

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
April 21, 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, April 21, 1993. Chairman Ivey presided with the following members present: Bryson, Casper, Dent, Joyner, Penny, Post, Selby and Wallace. Those members absent were: Frizzell and Slosman

Others present were: W. H. Mull, Engineer-Manager, John Stevens, General Counsel, Dean Huber and Bill Morris of Hendon Engineering Associates, Inc., Mike Calhoun and Larry New of Vaughn & Melton, Rusty Pulliam of Executive Realty, Bob Tinkler representing the League of Women Voters, Patty Beaver of CIBO, Ann Sutton, Stan Boyd, Angel Craven, Alan Jacobson, Sharon Walk and David Nisbeth MSD.

2. Minutes of the March 23, 1993 Board Meeting:

Ms. Wallace stated that the wording regarding MSD's policy of serving lunch during noon meetings should be changed to read "The Board agreed the MSD would provide lunch for staff, when they are required to work during that time and for no others". There being no further corrections, Mr. Dent moved that the minutes of the March 23, 1993 meeting be adopted as corrected. Mr. Joyner seconded the motion. 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 addresses the operation and maintenance of the MSD, its funding capabilities and planning of capital projects. Mr. Morris reported on the following recommendations: excessive infiltration/inflow; capital improvements for the major interceptors; insurance, revision of rates, fees and charges; an energy management study to review the potential for power production and the demolition of the abandoned Weaverville and Crescent Hills Treatment Plants. Mr. Morris further reported that a Sewer Master Plan, to be used as a tool for looking at long range plans for treatment and major interceptors, etc. is being developed and a draft will be available by July. A lengthy discussion followed regarding the cost of a power generation study; the sewer master plan; increases in the District's rate structure based on a schedule of 4% revenue growth per year and represented in the 1992 Official Statement published by the District in connection with Bond financing and a report regarding elimination of free sewer service by constituent units of government. Mr. Stevens, General Counsel advised that the matter of an adequate rate structure as well as potential liability for the two abandoned treatment plants needed to be resolved by the District. There being no further discussion, staff was directed to address the various recommendations of Hendon Engineering Associates, Inc. and report back to the Board at its next regular meeting.

4. Report of Engineer-Manager;

a. Status Report on Construction Projects;

1. Montreat CIP Phase I

Mr. Mull reported that at the request of the Town of Montreat one additional line section (approximately 30 L.F.) and one manhole is being installed on North Carolina Terrace due to continuing maintenance problems with 6 homes tied to an existing 4-inch line. Mr. Mull further reported that the only remaining contract item is the final change order for the replacement of backfill materials.

2. Sweeten Creek Interceptor Sewer

Mr. Mull reported that Hendon Engineering Associates, Inc. is currently 20% complete on the easement plat preparation and easement acquisition phase of the project and that because of the new Department of Environmental Health and

Natural Resource's regulations, and the nature of the Sweeten Creek Interceptor Project, it will not be necessary to obtain an individual permit for construction.

3. North Swannanoa Sanitary Sewer Interceptor

Mr. Mull reported that revised drawings for Phase I Design of the North Swannanoa Sanitary Sewer Interceptor have been sent to the North Carolina Department of Transportation and that Phase II Design, Section 1 is complete. Mr. Mull further reported that the NCDOT has agreed to pay for rerouting the sewer line to accommodate its utilities. In addition, Plan/Profile Surveying are complete on Phase II, Sections 1, 2 and 3 and plans/specifications on Phase II, Section 1, are complete with Section 2, 40% complete and easement plats on Section 1 are 85% complete. The environmental assessments on Phase II, Sections 1, 2 and 3 are 99% complete and were submitted to North Carolina Department of Environmental Management on March 23, 1993.

4. Beaverdam Interceptor Improvements

Mr. Mull reported that in review of bids received on April 7, 1993 for the Beaverdam Interceptor Sewer Improvements, the Sewer System Consolidation Committee recommended approval of the apparent low bid of Wheeler Construction Company in the amount of \$580,305.00. The bid tabulation is as follows: Wheeler Construction Company (Apparent Low Bidder) with a total base bid of \$580,305.00; Terry Brothers Construction Company with a total base bid of \$587,310.00; Steppe Construction Company with a total base bid of \$591,145.00; Buckeye Construction Company with a total base bid of \$592,083.00; Hobson Construction with a total base bid of \$598,100.00 and Huntley Construction Company with a total base bid of \$640,485.00. Mr. Mull further reported that in a letter received from Mr. Walter Currie, Attorney for the District, that the bids, bid bonds and powers of attorney are in acceptable form. Mr. Dent moved that the Board award the bid to Wheeler Construction Company. Mr. Joyner seconded the motion. Following a brief discussion as to the estimated budget for this project and the possibility of future change orders for construction administration, roll call vote was as follows: 9 Ayes; 0 Nays.

5. Asheville Streets and Sidewalk Sewer Rehabilitation

Mr. Mull reported that Contract 11 of the Asheville Street/Sidewalk Sewer Rehabilitation project is 93% complete and that following Board approval of two change orders on March 23, 1993, the total cost of project is now \$505,827.90. Mr. Mull further reported that Contract 6, is 52% complete and the total cost of the project is now \$619,990.00 with one change order approved by the Board March 23, 1993.

6. Phase IV Sludge Handling Facilities

Mr. Mull reported that as of March 25, 1993, 98% of Phase IV, Sludge Handling Facility, Section I - General Contract is complete including authorized change orders and a time extension to May 7, 1993. In addition, 97% of Section 1A - Electrical is complete; 95% of Section IB - HVAC is complete and 80% of Section IC - Plumbing is complete. Mr. Mull further reported that Phase V, construction has started at an estimated construction cost of \$4,357,213.00 and testing of Phase IV incinerator is underway with start up planned for July.

Mr. Mull presented a change order for work associated with relaying the lagoon effluent sewer line and reported that Hendon Engineering Associates, Inc. has reviewed and negotiated with Good Water Construction for performing the work for a lump sum amount of \$31,500.00. Mr. Mull reported that the change order was presented to the Sewer System Consolidation Committee, April 21, 1993 and the Committee recommended approval. Mr. Mull further reported that the purpose of the change order is to intercept the lagoon effluent and re-direct the flow to enter the treatment process at the entrance to the Primary Screen Building.

Following a brief discussion regarding the cost, Mr. Dent moved on the recommendation of the Sewer System Consolidation Committee. Ms. Bryson seconded the motion. Roll call vote was as follows: 9 Ayes; 0 Nays.

b. Consideration of Proposal for Construction Testing Services, Chemical Stabilization Facility, (Law Engineering):

Mr. Mull presented a proposal from Law Engineering for construction testing services for the Alkaline Stabilization Facility at a fee not to exceed \$9,360.00. Mr. Mull reported that the proposal was presented to the Sewer System Consolidation Committee April 5, 1993 and the Committee recommended approval. Following a lengthy discussion regarding the cost and reasons for not going out for bids on the project, Mr. Casper moved to engage Law Engineering pursuant to its proposal. Mr. Penny seconded the motion. Roll call vote was as follows: 9 Ayes; 0 Nays.

c. Consideration of Proposal for Construction Contract Administration, North Swannanoa Interceptor Sewer, (Hendon Engineering):

Mr. Mull presented a proposal from Hendon Engineering Associates amending the contract for engineering services for the North Swannanoa Interceptor Sewer, Phase I. Mr. Mull reported that the amendment for construction contract administration provides for a cost ceiling of \$457,300.00 and shall not be exceeded unless authorized by further amendment to the agreement. In addition, the budget cost ceiling is based on a 24 month construction period and providing for one resident project representative full time and a second resident project representative half time. Mr. Mull further reported that the proposal was presented to the Sewer System Consolidation Committee April 5, 1993 and the Committee recommended approval of the contract amendment with the stipulation that Hendon Engineering Associates use local employees when possible. Following a discussion on the costs associated with change orders and amendments of various projects and a consideration of having contract administration being done in-house, Mr. Joyner moved that the Board defer Hendon Engineering Associates contract amendment until additional detailed cost information (a breakdown of various services and hourly rates, associated with those services) is provided to the Board at its next regular meeting. Mr. Selby seconded the motion. Voice vote was unanimous in favor of the motion.

d. Consideration of Funding Relocation of Sewers to Accommodate Proposed South Asheville Athletic Fields;

Mr. Mull presented a request from South Asheville Athletic Association to consider funding of materials and engineering services in the amount of \$10,500.00 for the relocation of sewers to accommodate the proposed South Asheville Athletic Fields. Mr. Mull reported that Hobson Construction Company, Inc. has agreed to donate labor and equipment for this project and that following review of this request by the Sewer System Consolidation Committee, April 5, 1993, the Committee recommended the Board authorize the project in an amount not to exceed \$10,500.00 in exchange for rights-of-way from the Buncombe County Board of Education for all sewer lines on the property. Mr. Penny moved to approve the proposal. Mr. Selby seconded the motion. Roll call vote was as follows: 8 Ayes; 1 Nay

e. Consideration of Design Contract Amendment - Addition of Engineering Assistance During Right-of-Way Acquisition Services - Black Mountain Project - (ENG/6A);

Mr. Mull presented a Design Contract Amendment from ENG/6A for the addition of engineering assistance during easement acquisition for the Black Mountain project. Mr. Mull reported that the amendment was presented to the Right-of-Way Committee April 19, 1993 and the Committee recommended approval of the amendment at hourly billing rates not to exceed \$3,480.00. Following a brief discussion, Mr. Penny moved to approve the proposal. Ms. Wallace seconded the motion. Roll call vote was as follows: 9 Ayes; 0 Nays.

f. Discussion of Proposed MSD CAD-GIS System;

Mr. Mull reported that the proposed MSD CAD-GIS System was presented to the Sewer System Consolidation Committee on April 5, 1993 and the Committee recommended that the District approve proceeding with preparation of specifications and bid advertisement documents and going out for bids on the system hardware and that prior to award, present bids to the Board for review. Mr. Mull further reported that the cost of the system is between \$150,120.00 and \$227,260.00, which has been allocated for in the budget. A brief discussion followed as to whether the specification should be reviewed by an outside firm prior to going out for bid and what the system will do. In addition, Mr. Mull stated that within the next few weeks the Personnel Committee will meet to review a new position for a GIS System Manager for which a job description and salary range have been prepared by Griffith Archer. There being no further discussion, Mr. Penny moved to approve the preparation of specifications and advertisement of bids. Ms. Wallace seconded the motion. Voice vote was unanimous in favor of the motion.

g. Consideration of Funding of Sewers Relocated by Developers;

1. 707 Merrimon Avenue

Mr. Mull gave a brief description of the property and problems encountered in the relocation of a sewer line located under the proposed building site owned by Walden Partners (Winston and Rusty Pulliam). Mr. Pulliam reported that while footers were being poured for the foundation, Southern Bell was asked to relocate a pole and at that time discovered a sewer line that the District and Utilities Locating Company (ULOCO) were unable to find. Mr. Pulliam further reported that he contacted the MSD and was told that because of the condition of the manhole and location of the line, it was necessary to relocate this line. Mr. Pulliam engaged an engineering firm to prepare drawings to be sent to the State for approval and that the relocation of the line and two (2) new manholes (which delayed the project by approximately eight (8) weeks) cost \$14,407.50. Mr. Pulliam stated that easements have been deeded over to the MSD for the line and that he is requesting that the Board consider compensation in the amount of \$14,407.50 for the expense incurred in moving the line and two manholes. A lengthy discussion followed regarding the District's policy in relocation of sewer lines, the maintenance of manholes and ULOCO's responsibility in the location of utilities. Mr. Penny moved that the MSD file an insurance claim on Mr. Pulliam's behalf and let the insurance company make the determination and if the Board is not satisfied with that determination, reconsider whether the District should participate in compensation to Mr. Pulliam, thereby not setting a precedent in this matter. Mr. Post seconded the motion. Voice vote was unanimous in favor of the motion.

2. 32 Kensington Drive

Mr. Boyd reported that the property is currently held by an estate with a sale pending and that a survey prepared for the property shows an 8 inch sewer line located under an addition to the house. Mr. Boyd further reported that at the request of the executor of the estate as to District requirements, the District considered issues concerning interference with obtaining a loan and title insurance for the property. Ms. William, Attorney for the District explained that obtaining a loan should not be a problem, but that a lender might require indemnification from the borrower. As to title insurance, an exception would be made on the title insurance policy citing the existence of the sewer line along with a disclaimer as to liability for loss incurred as a result of the existing sewer line. Following a lengthy discussion the Board agreed that no action be taken by the District.

3. Lee Property - Hendersonville Road

Mr. Boyd presented a map showing the location of the property and reported that Mr. Lee has requested removal of the sewer line from his property. Mr. Boyd further reported that maps provided by the City of Asheville from 1924 and 1928

shows the line but no indication as to its status and that further research shows no recorded easements. Following a brief discussion, Mr. Joyner moved that the Board deny Mr. Lee's request. Mr. Post seconded the motion. Voice vote was unanimous in favor of the motion.

h. Consideration of Funding of Gibson Road Sewer Rehabilitation;

Mr. Mull reported that funding for the Gibson Road Sewer Rehabilitation project was presented to the Sewer System Consolidation Committee, April 5, 1993 and the Committee recommended replacement of the sewer line on the following conditions: that the MSD pursue sharing the cost of the construction with the City, that appropriate easements be obtained from the owners and that the City be asked if a change order with its contractor for that area would be appropriate. Mr. Boyd presented a map showing the location of the sewer line, which was a County line annexed by the City and now maintained by the MSD. Following a brief discussion regarding the City of Asheville's participation in the project and rights-of-way, Ms. Wallace moved to proceed with the project at a cost not to exceed \$60,331.00, which does not include rock select backfill or traffic control cost. Mr. Post seconded the motion. Roll call vote was as follows: 9 Ayes; 0 Nays.

i. Consideration of Engineering Contract Amendment, Assistance During Right-of-Way Acquisition - Pisgah View Sewer Rehabilitation (Lapsley Engineering);

Mr. Mull presented a Contract Amendment from Lapsley & Associates, P.A. for assistance during right-of-way acquisition for the Pisgah View Sewer Rehabilitation project for a maximum not to exceed fee of \$9,000.00. Mr. Mull reported that the amendment was presented to the Right-of-Way Committee, April 19, 1993 and the Committee recommended approval. Mr. Post moved to engage Lapsley & Associates, P.A. pursuant to its proposal. Ms. Bryson seconded the motion. Following a brief comment by Mr. Joyner regarding legal action for compensation for rights-of-way, roll call vote was as follows: 8 Ayes; 0 Nays

5. Report of Officers:

None

6. Report of Committees:

Mr. Ivey commented on the number of committees of the Board and stated that he is considering a simplified committee structure and asked for the Board's input on how to best implement this structure.

a. Insurance Committee - March 31, 1993 - Mr. Penny

Mr. Penny reported that the Insurance Committee met March 31, 1993 to consider a recommendation by John Miall, Risk Manager with the City of Asheville, that MSD evaluate its insurance needs and submit a request for proposals from agents based on those needs. Mr. Penny further reported that request for proposals have been sent to six (6) local firms which are due back by April 27, 1993 and that Mr. Miall will be working with the MSD in the evaluation of the bids for a recommendation to the Board.

b. Sewer System Consolidation Committee - March 1, 1993 - Mr. Dent

Mr. Dent reported that the Sewer System Consolidation Committee met April 5, 1993 and April 21, 1993 to review those items previously discussed in the Engineer-Manager's Report.

c. Personnel Committee - April 19, 1993 - Mr. Ivey

Mr. Ivey reported that the Personnel Committee met April 19, 1993 to consider three (3) proposals received for an organizational study of the District and a procedure for the Board's evaluation of the Engineer-Manager. Mr. Penny gave a brief report on the

activities of the Personnel Committee leading up to the request for proposals. Mr. Penny reported that a total of nine (9) firms were mailed the proposal, of which six (6) were local firms. The three (3) proposals received are as follows: Municipal Advisors, Virginia Beach, Virginia at a cost of \$13,500.00; Neilsen-Wurster Group, Wethersfield, Connecticut at a cost of \$50,000.00 and David M. Griffith Associates, Raleigh, N.C. at a cost of \$33,350.00. Following a discussion on the background of Municipal Advisors, Inc and what the study included, Mr. Ivey stated that the Committee will meet again to decide who to interview and make its recommendation to the Board at the next meeting. A brief discussion followed.

b. Right-of-Way Committee - April 2, 1993 and April 19, 1993 - Mr. Dent

To be discussed in Executive Session.

8. Unfinished Business:

Mr. Ivey appointed Mr. Charles Dent to fill the vacancy of Assistant Secretary/Treasurer.

9 . New Business:

Mr. Mull presented a revised Annual Meeting Schedule reflecting a request that Board meetings be held the third Wednesday of the month instead of third Tuesday. Mr. Mull reported that exceptions to the schedule, the May and June meetings reflect change necessary to comply with State law and the Bond Order. The May meeting will be held on Wednesday, May 12, 1993 (the second Wednesday) and the June meeting will be held Tuesday, June 15, 1993. Mr. Joyner moved that the Board adopt the revised meeting schedule. Mr. Dent seconded the motion. Voice vote was unanimous in favor of the motion.

Mr. Mull presented a Certificate of Appreciation from the City of Asheville for MSD's assistance in snow removal during the blizzard.

Mr. Joyner encouraged the MSD to personally contact the news media requesting their attendance and coverage of MSD Board meetings. In addition, Mr. Joyner reminded the Board of Mr. Selby's suggestion to hold a retreat to discuss MSD's policies. Mr. Ivey stated that the Personnel Committee will take this matter under advisement.

At 5:21 p.m. Ms. Bryson moved that the Board go into Executive Session to consider Rights-of-Way matters. Mr. Casper seconded the motion.

At 6:07 p.m. Mr. Dent moved that the Board reconvened the regular meeting. Mr. Penny seconded the motion.

Mr. Penny moved that the Board approve the Right-of-Way Committee report and that staff implement the following items. Mr. Post seconded the motion. Roll call vote was as follows: 9 Ayes; 0 Nays.

a. Asheville Oil

The Board approved Committee's recommendation to pay Mr. R. L. Tweed \$350.00, for the value of a negotiated tap.

b. Young Parcel

The Board approved Committee's recommendation for the design of an alternate route, that Mr. Young has indicated he would prefer, along with payment to Mr. Young in an amount not to exceed \$9,400.00 or proceed with condemnation if the offer is refused.

c. Lot #22 Lowery Land - Kirk Glenn Subdivision

The Board approved a connection to the District's system.

d. Country Club of Asheville

The Board agreed to replace sod both in the fairway and in the rough. However, the Board would not approve the Country Club of Asheville's request of \$7,500.00 as a lump sum payment in exchange for an easement and directed staff to further discuss the matter with the Country Club of Asheville.

e. Biltmore Forest Country Club

The Board authorized condemnation if staff could not obtain the agreement and instructed staff to contact the Country Club and inform it of activities to date and the current situation.

f. Biltmore Dairy Farms

The Board directed that staff notify Biltmore Dairy that the District could not accept the conditions Biltmore Dairy Farms added to the District's Right-of-Way agreement. The Board further authorized Counsel to proceed with a Declaratory Judgement, if necessary to determine the existing line and easement.

g. Earl Capps Hollow

The Board approved Committee's recommendation to pay Mr. Young an amount not to exceed \$9,976.00. If this offer is rejected, staff is to proceed with condemnation. In addition, the Board requires that Mr. Young remove the large fuel tank as it is located in the temporary easement, and that Mr. Young will provide all permits necessary and accept all liability of any kind for removal of said tank on his property.

h. Standridge Parcel

The Board directed that staff contact the owners once more and if an agreement could not be reached on the currently proposed alignment proceed with condemnation.

i. Boone Parcel

The Board agreed to pay Mr. Boone \$400.00 for the replacement of a 75 foot portion of his service line.

j. Report of Attorney's Meeting - City of Asheville Re: Beaverdam Annexation - Easement Acquisition.

No action was taken by the Board for a resolution at this time, but was deferred for a policy meeting to be scheduled in May.

In other business, Mr. Dent reported that in review of statements received from McGill Associates for engineering assistance during easement acquisition for the Earl Capps Hollow project that billings to date have exceeded the original contract maximum. Mr. Dent further reported that the Board increased the limit to \$7,000.00 at last month's meeting but due to problems encountered with several property owners, billings to date are now in the amount of \$9,226.00. In addition, McGill Associates estimates expenditure of an additional \$5,000.00 before completion of the project. Mr. Joyner moved that the Board approve an additional expenditure of \$2,226.00 to pay the April billing which exceeded the \$7,000.00 cap previously authorized and increase the maximum not to exceed cost by \$5,000.00 to \$14,226.00. Ms. Wallace seconded the motion. Roll call vote was as follows: 9 Ayes; 0 Nays.

10. Date of Next Regular Meeting: **Wednesday, May 12, 1993**

11. Adjournment:

There being no further business Mr. Joyner moved that the meeting be adjourned. Mr. Post seconded the motion. Voice vote was unanimous in favor of the motion.



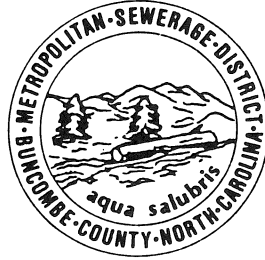
Jackie W. Bryson, Secretary/Treasurer

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

Telecopier (704) 254-3299

John S. Stevens, General Counsel



George E. Ivey, Chairman
O. R. Post, Vice-Chairman
Jackie W. Bryson
Larry Casper
Charles M. Dent
Kenneth E. Frizzell
Joe Joyner
Charles W. Penny
Bob Selby
E. Benson Slosman
Carolyn R. Wallace

SCHEDULE OF ANNUAL MEETING DATES OF THE METROPOLITAN SEWERAGE DISTRICT BOARD

Meetings are held in the Boardroom of Metropolitan Sewerage District's Administration Building, N.C. Highway 251 North at Woodfin, N.C.

1993

January 19	2:00 p.m.
February 16	2.00 p.m.
March 16	2.00 p.m.
April 21	2.00 p.m.
*May 12	2.00 p.m.
*June 15 (Tuesday)	2.00 p.m.
July 21	2.00 p.m.
August 18	2.00 p.m.
September 15	2.00 p.m.
October 20	2.00 p.m.
November 17	2.00 p.m.
December 15 (If Necessary)	2.00 p.m.

SECRETARY/TREASURER

*Budget requirements in Bond Order