

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
April 21, 1992

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 21, 1992. Chairman Smith called the meeting to order at 2:05 p.m. with the following members present: Bryson, Dent, Edwards, Frizzell, Ivey, Maas, Post, Slosman and Wallace.

Others present were: W. H. Mull, Engineer-Manager, John Stevens, General Counsel, Bill Morris of Hendon Engineering Associates, Inc., Patty Beaver representing the Council of Independent Business Owners, Bob Tinkler representing the League of Women Voters and Stan Boyd, Ann LaVeck, Angel Morris MSD.

2. Minutes of the March 17 and April 9, 1992 Board Meetings:

Ms. Dent moved that the minutes of the March 17, 1992 and April 9, 1992 meetings be adopted as written. Ms. Bryson seconded. Voice vote was unanimous in favor of the motion.

3. Hendon Engineering Associates Annual Report - Bill Morris;

Mr. Bill Morris of Hendon Engineering Associates, Inc. presented its Annual Report, which is a requirement of the District's Bond Order and stated that he felt the report satisfied those requirements. Mr. Morris requested that the Board carefully review the report and ask any questions at the next regular meeting of the Board. Mr. Morris further stated that Hendon Engineering was able for the first time to use the detailed report prepared for the 1992 Bond Issue for meeting the requirements of the Annual Report saving the District a considerable amount of money. A discussion followed as to who should receive the report. Mr. Smith stated that in addition to the usual persons receiving the report, that it should also be sent to the appropriate State Regulatory Agencies.

4. Report of Engineer-Manager:

a. Consideration of Proposal for Engineering Services in Connection with the MSD Masterplan (Hendon Engineering Associates, Inc.);

Mr. Mull presented a proposal by Hendon Engineering Associates, Inc. to perform engineering services in connection with the MSD Masterplan. Mr. Mull stated that the proposal was presented to the Sewer System Consolidation Committee April 6, 1992 and the Committee recommended approval to proceed at a cost not to exceed \$150,000.00. Mr. Dent stated that as the plan develops, periodic reviews of the budget will be presented. Following a lengthy discussion regarding the cost involved in maintaining the plan, who will be responsible for periodic updates and possible policies that will come about as a result of this plan, Mr. Dent moved that the Board approve the proposal as presented. Mr. Post seconded. Roll call vote was as follows: 10 Ayes; 0 Nays.

b. Consideration of Proposal to Perform Engineering Services in Connection with the MSD Administration Manual (Hendon Engineering Associates, Inc.);

Mr. Mull presented a proposal by Hendon Engineering Associates, Inc. to perform engineering services in connection with the MSD Administration Manual at a budget cost not to exceed \$50,000.00. Mr. Mull reported that the Sewer System Consolidation Committee at its April 6, 1992 meeting recommended that action on the Administration Manual be postponed until the District has gathered comparable information in the preparation of this manual. A discussion followed with regard to contacting the Orange Water and Sewer Authority (OWASA) to inquire if a manual is available to use as a model for the District's manual and a budget breakdown of the cost.

c. Consideration of Authorization for the Engineer-Manager to Execute Agreements with the City of Asheville for Street/Sidewalk Sewer Improvements;

Mr. Mull asked Mr. Stan Boyd to report on contracts with the City of Asheville for Street/Sidewalk Sewer Improvements. Mr. Boyd stated that the City of Asheville has requested that the Board authorize the Engineer-Manager to enter into an agreement with the City whereby the District would reimburse the City for the cost of sewer rehabilitation in connection with contracts 6 and 11, approved by the Board March 17, 1992. Mr. Dent reported that the cost of the contracts is \$648,714.15, (20% lower than the estimated cost) and the Sewer System Consolidation Committee at its April 6, 1992 meeting recommended that the Board approve authorization for the Engineer-Manager to reimburse the City of Asheville for sewer work done in connection with the above contracts. Mr. Dent moved that the Board approve authorization for the Engineer-Manager to execute agreements with the City of Asheville for Contracts 6 and 11. Mr. Frizzell seconded. Roll call vote was as follows: 9 Ayes; 0 Nays and 1 Abstention (Mr. Slosman).

d. Consideration of Approval of Modification No. 2 to Letter of Agreement dated November 1, 1991 - Beaverdam Interceptor Sewer (Vaughn & Melton);

Mr. Mull presented a proposal from Vaughn & Melton for Modification No. 2 to a Letter of Agreement dated November 1, 1991 on the Beaverdam Interceptor Sewer and reviewed by the Sewer System Consolidation Committee at its April 6, 1992 meeting. Mr. Boyd reported that the proposed modifications are necessary because of the additional easement plat preparation and design work due to the fact that the existing sewer has buildings constructed over it. Mr. Mull reported that the proposal will be performed for a lump sum fee of \$4,060.00 and a unit cost of \$430.00 for any additional easement plat preparations necessary above the two (2) proposed. Dr. Maas moved that the Board approve the modification as presented. Ms. Bryson seconded. Roll call vote was as follows: 10 Ayes; 0 Nays

e. Consideration of Proposal for Additional Archeological Testing - North Swannanoa Interceptor Sewer - Phase I (Hall & Baker Archeological Consultants);

Mr. Mull presented a proposal from Hall & Baker Archeological Consultants for additional archeological testing in connection with the North Swannanoa Interceptor Sewer, Phase I. Mr. Mull reported that the proposal was presented to the Sewer System Consolidation Committee April 6, 1992 and the Committee recommended approval of entering into a contract at a cost of \$18,068.51. Mr. Dent moved that the Board approve the contract as presented. Mr. Frizzell seconded. Roll call vote was as follows: 10 Ayes; 0 Nays. A lengthy discussion followed with regard to the reason for additional archeological testing and its effect on construction of Phase I of the North Swannanoa Interceptor Sewer.

f. Presentation of Annual Report on Operation, Maintenance, Repair, Rehabilitation and Extensions of the District Sewer System;

Mr. Mull presented the Annual Report on the operation, maintenance, repair, rehabilitation and extensions of the District Sewer System which was prepared in accordance with the Sewer Consolidation Agreement and distributed to all political subdivisions April 20, 1992.

5. Report of Officers

None

6. Report of Committees:

a. Insurance Committee - Mr. Edwards

Mr. Edwards reported that the Insurance Committee met March 24, 1992 and April 21, 1992 to discuss the Great West Insurance Company's plan which was to go into effect on April 1 or May 1, 1992. Mr. Edwards stated that because the plan with Great West would not have covered expenses of an expected long hospitalization of one of the employee's prematurely born twin babies and in response to a petition signed by 47 employees requesting that it continue with Blue Cross because of the HMO Type Plan, the Committee recommended that the Board approve continued insurance coverage with Blue Cross/Blue Shield until January 1, 1993. In addition, the Committee discussed the possibility of Board Members being covered under the District's plan and had no objections provided the Board Members paid his or her own premium. Following a discussion regarding the difference in plans and increase in the budget for health care, Mr. Edwards moved that the Board rescind its previous action to go with Great West Insurance Company, renew the District's policy with Blue Cross Blue Shield and continue to explore other alternatives including a fully self-insured program. Mr. Dent seconded. Roll call vote was as follows: 10 Ayes; 0 Nays.

b. Capital Improvement Committee - Mr. Post

Mr. Post reported that the Capital Improvement Committee met March 25, 1992 at the MSD Maintenance Facility to review the status of CIP projects, the District's Sewer Service Policy and to review a video tape of the District's jet wash vacuum truck in operation. Mr. Post stated that a meeting was held with plumbing contractors to explain to them how the Sewer Service Policy works but that only two contractors were present at the meeting. Mr. Post further stated that a meeting has been set with the City, County and smaller municipalities inspection departments to develop a policy to prevent the construction of buildings over sewer lines and depositing a fill over existing sewer lines.

c. Personnel Committee - Mr. Ivey

Mr. Ivey reported that following Board approval authorizing the Personnel Committee to enter into an agreement with a consulting firm to do a job classification and pay plan for the District at a cost not to exceed \$20,000.00, the Committee met March 30, 1992 to hear presentations from Municipal Advisors and Griffith/Archer, the two companies selected from a group of five consultants submitting proposals for Committee review at the March 11, 1992 meeting. Mr. Ivey further reported that following obtaining additional information from Griffith/Archer regarding the complexity of the performance evaluation questionnaire, and minor changes in the contract, the Committee unanimously voted that the District enter into an agreement with Griffith/Archer at a cost of \$16,750.00 which will include the performance appraisal system. Mr. Ivey moved that the Board ratify the actions of the Committee and accept the proposal of Griffith/Archer at a cost of \$16,750.00. Mr. Edwards seconded. Roll vote was as follows: 10 Ayes; 0 Nays. Mr. Ivey expressed his appreciation to the City and County for help in review of the plans submitted and stated that it was a perfect example of municipal cooperation.

With regard to a request for an appeal of an involuntary separation of employment from the MSD, Mr. John Stevens, Counsel for the District stated that a Hearing Officer would need to be designated and a hearing scheduled and conducted, followed by a recommendation to the Board at its May 19, 1992 meeting. Mr. Ivey moved that the Board appoint Ms. Wallace and Mr. Slosman as Hearing Officers. Mr. Frizsell seconded. Voice vote was unanimous in favor of the motion.

d. Sewer System Consolidation Committee - Mr. Dent

Mr. Dent stated that most of the items of the April 6, 1992 Sewer System Consolidation Committee have previously been reported in the Engineer-Managers report. Mr. Dent reported that Phase I of the Montreat rehabilitation has been delayed from June

1 through September 1 because of the additional traffic in Montreat during that period. Mr. Dent stated it was recommended to the Committee that it authorize staff to negotiate with the contractor to do some of the Phase II work during that period in order to avoid a demobilization charge and another mobilization charge in the fall. Mr. Dent further stated that the Committee discussed a proposal prepared by the District for pavement patching, which has been advertised for bids.

e. Sludge Committee - Mr. Edwards

Mr. Edwards reported that the Sludge Committee met April 20, 1992 to discuss the status of the chemical stabilization facility. Mr. Edwards stated that because the District has been unable to schedule a meeting with County representatives with regard to using the District's sludge in a co-composting operation, the Committee agreed that the District should proceed with the completion of the design and construction of the chemical stabilization facility in order that it be on line at the same time the incinerator is scheduled to be finished (January of 1993). Mr. Edwards further stated that the Committee discussed marketing of the sludge and that Professor Rubin of North Carolina State University is still doing some analysis on the sludge and that the Committee agreed that Dr. Maas would talk to Dr. Rubin and set up a meeting between the Department of Transportation, Forest Service and the District in order to further discuss marketing of the Sludge.

7. Unfinished Business:

Mr. John Stevens, present a Resolution correcting the Resolution supplementing the Series Resolution of the District Board of the Metropolitan Sewerage District of Buncombe County, North Carolina relating to the authorization of Sewerage System Revenue Refunding Bonds, Series 1992A and Sewerage System Revenue Bonds, Series 1992B of said District.

Mr. Stevens stated that this resolution is correcting the resolutions adopted at the February 25, 1992 and April 9, 1992 special meetings of the District Board, changing from \$5,940,000 to \$5,930,000 the aggregate principal amount of the Term Bonds maturing on July 1, 2012 and constituting a part of the Sewerage System Revenue Refunding Bonds, Series 1992A of the District to be issued.

Mr. Dent moved that the Board approve the Resolution correcting the Resolutions of February 25, 1992 and April 9, 1992. Mr. Frizzell seconded. Roll call vote was as follows: 10 Ayes; 0 Nays and 1 Abstention (Mr. Ivey).

8. New Business

Dr. Maas asked Mr. Mull to give an update regarding the possibility of revising State standards on the amount of zinc that can be used by industries. Mr. Mull stated that there is no response at this time, but that Mr. Bob Ensley is looking into the matter.

At 3:15 p.m. Ms. Wallace moved that the Board go into Executive Session to consider right-of-way matters. Mr. Edwards seconded. Voice vote was unanimous in favor of the motion.

At 3:57 p.m. Mr. Edwards moved that the Board reconvene the regular meeting. Mr. Ivey seconded. Voice vote was unanimous in favor of the motion.

Mr. Edwards moved that the Board approve the price quote of Martin/McGill for the preparation of 1,000 public information brochures at a cost of \$2,000.00. Ms. Wallace seconded. Roll call vote was as follows: 10 Ayes; 0 Nays

Mr. Edwards moved that the Board authorize \$5,000.00 for an option to purchase Parcel 62 up to the appraised value. Mr. Dent seconded. Roll call vote was as follows: 10 Ayes; 0 Nays.

Mr. Edwards moved that the Board authorize the negotiation of up to \$13,700.00 for easement agreements for Parcels 17 and 64. Dr. Maas seconded. Roll call vote was as follows: 10 Ayes; 0 Nays.

Mr. Edwards moved that the Board approve the Proposal by Martin/McGill for a contract addendum for easement acquisition services for the Black Mountain Sanitary Sewer Improvement project (contained as an addendum to the Montreat Agreement and covers approximately 37 parcels) at a cost of \$17,900.00. Mr. Post seconded. Roll call vote was as follows: 10 Ayes; 0 Nays.

8. Date of Next Regular Meeting: May 19, 1992

9. Adjournment:

There being no further business, the meeting adjourned at 4:30 p.m.


Jackie W. Bryson, Secretary/Treasurer

ROBERTS STEVENS & COGBURN, P.A.

ATTORNEYS AT LAW

BBST BUILDING

ONE PACE SQUARE (28801)

POST OFFICE BOX 7647

ASHEVILLE, NORTH CAROLINA 28802

TELEPHONE (704) 252-6600

TELECOPIER (704) 253-7200

LONDON ROBERTS
 MAX O. COGBURN
 JOHN S. STEVENS
 JAMES W. WILLIAMS
 CARL W. LOFTIN
 WALTER L. CURRIE
 FRANK P. GRAHAM
 JOHN W. MASON
 MARC RUDDOW
 ISAAC N. NORTHUP, JR.
 SHERYL H. WILLIAMS
 STEVEN D. COGBURN
 ALLAN P. ROOT

WILLIAM CLARKE
 VINCENT D. CHILDRESS, JR.
 ELIZABETH M. WARREN
 MARJORIE ROWE MANN
 CYNTHIA S. LOPEZ
 GREGORY D. HUTCHINS
 GEORGE F. GOOSMANN, III
 W. O. BRAZIL, III
 LOUISE CRITZ ROOT
 GLORIA J. MYERS
 JACKSON D. HAMILTON
 STEVEN W. SIZEMORE

April 28, 1992

Ms. Sondra Honeycutt
 Metropolitan Sewerage District of Buncombe County
 P. O. Box 8969
 Asheville, NC 28814

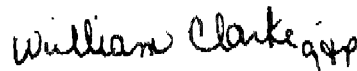
Dear Sondra:

The Resolution adopted by the District Board at its April 21, 1992 meeting correcting a supplemental Resolution which was adopted by the Board at a special meeting called on April 9, 1992 contains one error. After the Resolution was adopted, it was determined that the Resolution has the date 2012 in one line. The reference should really be to 2016. Gundars Aperans has asked that we poll the members of the Board and that they adopt a new Resolution with the correct date in it.

Could you please contact all the Board members by telephone on Tuesday or Wednesday and obtain their approval. Once their approval is obtained, please confirm this by doing a short written statement of what you did and forwarding that via Federal Express or other overnight service to me c/o Gundars Aperans at Brown & Wood. Your short statement of what was done should include the name of the those Board members whom you were able to contact and how they voted. If it is helpful in talking with the Board members to let them see a copy of my letter, please feel free to provide them with that.

Please let me know if you have any other questions.

Sincerely yours,



William Clarke

WC/gtp

cc: Mr. William Mull
 Mr. Gundars Aperans

RESOLUTION CORRECTING THE RESOLUTION SUPPLEMENTING
THE SERIES RESOLUTION OF THE DISTRICT BOARD OF THE
METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY,
NORTH CAROLINA RELATING TO THE AUTHORIZATION OF
SEWERAGE SYSTEM REVENUE REFUNDING BONDS, SERIES
1992A AND SEWERAGE SYSTEM REVENUE BONDS, SERIES
1992B OF SAID DISTRICT.

WHEREAS, the District Board of the Metropolitan Sewerage District of Buncombe County (the "District") on February 25, 1992 passed a series resolution relating to the authorization of Sewerage System Revenue Refunding Bonds, Series 1992A and Sewerage System Revenue Bonds, Series 1992B of the District and on April 9, 1992 passed a resolution supplementing said series resolution to approve the award of said bonds by the Local Government Commission of North Carolina and to provide certain terms and provisions with respect to said bonds; and

WHEREAS, said resolution passed on April 9, 1992 provided in Section 2 thereof with respect to said Sewerage System Revenue Refunding Bonds, Series 1992A that the Term Bonds maturing on July 1, 2012 and constituting a part of such issue would be issued in the aggregate principal amount of \$5,940,000, which was incorrect, and it is necessary to correct such amount;

NOW, THEREFORE, THE DISTRICT BOARD OF THE METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY DOES HEREBY DETERMINE AND RESOLVE, as follows:

Section 1. Said resolution passed on April 9, 1992 is hereby corrected by changing from \$5,940,000 to \$5,930,000 the aggregate principal amount of the Term Bonds maturing on July 1, 2012 and constituting a part of the Sewerage System Revenue Refunding Bonds, Series 1992A of the District to be issued.

Section 2. This resolution shall take effect immediately upon its passage.



Hendon Engineering Associates

INCORPORATED

TELEPHONE (704) 258-2123

ADDRESS REPLY TO P. O. BOX 7623

306 WEST HAYWOOD STREET · ASHEVILLE, NORTH CAROLINA 28802

HARRY H. HENDON
(1904-1973)
H. D. HUBER
M. G. BUCKLEY, JR.
R. F. HOLBROOK
J. O. BREWER
W. H. DUKE
W. L. MORRIS, JR.

H. E. BYAS, JR.
S. S. KANE
W. P. CONNER

April 1, 1992

Metropolitan Sewerage District
of Buncombe County
P. O. Box 8969
Asheville, NC 28814

Subject: Project No. 962-JJ
MSD Masterplan
Engineering Services Contract Amendment

Attention: Mr. W. H. Mull, Engineer-Manager

Hendon Engineering Associates, Inc., is pleased to present the following proposal to perform engineering services in connection with the MSD Masterplan. This proposal is made with the understanding that, upon its acceptance by you, it will become an amendment to our agreement with you dated June 17, 1974, and accepted by you on June 18, 1974. Hendon Engineering Associates will hereinafter be called the "Engineer"; and the Metropolitan Sewerage District of Buncombe County, N.C. will hereinafter be called the "District".

1. MSD Masterplan

- (a) Upon acceptance of this proposal, the Engineers will proceed with the preparation of the MSD Masterplan to be developed per the attached report outline.

2. Period of Performance

- (a) The Engineer will endeavor at all times to complete the work in a timely manner consistent with sound planning and engineering. It is anticipated that Masterplan will be completed within 365 calendar days of acceptance of this proposal.

3. Compensation

- (a) For services rendered on the Masterplan as outlined in Paragraph 1 above, the District will pay the Engineer the base salary cost of each employee for time chargeable to such work, times a multiplier of 2.50, plus out-of-pocket expenses incurred in connection with such work, including automobile mileage, long distance telephone,

April 1, 1992

reproduction costs, etc., or such other lump sum amount as may be agreed to in advance. Payment will be made monthly on bills rendered by the Engineer.

- (b) We recommend an initial budget of \$ 150,000 which the Engineer will not exceed without prior authorization. As the master plan develops, amendments in the budget will be presented as necessary as the scope of work becomes more defined. This budget includes reproduction cost for 20 sets. Additional sets will be produced at cost upon the District's request.

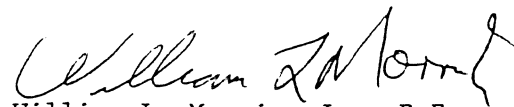
4. General Considerations

- (a) The Engineer will hold periodic report status review meetings with the District at the District's offices as requested, but not more frequently than monthly, during the preparation of the Masterplan.
- (b) Since the Engineer has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s)' methods of determining prices, or over competitive bidding or market conditions, his opinions of probable Project Cost and Construction Cost are to be made on the basis of his experience and qualifications and represent his best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but the Engineer cannot and does not guarantee that proposals, bids or actual Project or Construction Cost will not vary from his opinions of probable cost. If the District wishes greater assurance as to Project or Construction Cost the District shall employ an independent cost estimator.
- (c) In performing the work and services described herein, the Engineer will endeavor at all times to provide the District with an adequate, economical, and technically sound project that will meet all generally recognized public requirements, including those of the State and Federal authorities. The engineering work will be in conformity with modern engineering practice.

Respectfully submitted,

HENDON ENGINEERING ASSOCIATES, INC.

By



William L. Morris, Jr., P.E.
Branch Manager

Mr. W. H. Mull, P.E.
Page 3

April 1, 1992

Accepted:
METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, N.C.

By W. H. Mull

Date 21 APRIL 1992

Attest Sondra Hougatt

MASTERPLAN OUTLINE

- I. Identification of Existing Facilities
 - A. Treatment Plant
 - B. Sludge Management
 - C. Power Generation
 - D. Pump Stations
 - E. Interceptor System
 - F. Collector System
 - G. Telemetry System

- II. Identification of Service Area
 - A. Member Jurisdiction
 - B. Outside District Service
 - 1. List and Quantity
 - C. Expansion Possibilities
 - D. Total System - Mini-System Network
 - 1. Population
 - 2. Water Service/Well Service
 - 3. Acreages Served/Not Served by Sewer
 - 4. Length of Collector System
 - 5. Topographical Classification by Slopes
 - 6. Zoning Districts
 - 7. Infiltration/Inflow Data

- III. Growth Projections
 - A. Population Projections - Local and Regional Sources
 - B. Water Supply and Distribution
 - C. Transportation
 - D. Areas of Growth Potential
 - 1. Input from Local Planning Agencies
 - 2. Input from Land-of-Sky Regional Council
 - E. Industrial Growth
 - 1. Type, Employment, Location

- IV. Infiltration/Inflow Rehabilitation Program
 - A. SSES Recap
 - B. Rehab Projects to Date
 - 1. TV Inspection
 - 2. Rehab Cost
 - 3. I/I Reduction Documentation
 - C. Programs to be Initiated
 - 1. Manhole Inflow Reduction
 - a. Manhole Dish Installation
 - b. Manhole Replacement
 - c. Manhole Frame and Cover Replacement
 - 2. Flow Monitoring
 - a. Flow Isolation on a Mini-System Basis
 - b. 28 Telemetry Site Flow Meter Usage
 - c. Follow-up Evaluation of Cost/gpd for Different Rehabilitation Efforts

3. Roof Drain Connection Elimination
 - a. Smoke Testing
 - b. Coordination with City Storm Drainage Program
4. Direct Storm Drainage Connection Elimination
 - a. Smoke Testing
 - b. Dye Testing
 - c. Coordination with City Storm Drainage Program
5. TV Inspection
 - a. Mini-System Approach
 - b. MSD Crew Force Account
 - c. Contract Crews

V. Capacity Needs Projection

- A. Treatment
 1. Continued Single Treatment Plant
 2. Satellite Treatment Plants
 3. Regional Treatment Perspective
- B. Major Interceptors
 1. North Swannanoa
 2. South Swannanoa
 3. Sweeten Creek
 4. Beaverdam
 5. South French Broad
 6. Reed Creek
 7. Hominy Creek
 8. Reems Creek
 9. North French Broad
 10. Cane Creek
- C. Pump Stations
 1. Carrier Bridge
 2. Weaverville #1 - #2
 3. Clayton Creek
 4. Avery Creek
 5. Ferry Road
 6. Venable School
 7. Lake Julian
 8. Mountain View
 9. Reems Creek
 10. Arboretum
 11. Erwin Hills
 12. Salem Acres
- D. Secondary Interceptors
 1. Priority II and III Interceptors
 2. Upgrading of Major Collector Lines to Interceptors Due to Future Growth

VI. Capital Improvements Program

- A. 20-Year Needs/Cost Projection & Schedule
 1. Treatment
 2. Sludge
 3. Interceptor

4. Pump Station
 5. Collectors
 6. I/I Rehab
 7. Mapping
 8. Septage Dump Station
- B. Funding Program
1. User Fees
 2. Capacity Depletion Fees
 3. Tap Fees
 4. Bond Issues

Outline-Mar.31M2

State of North Carolina
County of Buncombe

Resolution

Whereas, Diane K. McDonald served as a member of the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina representing the City of Asheville from April 20, 1982 until May 7, 1985, and from January 19, 1989, until April 2, 1992; and

Whereas, Diane K. McDonald contributed significantly in a variety of committee positions on the District Board having been a member and chair of the following committees: Bond Finance Committee (Chair), Easement Committee (Chair), Personnel Committee, Right-of-Way Committee, Sewer Extension Policy Committee, Sewer Service Charge Committee;

Whereas, during the terms of Diane K. McDonald on the Board, the District conceived and began the implementation of the consolidation of the collector sewer systems throughout Buncombe County together with the commitment to rebuild and maintain those systems and she served constructively and conscientiously in a leadership role in facilitating the often difficult transition involved in Sewer Consolidation; and

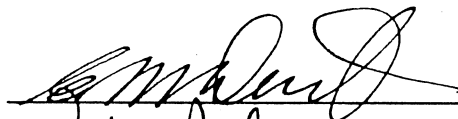
Whereas, Diane K. McDonald brought her considerable skills as a lawyer to bear on the often complex issues that confronted the District and the Board during her six year term and her judgment, leadership and dedication will be greatly missed by her colleagues on the Board and by the Staff of the District; and

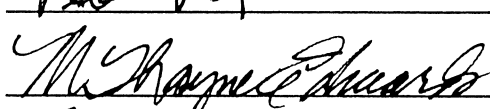
Now, Therefore, Be It Resolved:

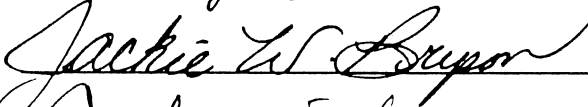
One: That the Board of the Metropolitan Sewerage District expresses their sincere appreciation to Diane K. McDonald for her conscientious work and significant contribution to the District, the City of Asheville and the people of Buncombe County during her term as a Board member and as chair of the Bond Finance and Easement Committees.

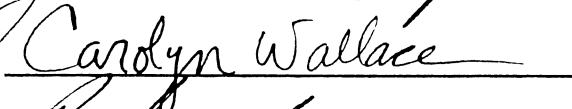
Two: That the original of the Resolution be placed in the permanent records of the Board and copies transmitted to Diane K. McDonald, the Council members of the City of Asheville and the Commissioners of Buncombe County.


Duly adopted this 21st day of April, 1992.



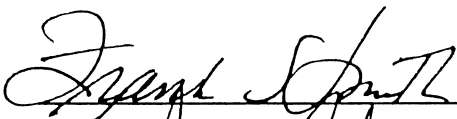
Veto Post


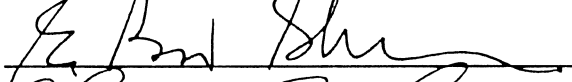
M. Wayne Edwards



Jackie W. Dupon


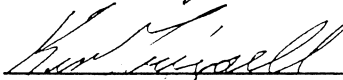
Cardyn Wallace


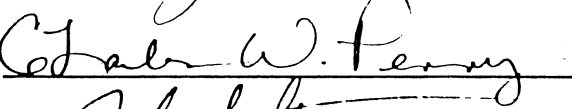
Rick Meas

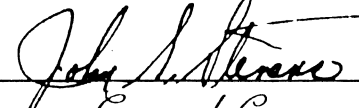


Frank Smith


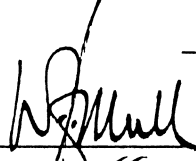
E. Paul Shum


George E. Luey


Ken Russell


John W. Perry


John A. Stevens
General Counsel



Engineer-Manager

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
SPECIAL MEETING

April 9, 1992

1. **Call to Order and Roll Call:**

A special meeting of the Board of the Metropolitan Sewerage District was held April 9, 1992, at 2:00 p.m., to consider approval of the Resolution Supplementing the Series Resolution of the District Board of the Metropolitan Sewerage District of Buncombe County, North Carolina authorizing the issuance of not exceeding \$22,000,000 Sewerage System Revenue Refunding Bonds, Series 1992A and not exceeding \$23,000,000 Sewerage System Revenue Bonds, Series 1992B of said District pursuant to the provisions of sections 211 and 210 of the Bond Order adopted by said District Board on May 23, 1985, as amended, and approving the award of said Bonds.

Chairman Smith called the meeting to order at 2:05 p.m. with the following members present: Dent, Frizzell, Maas, Penny, Slosman and Wallace. Others Present were: Billy Clarke, Attorney for the District.

2. **Consideration of Approval of the Resolution Supplementing the Series Resolution of the District Board of the Metropolitan Sewerage District of Buncombe County, North Carolina authorizing the issuance of not exceeding \$22,000,000 Sewerage System Revenue Refunding Bonds, Series 1992A and not exceeding \$23,000,000 Sewerage System Revenue Bonds, Series 1992B of said District pursuant to the provisions of sections 211 and 210 of the Bond Order adopted by said District Board on May 23, 1985, as amended, and approving the award of said Bonds.**

Mr. Mull presented correspondence from Standard & Poor's Corporation and Moody's Investor Services regarding ratings for the District's Sewerage System Revenue Bonds and stated that the MSD has maintained an "A" rating with Moody's Investor Services and that Standard and Poor's Corporation upgraded its rating from "A" to "A+".

Mr. Mull reported that the deal was priced on April 8, 1992 and presented for Board review the Final Debt Service Schedule. Mr. Mull further reported that a lengthy discussion was held with the Local Government Commission regarding whether or not an order placed for the middle series of bonds for the year 2012 at a rate of 6.60% could be made to be non-callable bonds, which would decrease the rate by 10 basis points (to 6.50%) and save the District \$250,000.00 over the life of the bonds. Mr. Mull stated that the Local Government Commission would not agree to this because they were not comfortable with going out on non-callable bonds for that length of time; therefore, Interstate/Johnson Lane purchased the bonds at the 6.60% rate instead of the 6.50% rate and will retail these bonds out.

Mr. Clarke, Attorney for the District presented for review the second Series Resolution, which is basically the same as the first Series Resolution (adopted by the District Board February 25, 1992) but with the numbers in place and approving the Preliminary Official Statement and the Bond Purchase Contract. Mr. Clarke stated that the new Bond Purchase Contract is a contract between the Local Government Commission and the Underwriters, but the District approves it and the District is required to fulfill certain conditions under the Contract. Mr. Clarke further stated that the Underwriters fee for the total issue is 1.02% of the principal amount of the issue.

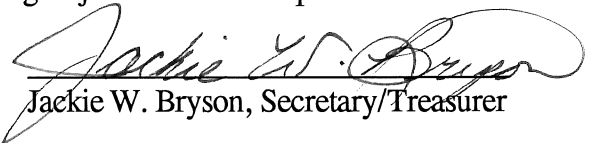
Mr. Mull stated that the District got a good deal with a true interest rate of 6.69% and that the rates the District received were comparable to rates for "AA" General Obligation Bonds issued by other municipalities in North Carolina. Mr. Mull further stated that the District would realize a present value savings of approximately \$1,000,000+ and a Cumulative Savings of \$1,820,000 with the Series 1992A Refunding

Bonds.

Following a brief discussion as to whether or not local brokerage firms were involved in the Bond Issue, Mr. Dent moved that the Board adopt the Resolution Supplementing the Series Resolution of the District Board of the Metropolitan Sewerage District of Buncombe County, North Carolina authorizing the issuance of not exceeding \$22,000,000 Sewerage System Revenue Refunding Bonds, Series 1992A and not exceeding \$23,000,000 Sewerage System Revenue Bonds, Series 1992B of said District pursuant to the provisions of sections 211 and 210 of the Bond Order adopted by said District Board on May 23, 1985, as amended, and approving the award of said Bonds. Dr. Maas seconded. Roll call vote was as follows: 7 Ayes; 0 Nays.

3. Adjournment:

There being no further business the meeting adjourned at 2:20 p.m.


Jackie W. Bryson, Secretary/Treasurer