

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
February 16, 1993

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 16, 1993. Chairman Smith called the meeting to order at 2:10 p.m. with the following members present: Bryson, Ivey, Joyner, Penny, Post, Selby, and Wallace. Those members absent were: Dent, Frizzell and Slosman

Others present were: W. H. Mull, Engineer-Manager, John Stevens, General Counsel, Bill Morris, Bob Holbrook and Dean Huber of Hendon Engineering Associates, Inc., Dennie Martin with Martin/McGill, Inc., Richard Hart with Ledford Engineering, Randy Tissot with RLT Plastering Co., Inc., Bob Tinkler representing the League of Women Voters, Ann Sutton, Stan Boyd and Angel Craven, MSD.

2. Minutes of the January 19, and February 3, 1993 Board Meetings:

Ms. Bryson moved that the minutes of the January 19, and February 3, 1993 meetings be adopted as written. Mr. Post seconded the motion. Voice vote was unanimous in favor of the motion.

3. Report of Engineer-Manager;

a. Status Report on Construction Projects;

1. Montreat CIP Phase I

Mr. Mull reported that 100% of the Montreat CIP Phase I project is complete with the exception of a few punch list items and 104% of the contract time passed through February 12, 1993.

2. Sweeten Creek Interceptor Sewer

Mr. Mull reported that Hendon Engineering Associates, Inc. has modified the preliminary easement plats associated with manhole rehabilitation for the Sweeten Creek Interceptor Sewer. Due to the large number of easements (100+) associated with the interceptor and rehabilitation work, the easement acquisition completion date has been extended to April, 1994 with construction to be complete by July, 1995.

3. North Swannanoa Sanitary Sewer Interceptor

Mr. Mull reported that design of Phase I of the North Swannanoa Sanitary Sewer Interceptor is nearly complete pending encroachment agreements with the NCDOT and pending approval of a resolution requesting that the NCDOT participate in cost increases due to avoiding the proposed McDowell Street and Haw Creek bridge projects. Mr. Mull further reported that revised drawings have been sent to Norfolk-Southern for a requested change and the general permit from the U.S. Army Corps of Engineers has been received, but there is concern regarding two special conditions in the permit. Construction is scheduled for June, 1993 with completion expected in June, 1995. In addition, Mr. Mull reported that field staking and plan/profile surveying are complete on Phase II, Sections 1, 2 and 3 and plans/specifications on Phase II, Section 1, 95% complete with easement plats 80% complete. The environmental assessments on Phase II, Sections 1, 2 and 3 are 60% complete. Mr. Mull further stated that completion of Phase II sections are expected as follows: Section 1 - January, 1997; Section 2 - February, 1998; Section 3 - March, 1999.

4. Beaverdam Interceptor Improvements

Mr. Mull reported that design on the Beaverdam Interceptor by Vaughn & Melton is complete with easement surveying in progress. The project will go out for bid in March, 1993 with an estimated construction time of 120 days.

5. Asheville Streets and Sidewalk Sewer Rehabilitation

Mr. Mull reported that Contract 9 - Section II of the Asheville Streets and Sidewalks Sewer Rehabilitation project is complete with Contract 11, 87% complete and Contract 6, 36% complete.

6. Phase IV Sludge Handling Facilities

Mr. Mull reported that as of January 25, 1993, 90% of Phase IV, Sludge Handling Facility, Section I - General Contract is complete including authorized change orders and that a time extension to May 7, 1993 has been authorized. Mr. Mull further reported that 95% of Section 1A - Electrical is complete; 95% of Section IB - HVAC is complete and 80% of Section IC - Plumbing is complete. In addition, Mr. Mull stated that the collapsed digester cover has been repaired and should be reinstalled by the end of this month.

Mr. Mull reported that bids for the Alkaline Stabilization Facility, 800-HH, General Work were received at 1:00 p.m. today. The results of the bid opening are as follows: Goodwater, Inc. (apparent low bidder) with a total base bid of \$3,979,000.00; Turner Murphy Company with a total base bid of \$4,050,000.00 and Lee Construction Company with a total base bid of \$4,445,400.00. Mr. Mull further reported that the total base bid construction cost is \$4,357,213, based upon the three lowest bidders; Section HH, General Work-Goodwater, Inc. - \$3,979,000.00, Section HA, Electrical-Emory Electric, Inc. - \$267,200.00 and Section HB-HVAC, Pyatt Heating and Air Conditioning, Inc. - \$111,013.00. In a letter received today by Mr. Walter L. Currie, Attorney for the District, Mr. Currie stated that the bids, bid bonds and powers of attorney for Lee Construction Company, Turner Murphy Company, Inc. and Goodwater, Inc. are in acceptable form. Mr. Mull stated that because the previously opened bids for the Electrical and HVAC portion of the project will expire March 14, 1993, the Board will need to approval and/or reject the bids prior to that date. Mr. Joyner expressed his concern with regard to the marketability of the end product and requested that the Board give him an opportunity to review the studies prepared by Engineering Science and Black & Veatch prior to voting on the bids. A brief discussion followed regarding the Board's decision to proceed with approval of the bids and construction of the Alkaline Stabilization Facility.

At the request of Ms. Wallace, Mr. Bob Holbrook gave a brief history of the Alkaline Stabilization system. A lengthy discussion followed as to the Board's policy to proceed with building two (2) full-scale systems, whether the District fully considered the possibility of composting, the annual operating cost involved, plans for marketing the end product and whether a special meeting should be held to further consider all the alternatives. There being no further discussion, Mr. Penny moved that the following bids for the Chemical Stabilization Facility (Project 800) be accepted conditioned upon satisfactory review of the bids by the Engineer-Manager and consulting engineers and authorize the Engineer/Manager to execute such contracts: General Work - Goodwater, Inc. in the amount of \$3,979,000.00, Electrical Work - Emory Electric Inc., in the amount of \$267,200.00 and HVAC - Pyatt Heating and Air Conditioning, Inc. in the amount of \$111,013.00. Mr. Ivey seconded the motion. Roll call vote was as follows: 6 Ayes; 2 Nays

b. Consideration of Proposal for Engineering Assistance during Easement Acquisition - North Swannanoa Interceptor Replacement Phase 2 - (Hendon Engineering);

Mr. Mull presented a contract amendment by Hendon Engineering Associates, Inc. to establish a budget ceiling for easement related design revisions during easement acquisition on the North Swannanoa Interceptor, Phase 2. Mr. Mull reported that the contract amendment, in an amount not to exceed \$72,800.00, was presented to the Right-of-Way Committee February 5, 1993 and the Committee recommended approval of the contract amendment. Mr. Post moved on the recommendation of the Right-of-Way Committee. Ms. Wallace seconded the motion. Roll call vote was as follows: 8

Ayes; 0 Nays.

c. Consideration of Proposal to Acquire Easements - Sweeten Creek Interceptor Sewer Replacement (Martin/McGill);

Mr. Mull presented a proposal from Martin/McGill, Inc. for easement acquisition of 103 parcels for the Sweeten Creek Interceptor Sewer at a cost not to exceed \$50,655.00. Mr. Mull reported that the proposal was presented to the Right-of-Way Committee February 5, 1993 and the Committee recommended approval of the contract. Mr. Post moved on the recommendation of the Right-of-Way Committee. Ms. Wallace seconded the motion. Roll call vote was as follows: 8 Ayes; 0 Nays.

d. Discussion of Proposed Increase of Asheville Street Cut Permit Fee;

Mr. Mull presented correspondence from Mr. Penny and Ms. Sutton regarding the proposed increase of the City of Asheville's Street Cut Permit Fee. Mr. Mull reported that the impact of the proposed fee would increase costs by approximately 66% and as a result, a letter was written to Mayor Michalove requesting that because funds in the current budget are not available to cover such an increase, the MSD request that any increase approved by City Council be made effective no sooner than July 1, 1993.

e. Discussion of Requirement to Construct Sewers Outside of District to District Standards;

Mr. Mull reported that following the District's takeover of the collection systems the Board adopted a policy on new connections to the sewerage system, which in part states that "connections to the sewerage system must be made in accordance with MSD construction standards for sewers". Mr. Mull further reported that prior to adoption of the policy in August, 1992, staff attended a meeting of the Avery Creek District on April 7, 1992 and there was some discussion by Mr. Tissot regarding construction of a private sewer system outside of the District to serve a development he was proposing. Mr. Mull stated that at that time, Mr. Tissot was told that he would be required to meet state specifications on constructing a sewer system that would hook into the MSD system. Following Mr. Tissot's notification regarding the approval of the August, 1992 policy, Mr. Tissot's expressed some serious concerns as to the additional cost that would be incurred by a private developer in constructing a sewer collection system to meet MSD's standards (8" sewer line with manholes every 400 feet as opposed to State standards which require a 6" line with cleanouts). Mr. Tissot stated that when he was told he could go with a 6" line on his private land, he proceeded to have engineers draw up plans for the development, but stated that if he is required to meet District standards as set forth in the policy, the cost would be too great and he would not be able to proceed with the project. Following a lengthy discussion regarding the District's standards compared to State standards, setting a precedent by making exceptions to the existing policy, and scheduling a meeting with engineers and local contractors to discuss those standards, Chairman Smith temporarily appointed Mr. Penny and Mr. Selby to serve with Mr. Frizzell on the Out-of-District Policy Committee to review this issue and make a recommendation to the Board at its next regular meeting.

Mr. Mull reported that a meeting has been scheduled for February 23, 1993 at 1:30 p.m. with all engineers to discuss MSD standards and that Board members are encouraged to attend.

4. Report of Officers:

None

5. Report of Committees:

a. Personnel Committee - January 27, 1993 - Mr. Ivey

Mr. Ivey reported that the Personnel Committee met January 27, 1993 to consider

two issues. First, to consider MSD's pay schedule to compensate employees with additional pay for weekend work in and around holidays. Second, the Committee discussed Request for Proposals for a consulting firm to evaluate the organization of the MSD. Mr. Ivey further reported that Mr. Penny has prepared a Request For Proposal which is being reviewed by Counsel and will be sent to qualified management consultants both locally and throughout the country.

At 4:12 p.m. Mr. Joyner moved that the Board go into Executive Session to discuss personnel matters. Mr. Post seconded the motion.

At 4:35 p.m. the Board reconvened the regular meeting.

b. Sewer System Consolidation Committee - February 1, 1993 - Mr. Post

Mr. Post reported that the Sewer System Consolidation Committee met February 1, 1993 to discuss the following items:

1. Discussion of Capacity Depletion Fee for Addition to Residence

Mr. Post reported that the Committee listened to a presentation by Mr. Kerney McNeil regarding the capacity depletion fee and stated that Mr. McNeil felt that the fee was discriminatory on a square footage basis as applied to customers who are adding on to their residences. Mr. Post further reported that Mr. McNeil was invited to attend today's meeting but since he was not present, urged the Engineer-Manager to have the committee further review the capacity depletion fee schedule.

2. Status of Park Terrace Center

Mr. Post reported that the Committee recommended that Stan Boyd inform Mr. Goforth of R.L. Coleman & Company that the District will charge a capacity depletion fee for new connections in accordance with its existing rate, and when the 1 1/2 inch meter is removed, R. L. Coleman and Company will receive credit for the meter at that time.

3. Status of Mulberry Hill Mobile Home Park

Mr. Post reported that Stan Boyd gave a report on the status of the Mulberry Hill Mobile Home Park but that no action was taken. However, the Out of District Policy Committee met in October, 1992 to discuss this issue and, at the request of Mr. Winkler, the ad hoc Out of District Policy Committee met February 15, 1993 to clarify Mr. Winkler's responsibility with respect to payment of the capacity depletion fees. Mr. Mull reported that Mr. Winkler is proposing to develop a 50 unit mobile home park which is located outside of the District and is participating in the construction cost upgrade of a sewer line crossing the Great Smokies Hilton Golf Course (not scheduled for replacement until 1999) because the present line will not handle the additional capacity from his proposed development. Mr. Mull further reported that Mr. Winkler is concerned that he might not be able to develop the mobile home park because of a miscommunication between himself and staff in that the capacity depletion fee for this development would be based on meter size compared to paying \$600.00 per mobile home hook-up. Following subsequent conversations with Mr. Winkler, Mr. Mull suggested the possibility of allowing Mr. Winkler to delay paying the capacity depletion fee for one year after the first mobile home is installed with a 5-6% interest charge added in accordance with a contract drawn by Council. Mr. Winkler agreed. Following a brief discussion regarding exceptions to the capacity depletion fee schedule and legal aspects of the issue, Mr. Ivey moved that the Board not modify the capacity depletion fee policy until a recommendation is made by the Committee. Mr. Selby seconded the motion. Voice vote was unanimous in favor of the motion.

4. Status of Costs for Utility Relocations on North Swannanoa Sewer

Mr. Post reported that no firm figure has been received from CP&L for utility relocations on the North Swannanoa Interceptor Sewer and that there may be some additional charge for relocating Southern Bell wires.

5. Status of Asheville Street/Sidewalk Sewer Rehabilitation - Contract 13

Mr. Post reported that the bids received for the City of Asheville's Street and Sidewalk, Project No. 13, are in excess of the Engineering estimates and the City is in the process of deleting streets from the project to get within its budgeted funds.

6. Consideration of Amendment of Proposed Sewer Disposal Agreement - Cane Creek

Mr. Post reported that in consideration of an amendment of a proposed sewer disposal agreement in Cane Creek, it was the consensus of the Committee that the District Board had agreed in principal to agreement and instructed Counsel to negotiate the terms of an the agreement with Henderson County and appropriate legal entity or entities.

c. **Right of-Way Committee - 2/5/93 - Ms. Wallace**

Ms. Wallace reported that the Right-of-Way Committee met February 5, 1993 to discuss the following items:

1. Black Mountain Sewer Improvements

Ms. Wallace reported that the Committee discussed parcels owned by Ms. Baker and Ms. Clark.

a. **Baker Parcel:**

Ms. Wallace reported that Ms. Baker has refused to sign a permanent easement agreement for access to her property and that the permanent easement affecting the property is 32 square feet with a total construction time of 5-7 days. Ms. Wallace further reported that following several attempts to address Mr. Baker's concerns, Ms. Baker stated that her attorney has advised that she not sign an agreement until construction begins. Following a request by staff for authorization to proceed with condemnation, in order to adhere to the project schedule, the Committee recommended condemnation of the Baker parcel and that a notice of same be sent to Ms. Baker. Mr. Joyner moved on the recommendation of the Right-of-Way Committee. Ms. Wallace seconded the motion. Voice vote was unanimous in favor of the motion.

b. **Clark Parcel**

Ms. Wallace reported that Ms. Clark has refused to sign a permanent easement agreement for access to her property and that the parcel is affected by 83 square feet of permanent easement. Ms. Wallace further reported that Ms. Clark's concerns are related to future plans to place fill over the line, loss of trees and placement of fencing over the line. Ms. Wallace stated that although staff has addressed Ms. Clark's concerns, she still refuses to sign a permanent easement agreement. Therefore, the Committee recommends condemnation of the Clark parcel and that a notice of same be sent to Ms. Clark. Ms. Wallace moved on the recommendation of the Right-of-Way Committee. Mr. Post seconded the motion. Following a brief discussion, voice vote was unanimous in favor of the motion.

2. Montreat Sewer Improvements

Ms. Wallace reported that the Montreat Sewer Improvement project is 81% complete with \$250.00 in cash compensation issued to date and that March 15th is the scheduled bid date with seven easements remaining. Ms. Wallace further reported that the First Presbyterian Church of Reidsville has requested that the MSD replace its service line (at an estimated cost of \$600.00) or compensate them in an equivalent amount. Following a discussion with regard to setting a precedence in paying owners for easements according to the compensation chart for Montreat, compared to the cost involved in condemnation, the Committee recommended that the MSD offer to split the \$600.00 cost of replacing the service line with the church paying \$300.00 and the MSD paying \$300.00. If the offer is refused, a final offer be made in the amount of \$500.00, which is the dollar amount according to the compensation chart. The Committee recommended that in order to meet the current project schedule a deadline for both offers should be set and condemnation approved if an agreement could not be reach. Following a brief discussion, Ms. Wallace moved that the Board authorize an offer up to \$600.00. Mr. Penny seconded the motion. Roll call vote was as follows: 8 Ayes; 0 Nays.

3. Pisgah View Sewer Improvements

Ms. Wallace presented a compensation chart prepared as a guideline to be used in easement acquisition negotiations for Pisgah View Sewer Improvements. Ms. Wallace explained the basis of the chart and that a dollar limit of \$600.00 per parcel has been set. The Committee recommends approval of the chart and that a resolution be passed authorizing use of the chart by the Engineer-Manager to acquire parcels for compensation when necessary at an amount not to exceed \$600.00 per parcel. Following a brief discussion, Ms. Wallace moved on the recommendation of the Right-of-Way Committee. Mr. Post seconded the motion. Roll call vote was as follows: 8 Ayes; 0 Nays.

6. **Unfinished Business:**

None

7. **New Business:**

Mr. Selby requested that along with a plant tour, that a policy briefing be arranged for new Board members. In addition, Mr. Selby requested an orientation as to the responsibilities of each committee. Mr. Mull suggested that as soon as the third Board member is appointed he would schedule a meeting. Chairman Smith appointed Mr. Selby to serve on the Right-of-Way and Capital Improvement Plan Committees. Mr. Joyner was officially appointed by Vice Chairman Ivey to the Budget and Personnel Committees.

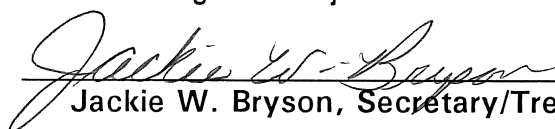
Mr. Joyner requested that the Operation and Maintenance Budget be discussed during regular meetings of the Board and asked why there was not a Finance Committee. Chairman Smith explained that the Budget Committee and Finance Committee are one in the same. In addition, Mr. Joyner requested a copy of the CIP Budget, and the cost involved in having the MSD Attorney record and prepare minutes of Committee meetings.

Chairman Smith expressed his thanks to those Board Members who have served with him over the years.

8. **Date of Next Regular Meeting: March 16, 1993**

9. **Adjournment:**

There being no further business the meeting was adjourned at 5:20 p.m.



Jackie W. Bryson, Secretary/Treasurer

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
February 3, 1993

1. Call to Order and Roll Call:

A special meeting of the Board of the Metropolitan Sewerage District was held in the Boardroom of MSD's Administration Building at 4:00 p.m. on Wednesday, February 3, 1993. Vice Chairman Ivey presided with the following members present: Bryson, Dent, Frizzell, Joyner, Post, Slosman and Wallace. Those members absent were: Penny, Selby and Smith.

Others present were: W. H. Mull, Engineer-Manager, John Stevens, General Counsel, Bob Holbrook of Hendon Engineering Associates, Inc., Walter Currie, Attorney for the District, Clark Morrison with the Asheville Citizen-Times and Stan Boyd, MSD.

2. Consideration of Bids for Alkaline Stabilization Facility:

Mr. Mull reported that bids for the Alkaline Stabilization Facility were received on January 12 and January 26, 1993 as follows: (1.) Project 800, Section H, General Work; Good Water, Inc. (apparent low bidder) with a total base bid of \$3,888,000.00; Turner Murphy Company, Inc. with a total base bid of \$4,114,234.00 and Lee Construction Company with a total base bid of \$4,660,400.00. (2.) Project 800 Section HA, Electrical; Emory Electric, Inc. (apparent low bidder) with a total base bid of \$267,200.00; Haynes Electric Construction Company with a total base bid of \$297,000.00 and Hayes & Lunsford Electrical Contractors, Inc. with a total base bid of \$348,400.00. (3.) Project 800 Section HB, HVAC; Pratt Heating & Air Conditioning, Inc. (apparent low bidder) with a total base bid of \$111,013.00; Price & Price Mechanical with a total base bid of \$118,763.00 and Price Piping Company, Inc. with a total base bid of \$174,450.00. (4.) Project 800-Single Prime Contract, Sections H, HA and HB; Lee Construction with a total base bid of \$5,039,400.00.

At 4:17 p.m. Mr. Post moved that the Board go into Executive Session to consult with Counsel. Mr. Slosman seconded the motion. Voice vote was unanimous in favor of the motion.

At 5:25 p.m. the Board reconvened the regular meeting.

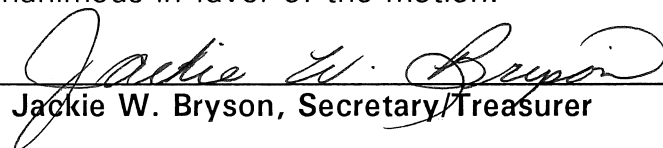
Mr. Dent moved that all bids for Project 800, Section H, General Work are rejected because the low bidder has an improperly executed bid bond and it is in the best interest of the District to reject the other bids for Section H, General Work because they are over engineer's estimate and that the General Work be re-advertized as provided by law. Mr. Slosman seconded the motion. The motion passed with Mr. Joyner voting nay.

3. Land-of-Sky Regional Council's Annual Dinner, February 24, 1993:

Mr. Mull presented an invitation from Land-of-Sky Regional Council for staff and Board members to attend it's Annual Dinner, February 24, 1993. Mr. Dent moved that the Board authorize the expense for staff and any Board member who wishes to attend. Ms. Bryson seconded the motion. Roll call vote was as follows: 7 Ayes; 1 Nay

4. Adjournment

At 5:35 p.m. Mr. Dent moved that the meeting be adjourned. Mr. Slosman seconded the motion. Voice vote was unanimous in favor of the motion.



Jackie W. Bryson, Secretary/Treasurer