

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
November 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, November 19, 1991. Chairman Smith called the meeting to order at 2:00 p.m. with the following members present: Aceto, Bryson, Edwards, Frizzell, Ivey, Maas, McDonald, Penny, Waddey, and Wallace.

Others present were: W. H. Mull, Engineer-Manager, William Clarke, Legal Counsel, Dean Huber and Bill Morris of Hendon Engineering Associates, Inc., Doyle Freeman and Jim Erwin of Henderson County, Fred Meyer, Larry G. Shotwell, Debra Price representing CIBO, Bob Tinkler representing the League of Women Voters, Ann LaVeck, Angel Morris Bob Ensley and Stan Boyd, MSD.

2. Minutes of the October 22, 1991 Board Meeting:

Mr. Waddey moved that the minutes of the October 22, 1991 meeting be adopted as written. Mr. Frizzell seconded. Voice vote was unanimous in favor of the motion.

3. Audit Report of FY 1990/1991 - Mr. Alan Bolick;

Chairman Smith turned the floor over to Mr. Alan Bolick of Mohnkern, Bolick & Company, P.A.. Mr. Bolick presented to the Board for review the Independent Audit Report for Fiscal Year 1990/1991. Mr. Bolick stated that the report was the same as last year with the exception of a change to the paragraph relating to compliance of the terms of the Bond Order. Following questions and discussion regarding the audit, Mr. Frizzell moved that the Board approve the Audit as presented. Mr. Waddey seconded. Voice vote was unanimous in favor of the motion.

4. Report of Engineer-Manager:

a. Status of Construction Projects - Plant Expansion/Sludge Handling;

Mr. Mull reported that the contract for Sludge Handling is 43% complete with 53% of the contract time passed and that Lee Construction has requested payment for 61% of the revised contract. Mr. Mull further reported that completion of the contract is expected by January 2, 1993. A brief discussion followed with several Board Members requesting a tour of the facility.

b. Consideration of Proposal for Engineering Services for Beaverdam CIP - Woodfin - Vaughn & Melton;

Mr. Mull presented a proposal from Vaughn & Melton for Engineering Services for Sanitary Sewer Line Improvements for the Beaverdam Interceptor Sewer and a map showing the line in question. Mr. Mull stated that following review by the Sewer System Consolidation Committee, November 4, 1991, the committee recommended approval of the proposal for a lump sum fee of \$23,200.00 for final engineering design and construction documents and a maximum not to exceed fee for construction administration and post construction services (based on actual time expended, and charges assessed in accordance with an hourly fee schedule for additional services) in the amount of \$28,828.00 (based on a construction time of seventy-five (75) working days). Mr. Edwards moved that the Board approve the proposal as presented. Ms. Bryson seconded. Roll call vote was as follows: 11 Ayes; 0 Nays

c. Status of Gill Branch Sewer Line Replacement - Weaverville (McGill Associates);

Mr. Mull reported that the percentage of pipe complete to date is 100%. Mr. Mull further reported that the final cost of the project was \$512.32 under the original construction contract price of \$253,900.00 and that this was the first consolidation project that has been completed.

d. Consideration of Revision of hourly rate for Labor for Emergency Contract Services (Charles Smith);

Mr. Mull presented a revision of an agreement (approved by the Board at the September 17, 1991 meeting) for the addition of an hourly rate for labor for emergency contract services with Mr. Charles Smith. Mr. Mull stated that the hourly rate of \$12.00 for labor was added to pay for the cost of any additional labor, other than the driver, that may be needed. Mr. Mull further stated that this revision was reviewed by the Sewer System Consolidation Committee November 18, 1991 and the committee recommended that the Board approve the contract as revised. Mr. Waddey moved that the Board approve the revised contract as presented. Mr. Edwards seconded. Roll call vote was as follows: 11 Ayes; 0 Nays

e. Consideration of Proposal for Contract Easement Acquisition Services - Montreat & Weaverville CIP (Martin/McGill);

Mr. Mull presented two (2) agreements for professional services for Montreat and Weaverville Easements Program by Martin/McGill, Inc., both of which were reviewed by the Right-of-Way Committee and Sewer System Consolidation Committee. Mr. Mull stated that the agreement for Montreat provides for easement acquisition services for 60 parcels of property for a total fee not to exceed \$27,700.00 and the Weaverville agreement provides for easement acquisition services for 75 parcels of property for a total fee not to exceed \$29,500.00. A discussion followed as to whether the District obtained proposals from any other companies for this service. Ms. Morris stated that two other contract agents were contacted and in both cases the prices quoted were higher than the contracts presented. Ms. Morris further stated that major consideration was given to this company because it is local and that it's expertise in this area was advantageous to the District. It was the consensus of the Board that future contracts of this nature be advertised via RFP's. Mr. Aceto moved that upon recommendation of both the Right-of-Way Committee and the Sewer System Consolidation Committee that the Board approve the contracts as presented. Ms. Wallace seconded. Roll call vote was as follows: 11 Ayes; 0 Nays

f. Consideration of Approval of Bids for Collection System Equipment (One Combination Pressure Cleaner & Vacuum Truck);

Mr. Mull presented a bid tabulation for one (1) Combination High Pressure Cleaner and Vacuum Truck which was reviewed by the Sewer System Consolidation Committee November 18, 1991. The results of the November 15, 1991 bid opening are as follows: Public Works Equipment & Supply, Inc. with a total base bid with options of \$139,361.19 and Jet-Vac Sanitary Services, Inc. (Apparent Low Bidder) with a total base bid with options of \$126,575.00. Mr. Mull reported that in a letter received from Mr. Walter L. Currie, Attorney for the District, that the bids, bid bonds and power of attorney received from Public Works Equipment and Supply, Inc. and Jet-Vac Sanitary Services are in acceptable form. Mr. Currie further stated that in his opinion the addition of a hydrostatic drive to the Jet-Vac bid would not materially alter the procurement because even with the addition of the hydrostatic drive, the Jet-Vac bid is still lowest. Mr. Penny moved that the Board approve the low bid of Jet-Vac Sanitary Services, Inc. in the amount of \$126,575.00 and the addition of one (1) Hydrostatic Blower Drive System at a cost of \$4,500.00 for a total bid of \$131,075.00. Mr. Waddey seconded. Roll call vote was as follows: 11 Ayes; 0 Nays

g. Fee adjustment for Easement Survey Drawings - Weaverville CIP;

Mr. Mull presented a letter from McGill Associates regarding fee adjustment for Easement Survey Drawings in the Town of Weaverville. Mr. Mull stated that the original proposal of \$32,500.00 was based on an estimate of \$500.00 per easement for 65 easements. During the course of the Project, it became necessary to revise all easement drawings to include the construction easements and descriptions to each drawing and to add eight (8) additional easements. The final costs on this portion of the Project was \$32,911.27 for 73 easements or an approximate cost of \$450.00 per easement. Mr.

Mull further stated that the Sewer System Consolidation Committee had reviewed the request and recommended that the Board approve the additional fee of \$411.27 to be paid to McGill & Associates. Mr. Edwards moved that the Board approve the additional fee of \$411.27. Mr. Aceto seconded. Roll call vote was as follows: 11 Ayes; 0 Nays

4. Report of Officers

None

5. Report of Committees:

a. Sewer System Consolidation - Mr. Aceto:

Mr. Aceto reported that the Sewer System Consolidation Committee met November 4, 1991 and November 18, 1991 to review issues previously discussed in the Engineer-Manager's report. Mr. Aceto stated that the committee reviewed a letter from McGill Associates, P.A. regarding the status of consolidation projects for which McGill is providing engineering services. Mr. Aceto reported that the design portion of projects in the Town of Weaverville and Town of Montreat are 100% complete and ready to advertise for bid. Design of lines in the Town of Biltmore Forest is on hold pending TV inspection of existing lines. Mr. Aceto asked Mr. Mull to report on the status of the North Swannanoa Interceptor Sewer. Mr. Mull stated that design of Phase I is complete and expected to go out for bid in April and design work on Phase II is underway. Mr. Aceto expressed his concern over the recent loss of 600 industrial jobs because of the lack of adequate sewer lines and the effect this problem will have, if any, on future business and industrial growth.

b. Plant Operations Committee - Dr. Maas

Dr. Maas reported that the committee met October 23, 1991 to discuss effluent data for the month of October. Dr. Maas stated that the District was well within effluent limits for October with BOD at 16.2mg/1 and T.S.S. at 20.1mg/1. Dr. Maas further stated for the month of November, through the 18th, that the BOD was at 17.7mg/1 and T.S.S. at 20.8mg/1. In addition, Dr. Maas noted that low flows on the 3rd and 4th of November of 15.3mgd and 15.5mgd are a direct result of drought conditions. However, because of the condition of existing lines, millions of gallons per day may not be getting to the treatment plant due to exfiltration.

c. Right-of-Way Committee - Mr. Edwards

Mr. Edwards reported that the Right-of-Way Committee met November 5, 1991 and discussed several issues, one of which was a request by Ms. Morris for two additional staff positions to assist with easement acquisitions. Mr. Edwards stated that the first position would be an assistant to the Right-of-Way Coordinator to assist with research, follow-up and correspondence at an annual salary of \$22,000.00 and second, a field agent to negotiate rights of way that are not handled by contract agents at an annual salary of \$23,000.00. Mr. Edwards further stated that the committee reviewed the job descriptions, prepared by Ms. Morris and recommends that the Board approve the request. Following a brief discussion on the need for additional personnel and length of service, Mr. Edwards moved that the Board approve the two additional positions at the salary indicated. Mr. Waddey seconded. Roll call vote was as follows: 11 Ayes; 0 Nays

d. Insurance Committee - Mr. Edwards

Mr. Edwards reported that the Insurance Committee met November 4, 1991 to hear a presentation from Mr. Charles Webb of Webb Insurance regarding the District's current insurance policies, which are both expecting to show an increase. Mr. Webb presented an option on the Traditional plan showing a higher deductible, which would reduce the increase from 18.9% to 8% and the Personal care plan with a deductible to about 16%. Mr. Edwards stated that although no action was taken the committee requested that Mr. Webb obtain additional quotes and instructed counsel to obtain information from the

North Carolina League of Municipalities on the availability of a self-funded insurance plan. Mr. Mull reported that Mr. Clarke has contacted Mr. Harvey Mathias with the North Carolina League of Municipalities. A representative from the League of Municipalities has agreed to meet with the committee to discuss a self-funded insurance plan. A brief discussion followed regarding other policies.

e. Sewer Service Charge Committee - Ms. Bryson

Reporting for Ms. Bryson, Ms. Wallace stated that the Sewer Service Charge Committee met on November 6, 1991 to review Hendon Engineering's Annual User Charge Analysis for the District for the fiscal year 1990-1991. Following a lengthy review of the report the committee agreed to make a rate recommendation in November so that the new rate could be instituted as soon as possible. In addition, Ms. Wallace reported that the committee discussed public involvement and understanding as to the immediate need to repair the collection system and directed the Engineer-Manager and consulting engineers to come up with a modified option which would include the rate increase and allow the District to build the CIP projects and interceptor projects as quickly as possible, consistent with fiscal responsibility. Ms. Wallace further reported that the committee moved that the District prepare a press release for distribution following the November 19, 1991 Board meeting. Ms. Wallace distributed a rate study showing the effect of projected rates on domestic and industrial users for FY 89-90 thru FY 92-93 and a press release (reviewed prior to today's meeting) regarding the rate increase.

Dr. Maas moved that the minutes of the November 6, 1991 Sewer System Consolidation Committee, with regard to his statement about the capacity depletion fee, be changed to read: The District's present capacity depletion fee was about where it should be in relation to what we need to collect to cover the cost of plant expansions. Mr. Waddey seconded. Voice vote was unanimous in favor of the motion.

Mr. Dean Huber of Hendon Engineering Associates, Inc. presented to the Board for review the Annual User Charge Analysis for Fiscal Year 1990-91. Following a lengthy discussion regarding the Analysis, proposed rate increase and public involvement in the overall process, Ms. Wallace moved that the Board accept the recommendations of Hendon Engineering with regard to the industry surcharge and the sewer service charges set forth in the letter from Hendon Engineering to W. H. Mull, Engineer-Manager of MSD dated November 15, 1991 transmitting the report on Industrial and Domestic User Charges for FY 1990-91. A copy of the Annual User Charge Analysis is attached. Mr. Aceto seconded. Roll call vote was as follow: 10 Ayes; 0 Nays and 1 Abstention (Mr. Charles Penny).

Dr. Maas moved that the Board approve the press release as presented. Mr. Waddey seconded. Voice vote was unanimous in favor of the motion.

At the recommendation of the Sewer Service Charge Committee, it was suggested that Ms. Wallace and Mr. Mull create an insert regarding the rate increase to be sent out with the next billing.

6. Unfinished Business:

Mr. Stan Boyd gave a brief report on the situation involving Mr. Fred Meyer, discussed at the October 22, 1991 Board meeting. Mr. Boyd reported that since the existing 4" line is not in compliance with State requirements of an 8" line, the MSD will need to replace the 4" line and pay for the cost of construction and replacement in its current location as if the house had not been constructed over the sewer line.

Chairman Smith appointed Mr. Frizsell to serve on the Plant Operations Committee and the Sludge Committee.

7. New Business

Chairman Smith announced the resignation of Mr. Marvin E. Waddey who has accepted a position as Director of Solid Waste Systems for Berkeley County, South Carolina and expressed the Board's appreciation for his many years of dedicated service as a member of the MSD Board.

At 4:00 p.m. Ms. Wallace moved that the Board go into Executive Session to consider a proposal for Preliminary Site Contamination Assessment and consideration of a Right of Way Compensation Evaluation Chart and Policy.

At 4:25 p.m. Mr. Waddey moved that the Board reconvene the regular meeting. Ms. Wallace seconded. Voice vote was unanimous in favor of the motion.

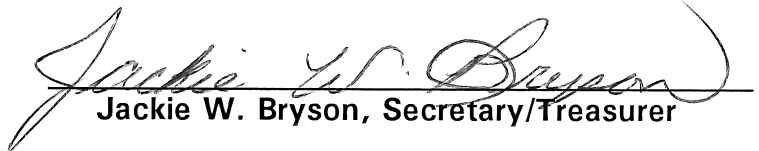
Mr. Ivey moved that the Board approve the proposal of Law Engineering for Preliminary Site Contamination Assessment at a total cost of \$4,800.00. Mr. Waddey seconded. Roll call vote was as follows: 10 Ayes; 0 Nays

Mr. Waddey moved that the Board approve the proposed Right of Way Compensation Evaluation Chart and that the Board authorize the District staff to exceed the given values by up to 50% for each parcel in acquiring easements. Dr. Maas seconded. Roll call vote was as follows: 10 Ayes; 0 Nays

8. Date of Next Regular Meeting: December 17, 1991

9. Adjournment:

There being no further business, the meeting adjourned at 4:35 p.m.


Jackie W. Bryson, Secretary/Treasurer