 and Farm Equipment Company of Asheville, Inc. with a base bid of \$5,312.00. Mr. Penny moved that the Board accept the bid from Prime Equipment for one (1) Hudson HTD 18D -9 Ton Ramp Trailer at a total base bid of \$4,764.00. Mr. Ivey seconded. Roll call vote was as follows: 9 Ayes; 0 Nays

d. One Four-Wheel Drive Tractor w/ Loader and Rotary Cutter:

Mr. Mull reported that in Mr. Walter Currie's letter concerning the following bid documents that the bid documents of Arden Equipment Company and Viking Equipment Company deviated from technical specifications and a determination should be made as to whether they are material and whether the bids should be rejected because of material deviations. Mr. Currie further noted that the bid from Farm Equipment Company of Asheville was in acceptable form. The results of the April 10, 1991 bid opening are as follows: Arden Equipment Company, Inc. with a base bid of \$28,176.75; Viking Equipment Company with a base bid of \$25,474.00 and Farm Equipment Company of Asheville, Inc. (Apparent Low Bidder) with a base bid of \$24,323.78. Mr. Waddey moved that the Board accept the bid from Farm Equipment Company of Asheville, Inc. for one (1) Ford 4630 LP Tractor with a Ford 7410 Front End Loader and Hardee T560LT Right-of-Way Cutter at a total base bid of \$24,323.78. Mr. Edwards seconded. Roll call vote was as follows: 8 Ayes; 0 Nays; 1 Abstention by Mrs. Bryson.

e. Air Compressor and Accessories:

Mr. Mull reported that in Mr. Walter Currie's letter concerning the following bid documents that the bid documents from Prime Equipment, Dixie Industrial Supply and Viking Equipment have deviated from technical specifications and a determination should be made as to whether they are material and whether the bids should be rejected because of material deviations. Mr. Currie further noted that the bid from Arden Equipment Company is in acceptable form. Mr. Stan Boyd stated that deviations in the bid received from Prime Equipment, Dixie Industrial Supply and Viking Equipment are not significant and that the sales tax was included in the base bid from Prime Equipment. The results of the April 10, 1991 bid opening are as follows: Arden Equipment Company, Inc. with a base bid of \$13,782.30; Prime Equipment (Apparent Low Bidder) with a base bid of \$9,905.00; Dixie Industrial Supply with a base bid of \$13,115.55 and Viking Equipment with a base bid of \$10,989.00. Mr. Waddey moved that the Board accept the bid from Prime Equipment for one (1) Sullivan D1850 Air Compressor with 90 lb Hammer & Bits and Kent 125R & Brunner & Lay Bits at a total base bid of \$9,905.00. Mr. Penny seconded. Roll call vote was as follows: 9 Ayes; 0 Nays

f. Trailer Mounted Intermediate Capacity six-inch Pump:

Mr. Mull reported that in Mr. Walter Currie's letter concerning the following bid documents that the bid document from Prime Equipment appeared to be in acceptable form but that the bidder should state in writing whether or not sales tax was included in the bid. Mr. Currie further stated that Dixie Industrial Supply deviated from technical specifications and a determination should be made as to whether they are material and whether the bids should be rejected because of the deviations. Mr. Mull stated that Prime Equipment's letter of April 16, 1991 stated that all equipment bids submitted on April 10, 1991 will be honored. The results of the April 10,

1991 bid opening are as follows: Prime Equipment with a base bid of \$9,475.00 (Apparent Low Bidder) and Dixie Industrial Supply with a base bid of \$15,213.45. Mr. Waddey moved that the Board accept the bid from Prime Equipment for one (1) Wacker PT 6DT Trailer Mounted Intermediate Capacity 6" Pump at a total base bid of \$9,475.00. Ms. McDonald seconded. Roll call vote was as follows: 9 Ayes; 0 Nays

g. Trailer Mounted High Capacity Six-inch Pump:

Mr. Mull reported that in Mr. Walter Currie's letter concerning the following bid documents that the bid of Prime Equipment appeared to be in acceptable form, however, the bidder has stated verbally that it did not include sales tax. Mr. Currie further stated the bid of Dixie Industrial Supply deviated from technical specifications and should determine whether or not they are material and whether or not the bid should be rejected because of the deviations. Mr. Mull stated that the District would readvertise for bids due to deviations in specifications.

h. Self-propelled Television Inspection System and Van:

Mr. Mull reported that in Mr. Walter Currie's letter concerning the following bid document that he recommended rejection of the bid since the bid did not include an inspection van as specified.

Mr. Waddey stated in regard to the Self-propelled Television Inspection System that staff look into some extras that could be added at a future date or purchased with this equipment such as the ability to make some type of small maintenance repair and requested that this additional capability be apart of the next bid specifications. A brief discussion followed regarding future bid specifications in respect to deviations of specifications and the inclusion of sales tax.

d. Report on Shelburne Road Sewer Replacement:

Mr. Mull reported that 320 linear feet of line and three (3) manholes along Shelburne Road have been replaced and in operation as of March 26, 1991 at a cost of \$11,680.00. Mr. Mull further reported that an additional manhole has been installed at an estimated cost of \$2,200.00 and that this cost is currently being negotiated with the contractor.

e. Proposal from McGill Associates for Construction Contract Administration on Gill Branch Sewer Replacement, Weaverville:

Mr. Mull presented a proposal from McGill Associates for Construction Contract Administration on Gill Branch Sewer Replacement in Weaverville. Mr. Mull stated that this CIP project proposal was reviewed by the Sewer System Consolidation Committee on April 15, 1991 and stated that services will be performed on a basis of actual time expended and be assessed in accordance with a basic fee schedule and a maximum not to exceed fee of \$18,550.00. Mr. Mull further stated that this project has been advertised for bid with a bid opening scheduled for May 14, 1991. Mr. Edwards moved that the Board approve the committee's recommendation to accept the proposal of McGill & Associates for construction contract administration for a maximum not to exceed fee of \$18,550.00. Mr. Penny seconded. Roll call vote was as follows: 9 Ayes; 0 Nays

f. Status of Maintenance Facility Site:

Mr. Mull reported that the District's previously authorized an Offer to Purchase and Contract to procure the Welch-Transfer property located at 81 Thompson Street at a cost of \$625,000.00, had been accepted. Mr. Mull stated that an environmental assessment survey is underway with a verbal report

expected by the end of the week and that the closing is scheduled for May 30, 1991. Mr. Mull further stated that some additional property is being looked at for future parking adjacent to the site.

g. Montford Area Sewer Rehabilitation Bids:

Mr. Mull presented a letter from Walter L. Currie, Attorney for the District concerning his review of the following bid documents for the Montford Area Sewer Rehabilitation project. Mr. Currie stated that the bids of Wheeler Construction Company, Inc. and Hobson Construction Company, Inc. were submitted without Minority Business Enterprise forms and that these forms must be required from the bidder before MSD takes action on the bids, otherwise, the bid documents are in acceptable form. Mr. Currie also noted that the bids of Terry Brothers Construction Company, Inc. and Buckeye Construction Company, Inc. were in acceptable form. Mr. Mull also presented a letter from Mr. Currie stating that Wheeler Construction Company and Hobson Construction Company have completed and signed required the Minority Business Enterprise forms. The results of the April 9, 1991 bid opening are as follows: Terry Brothers Construction Company with a base bid of \$193,386.00; Wheeler Construction Company (Apparent Low Bidder) with a base bid of \$142,967.00; Hobson Construction Company with a base bid of \$198,559.00 and Buckeye Construction Company with a base bid of \$301,237.00. Mr. Waddey stated that the Sewer System Consolidation Committee, at its April 15, 1991 meeting recommended that the Board award this contract to Wheeler Construction Company. Mr. Aceto stated that in doing rehabilitation work the committee felt there should be a policy established of doing spot repairs when possible and refrain from doing the whole project which would not only be less expensive but less destructive to streets in the City's Street & Sidewalk project. Mr. Edwards moved that the Board accept the committee's recommendation and award the contract to Wheeler Construction Company for a base bid amount of \$142,967.00. Mr. Waddey seconded. Roll call vote was as follows: 9 Ayes; 0 Nays

Mr. Mull reported that during the month of February the MSD violated the effluent limitations for BOD and suspended solids and in accordance with provisions of the judicial order there is a charge of \$1,000.00 per parameter. Therefore, a check has been sent in the amount of \$2,000.00 to cover each of the two parameters that were violated. A brief discussion followed regarding future fines and the status of replacement of grids in the final micro screens. Mr. Mull stated that he would get in touch with Envirex and Mr. Bob Holbrook of Hendon Engineering to schedule a presentation regarding the above at the next Board meeting.

5. Report of Officers

None

6. Report of Committees:

a. Sewer System Consolidation - Mr. Aceto

Mr. Aceto presented the minutes of the March 25, 1991 and March 28, 1991 meetings and stated that most of the items discussed at these meetings has previously been reported on. However, Mr. Aceto stated that the new South Swannanoa Interceptor Sewer line did not include lateral connections to a few trucking companies along Sweeten Creek Road and that the cost to install these connections would be significant. Mr. Boyd reported that MSD staff is preparing a recommendation regarding the above to be presented at the next Board meeting. Mr. Aceto further stated that there were concerns regarding the Montford Avenue Sewer Project that by doing this project other CIP project commitments would be deferred. After a review of the fund balance with Mr. Morris of Hendon Engineering Associates it was agreed that there was no problem in going forward with this project and funds were available to meet all CIP

commitments.

Mr. Aceto stated that the committee has requested that Hendon Engineering Associates develop an accelerated proposal of doing TV inspections in order to catch up with the City's Street and Sidewalk project.

b. Sewer Server Charge - Ms. Bryson:

Ms. Bryson reported that the Sewer System Consolidation Committee, at its March 28, 1991 meeting recommended postponing the effective date of a proposed rate increase from July 1, 1991 to January 1, 1992 to allow for adequate time in the evaluation of the District's financial status. Ms. Bryson stated that the Sewer Service Charge Committee met April 8, 1991 to review spreadsheets prepared by Hendon Engineering Associates and agreed that a rate increase would not be required in July of this year. Therefore, the Sewer Service Charge Committee concurs that the rate increased proposed for July 1, 1991 be postponed until January 1, 1992. Mr. Aceto stated that in discussions regarding this delay that such a delay would not create a greater increase at a later date. Mr. Waddey stated that the public should be aware that the MSD has been very prudent in this decision and should receive some type of favorable publicity.

c. Personnel - Mr. Ivey:

Mr. Ivey reported that the Personnel Committee met Tuesday, April 9, 1991 to review the personnel budget with respect to every position filled and unfilled of the combined personnel groups of the City, County and MSD and as a result, the following actions were taking:

1. The five county employees transferring to MSD were given salary Adjustments to make their pay "comparable" to MSD.
2. The 37 City employees transferring to MSD were not allocated raises since their pay was already substantially higher than MSD and County employees.
3. Funds were proposed to provide eligible current MSD employees with increases to cover current cost of living (5.3%) and merit of or up to (3%) raises.
4. One new position of "Connections Coordinator" was approved to handle new connections allocations and capacity depletion charges.

Mr. Ivey stated that the committee's recommendations can be summarized by saying that if you take last year's budget and adjust it for personnel being brought into the MSD system, and compare the new budget to the adjusted last year's budget, the increase in cost to the District will be 8.8% which will include all of the actions listed above recognizing every employee and making adjustments as appropriate. Mr. Penny expressed his concern regarding the wording in Item #3 above, which appears applies only to current MSD employees. Mr. Penny stated that it was important as a policy decision that the Board instruct staff to prepare a pay plan that would apply to not only MSD employees but those of the City and County who will become MSD employees. A lengthy discussion followed regarding the wording in Item #3 and the implementation of a pay plan. Mr. Mull stated that a preliminary pay plan would be presented at the next meeting of the Board.

d. Budget - Ms. Bryson:

Ms. Bryson reported that the Budget Committee met Thursday, April 11, 1991 to review the Preliminary Budget for 1991-92. Ms. Bryson stated that each line item was reviewed, including the Personnel Committee's recommended overall wage increases and that the committee recommended approval of the 1991-92 budget of \$5,721,036 (an increase of 8.75% over the 1990-91 budget of \$5,260,927). Ms. Bryson further stated that the two largest items contributing to

the increase are chemicals and equipment maintenance and replacement for the treatment plant of 5.5% and wage increases at 1.8%. Mr. Mull then gave a brief rundown of the Preliminary Budget for 1991-92. Following a brief discussion, Mr. Ivey requested that footnotes 15 and 20 should be changed to read "Total Merit and Other Increases". Ms. Bryson moved that the Board adopt the proposed Preliminary Budget for 1991-92 with the above mentioned changes and set the Public Hearing for May 21, 1991. Ms. McDonald seconded. Roll call vote was as follows: 9 Ayes; 0 Nays

7. Unfinished Business

Mr. Aceto reported that he met recently with Mr. Penny and the City of Asheville's finance staff regarding the status of MSD's billing and collections and reviewed funds that were delayed in MSD receipts last summer. Mr. Aceto further reported that a fair sum of interest from delayed receipts has been received from the City and that matters regarding billing for maintenance have been worked out.

Dr. Maas questioned the status of engaging a consultant to develop a marketing plan for the end product of the chemical stabilization process, approved at the March 19, 1991 Board meeting. Mr. Mull stated that he is waiting for a return call from Mr. Bob Rubin of North Carolina State University before proceeding. Dr. Maas stated that in the event Mr. Rubin is not able to help, requested that the Board authorize Mr. Mull to proceed in another direction.

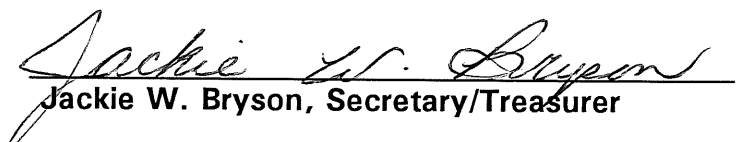
8. New Business

Mr. Mull announced there will be a special meeting of the Board, 12:00 Noon, Friday, May 3, 1991 to discuss the Bond Issue.

9. Date of Next Regular Meeting: May 21, 1991

10. Adjournment:

There being no further business, the meeting was adjourned.


Jackie W. Bryson, Secretary/Treasurer

RESOLUTION OF THE METROPOLITAN SEWERAGE DISTRICT
BOARD OF BUNCOMBE COUNTY, NORTH CAROLINA

BE IT RESOLVED that the Metropolitan Sewerage District Board of Buncombe County, North Carolina, hereby acknowledges receipt on April 16, 1991, to its Members from the Engineer-Manager and Budget for the Fiscal Year 1991-92, totaling \$5,721,036.00 dollars of which the estimated monthly Budget is equal to one-twelfth (1/12) of the total Budget and hereby sets the date for a public hearing on said Budget to be held at 2:00 p.m., May 21, 1991, in the Boardroom of the MSD Administration Building located at N.C. Highway 251 North at Woodfin, North Carolina. This Preliminary Operation and Maintenance Budget shall remain available for public inspection in the office of the District until such time as the Budget is adopted by the Board.

This 16th day of April, 1991.

M. Leon Williams

M. LEON WILLIAMS, VICE CHAIRMAN
Metropolitan Sewerage District Board
of Buncombe County, North Carolina

ATTEST:

W. H. Mull

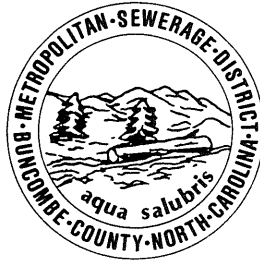
W. H. Mull, P.E.
Engineer-Manager

MSD Metropolitan Sewerage District of Buncombe County, North Carolina

W. H. Mull, P.E., Engineer-Manager
P.O. Box 8969, Asheville, N.C. 28814
Telephone: Area Code 704-254-9646

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John S. Stevens, General Counsel



Frank S. Smith III, Chairman
M. Leon Williams, Vice-Chairman
Steven T. Aceto
Jackie W. Bryson
M. Wayne Edwards
George E. Ivey
Richard P. Maas
Diane K. McDonald
Charles W. Penny
Marvin E. Waddey
Carolyn R. Wallace

I, Jackie W. Bryson, Secretary/Treasurer to the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, do hereby certify that the attached is a true and correct copy of the Resolution acknowledging receipt to its members of the PRELIMINARY OPERATIONS AND MAINTENANCE BUDGET FOR THE FISCAL YEAR 1991-92, and hereby setting the date for a Public Hearing on said Budget.

This 16th day of April, 1991.

Jackie W. Bryson,
Secretary/Treasurer

Board of the Metropolitan Sewerage District
of Buncombe County, North Carolina

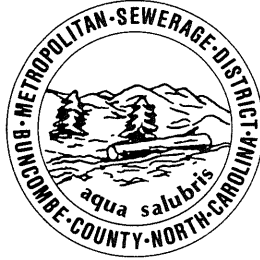
(SEAL)

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Carolyn R. Wallace

I, Jackie W. Bryson, Secretary/Treasurer to the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, do hereby certify that the attached is a true and correct copy of the PRELIMINARY 1991-92 BUDGET adopted by the Board of the Metropolitan Sewerage District at its regular meeting held April 16, 1991.

Witness my hand and seal of said District this 16th day of April, 1991.

Jackie W. Bryson
Secretary/Treasurer
Board of the Metropolitan Sewerage District
of Buncombe County, North Carolina

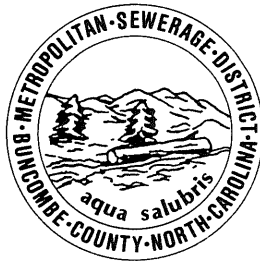
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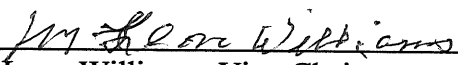
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NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF THE METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA

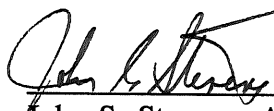
Notice is hereby given that the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, will hold a public hearing at the Administration Building of the Metropolitan Sewerage District, located at 2225 Riverside Drive, Asheville, North Carolina at 2:00 p.m., Tuesday, May 21, 1991 on the Budget of the District for the Fiscal Year beginning July 1, 1991, and ending June 30, 1992. The Budget has been submitted to the Governing Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, and is available for public inspection at the District's Administration Building.

Witness my hand this 16th day of April, 1991.



M. Leon Williams, Vice Chairman
Board of the Metropolitan Sewerage District
of Buncombe County, North Carolina

Approved as to Form:



John S. Stevens, Attorney
April 16, 1991

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
SPECIAL MEETING**

March 28, 1991

1. Call to Order and Roll Call:

A special meeting of the Board of the Metropolitan Sewerage District was held March 28, 1991, at 1:30 p.m., for the purpose of the acquisition of property for the District's Maintenance Facility.

Chairman Smith called the meeting to order at 1:40 p.m. with the following members present: Aceto, Maas, McDonald, Penny, Waddey, William and Smith. Others present were: W. H. Mull, Engineer-Manager, John S. Stevens, General Counsel, Stan Boyd and Ann LeVeck

At 1:46 p.m. Mr. Penny moved that the Board go into Executive Session. Mr. Waddey seconded the motion. Voice vote was unanimous in favor of the motion.


At 2:05 p.m. Chairman Smith moved that the Board reconvene the special meeting of the Board. Mr. Aceto seconded the motion. Voice vote was unanimous in favor of the motion.

2. Board Action:

Mr. Aceto moved that the Board authorize the Engineer-Manager to make an offer on behalf of the District for the Welch Transfer property with an opening offer not less than \$625,000.00 and a final offer not to exceed \$675,000.00 and that the MSD pay \$25,000.00 with the tender of the offer. Mr. Penny seconded the motion. Roll call vote was as follows: 7 Ayes, 0 Nays

3. Adjournment:

There being no further business, the meeting was adjourned.



Jackie W. Bryson, Secretary/Treasurer
Board of the Metropolitan Sewerage District
of Buncombe County, North Carolina

SEWER SERVICE CHARGE COMMITTEE

The Sewer Service Charge Committee met Monday, April 8, 1991 (The Sewer System Consolidation Committee had voted at its March 28, 1991 meeting to recommend postponing the effective date of a proposed rate increase from July 1, 1991 to January 1, 1992 in order to allow adequate time for evaluation of the District's financial status after the close of the 1990-91 fiscal year and to refine cost estimates for current and future capital improvements projects).

The Committee reviewed spreadsheets prepared by Hendon Engineering and agreed that a rate increase would not be required in July of this year. It is therefore the recommendation of the Sewer Service Charge Committee that the rate increase proposed for July 1, 1991 be postponed until January 1, 1992.

Sewer Service Charge Committee
Jackie W. Bryson, Chairman
Diane McDonald
Carolyn Wallace

BUDGET COMMITTEE:

The Budget Committee met Thursday, April 11, 1991 to review the proposed Preliminary Budget for 1991-92. A copy of this budget is in each Board Members file and shows the current 1990-91 budget, current expenditures, projected year end expenditures, proposed 1991-92 budget and increases or (decreases).

Each line item was reviewed, including the Personnel Committee's recommended overall wage increases.

The recommended 1991-92 budget totals \$5,721,036, an increase of 8.75% over the 1990-91 budget of \$5,260,937. The two largest items contributing to the increase are:

1. Chemicals and Equipment Maintenance and replacement for the treatment plant: 5.5% and,
2. Wage Increases: 1.8%.

.....AFTER DISCUSSION.....

Make motion to approve Preliminary 1991-92 Budget and set public hearing for next month's meeting (May 21).

Budget Committee
Jackie W. Bryson, Chairman

PERSONNEL COMMITTEE:

The Personnel Committee met Tuesday, April 9 and reviewed the personnel budget with respect to existing positions (67), new positions (1-connection co-ordinator), and employees transferring from the City & County on July 1 (42).

The following actions were taken:

1. The five county employees transferring to MSD were given salary adjustments to make their pay "comparable" to MSD.
2. The 37 city employees transferring to MSD were not allocated raises since their pay was already substantially higher than MSD and county employees.
3. Funds were allocated to provide eligible current MSD employees with increases to cover current cost of living (5.3%) and merit (3%) raises.
4. One new position of "Connections Coordinator" was approved to handle new connections allocations and capacity depletion charges.

The above actions resulted in the following Preliminary Budget line items recommendations:

<u>Line Item</u>	<u>1990-91</u>	<u>1991-92</u>	<u>Increase</u>
Administration Wages	338,428	361,127	6.7%
Plant Wages	893,061	944,875	5.8%
Collection System Wages	999,543	1,041,086	4.1%

George Ivey Chairman
Personnel Committee

Diane McDonald, Member
Leon Williams, Member