

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT

December 15, 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 Wednesday, December 15, 1993. Chairman Post presided with the following members present: Bryson, Casper, Dent, Joyner, Kelly, Penny, Post, Selby, Slosman and Wallace. Those members absent were: Frizzell

Others Present were: W. H. Mull, Engineer-Manager, John S. Stevens, General Counsel, Dale Pennell of McGill Associates, Bill Morris and Bob Holbrook of Hendon Engineering Associates, Ray Kiasiah with the City of Asheville, Tod Wallace of PB&S Chemical, Philip Carson representing Biltmore Dairy Farms, Inc., Bob Tinkler, representing the League of Women Voters, Patty Beaver of CIBO, Sondra Honeycutt and Linda Dickson, MSD.

**2. Approval of the Minutes of the November 10, and November 23, 1993 Meetings;**

Mr. Dent moved that the minutes of the November 10 and November 23, 1993 meetings be approved as presented. Mr. Kelly seconded the motion. Voice vote was unanimous in favor of the motion.

Mr. Post announced the resignation of Mr. Ken Frizzell, representing the Town of Black Mountain and reported that the Town Board has met and appointed Mr. Michael Sobel to fill the unexpired term of Mr. Frizzell. Mr. Post further reported that Mr. Charles Penny, representing the City of Asheville has been reappointed to the District Board.

Mr. Post presented a letter drafted by Mr. Stevens to the City of Asheville and Town of Black Mountain regarding Sewer Service Charges and that to date, no response has been received.

Mr. Post presented a letter from the Chairman of the Buncombe County Board of Commissioners and the Mayor of the City of Asheville requesting that the District agree to provide additional funds, (approximately \$50,000.00, above the previously committed amount of \$10,500.00) necessary for the relocation of the South Asheville Athletic field sewer line. Mr. Post asked the Board whether it would like to consider this issue at today's meeting or include it on the agenda for the January meeting. Mr. Penny moved that the Board discuss the issue at this meeting. Mr. Selby seconded the motion. A brief discussion followed regarding the cost of the project and staff time involved. There being no further discussion, the motion was unanimously defeated by a show of hands. Mr. Post reported that the issue will go before the next scheduled meeting of the Planning Committee, followed by consideration at the next regular meeting of the Board.

**3. Engineer-Managers Report**

**Personnel Committee Items - December 8 and December 15, 1993**

**a. Consideration of Medical/Dental Insurance Proposals:**

Mr. Mull reported that the Personnel Committee met December 8, 1993 to review insurance proposals received for the District's medical/dental coverage and recommended that the Board approve the Guardian proposal, both the 80/20% and the 100/% Plan, and that the District pay 100% of the cost for employees, with the child/spouse/family cost staying at the current level. However, if the employee selects the 100% Plan, the employee will pay the difference between the current rate and the higher rate for that plan. In addition,

the District will pay the cost for inclusion of adult orthodontic benefits. Mr. Mull further reported that the Personnel Committee met again today to consider a request by Blue Cross Blue Shield (BCBS) that it be allowed to submit a proposal on a self-insured plan that would be comparable to the Guardian proposal. The Committee agreed to allow BCBS to submit another proposal provided the Guardian Insurance Company is notified and given an opportunity to submit a revised proposal and that the District's coverage will be extended until February 15, 1993 at no additional cost. A brief discussion followed regarding a self-insured plan and specific/aggregate stop loss coverage.

**Planning Committee Items - November 19, December 8, 1993**

**a. Consideration of Close Out Change Order - Construction Contract - Vine Street Sewer Rehabilitation:**

Mr. Mull reported that following review of the Close Out Change Order for the Vine Street Sewer Rehabilitation project, the Committee recommended approval of the Change Order bringing the total final cost of the project to \$87,555.81 with \$300.00 added for additional asphalt paving. There being no discussion, Mr. Dent moved that the Board adopt the recommendation of the Planning Committee. Mr. Slosman seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

**b. Consideration of Bids for Pick-up Truck Replacement:**

Mr. Mull reported that bids for a 4WD pickup truck, to replace a 1987 ford truck for the Maintenance Facility, were received November 30, 1993 and are as follows: Matthews Ford, Inc. (apparent low bidder) with a total base bid of \$18,297.00; Parkway Chevrolet/GEO with a total base bid of \$19,294.00; Prestige Dodge/Subaru with a total base bid of \$23,826.70 and Anton/Chevrolet/Pontiac/Olds Buick/GEO with a total base bid of \$19,826.57. Mr. Mull further reported that following review and approval of the bids by Counsel, the Committee recommended approval of the apparent low bid of Matthews Ford, Inc. in the amount of \$18,297.00 and to keep the 1987 ford pick-up as a standby vehicle for emergency use. Mr. Slosman moved that the Board adopt the recommendation of the Committee. Mr. Dent seconded the motion. Following a brief discussion as to whether the District has considered working with the City of Asheville and Buncombe County in its vehicle purchases, roll call vote was as follows: 9 Ayes; 1 Nay (Mr. Joyner)

**c. Consideration of Bids for Emergency Construction Assistance:**

Mr. Mull reported that the Committee reviewed bids from Maintenance Overflow Corporation, Precision Contracting, Inc, Perry M. Alexander Construction Company, Inc. and Hydrologic, Inc. to provide for emergency construction assistance for repairs exceeding the capacity of existing MSD equipment. The Committee recommended that the Board approve entering into three (3) non-exclusive agreements with the companies submitting the lowest bids. Mr. Slosman moved that the Board adopt the recommendation of the Planning Committee. Ms. Bryson seconded the motion. Following a brief discussion regarding the reasons for using more than one contractor, roll call vote was as follows: 10 ayes; 0 nays.

**Right of Way Committee Items - November 19, 1993:**

**a. Beaverdam Creek Interceptor Project:**

**1. Dr. James Maddox Parcel**

Mr. Mull reported that Dr. Maddox was initially offered compensation in the amount of \$1,000.00 for landscaping replacement. However, in a letter received from Mr. Perry Fisher, Attorney for Dr. Maddox, the offer was considered to be "grossly inadequate" since approximately one-fourth of the property would be affected. Mr. Mull further reported that following additional review of the request, the Committee recommended approval of a final offer in the amount of \$1,000.00 and if unaccepted, proceed in obtaining a declaratory judgement to determine MSD's rights regarding width of the easement for the existing sewer that is to be replaced. Mr. Slosman moved that the Board adopt the recommendation of the Right-of-Way Committee. Mr. Kelly seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

**2. Diane Kyker Parcel**

Mr. Mull reported that in consideration of a request by Ms. Kyker that she receive compensation in the amount of \$1,000.00, the Committee recommended that a final offer be made in the amount of \$500.00 and if unaccepted, pursue declaratory judgement to determine easement width for the existing line based on recorded easement documentation. Mr. Penny moved that the Board adopt the recommendation of the Right-of-Way Committee. Ms. Wallace seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

**3. Country Club of Asheville Parcel**

Mr. Mull reported that the Right-of-Way Committee requested clarification from the Country Club of Asheville on its request for compensation in the amount of \$7,500.00. Mr. Mull further reported that in review of the loss estimate received from the Country Club of Asheville, the Right-of-Way Committee recommended approval of compensation in the amount of \$7,500.00 for acquisition of the easement area. Following a brief discussion regarding the loss estimate, Ms. Bryson moved that the Board adopt the recommendation of the Right-of-Way Committee. Mr. Penny seconded the motion. Roll call vote was as follows: 8 Ayes; 1 Nay (Mr. Kelly) and 1 Abstention (Mr. Slosman, a member of the Country Club).

**b. Merida/Carson Creek Apartments Project - Approval of Compensation Chart**

Mr. Mull reported that the Right-of-Way Committee recommended approval of the Field Negotiation Limit Chart for easement compensation for the Merida/Carson Creek Apartments project, for a total budget not to exceed \$14,000.00. A brief discussion followed regarding the location of the project and the difference in the amount of compensation for each of the four parcels. Mr. Penny gave a brief history of the project and an explanation of the compensation chart. There being no further discussion, Mr. Dent moved that the Board adopt the recommendation of the Right-of-Way Committee. Mr. Selby seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

**c. Consideration of Annual Chlorine Bids:**

Mr. Mull reported that the following Annual Chlorine bids were opened December 10, 1993: Van Waters & Rogers, Inc. with a total base bid of \$590.00/ton; Prillaman Chemical Corporation with a total base bid of \$590.00/ton; Jones Chemical Company (apparent low bidder) with a total base bid of \$500.00/ton; Harcros Chemicals, Inc. with a total base bid of \$600.00/ton and PB&S Chemical Company (apparent low bidder) with a total base bid of \$500.00/ton. Mr. Mull further reported that in review of the bid documents and conditions on the reverse side of the bid of PB&S Chemical, Inc., Mr. Currie, Attorney for the District, stated that in his opinion the bid of PB&S Chemical, Inc. is unresponsive since the bid provides a number of conditions which amount to less than a firm bid and that the bid of Jones Chemicals is acceptable, therefore, recommends award of the bid to Jones Chemical Company. Mr. Mull stated that the bid form used by PB&S Chemical Company, (the District's current supplier) is the same form used last year, however, because PB&S Chemical, Inc. was the only apparent low bidder last year, the conditions were overlooked. Following a brief discussion regarding the increased cost of chlorine, Mr. Joyner moved that the Board approve the apparent low bid of Jones Chemical, Inc. Mr. Dent seconded the motion. Mr. Tod Wallace of PB&S Chemical, Inc. stated that if they had known there was a problem with the bid form, they would have submitted the bid on a different form and that other important factors should be consider such as: 1. PB&S is the closest responding facility in the event of an emergency and that PB&S is a member of the Chlorine Institute. Following a lengthy discussion on who would handle an emergency situation and bid the specifications; Mr. Joyner moved that the Board approve the apparent low bid of Jones Chemical Company in the amount of \$500.00/ton. Mr. Dent seconded the motion. Roll call vote was as follows: 9 Ayes; 1 Nay (Mr. Post)

**5. Report of Officers:**

None

**6. Report of Committees:**

**Planning Committee - November 19 and December 8, 1993 - Mr. Slosman**

**1. Report on Fish Habitat Evaluation**

Mr. Mull reported that as a result of U.S. Fish & Wildlife requirements regarding the Hydro Plant, the District was instructed to enhance the fish habitat within that area by constructing three (3) gabions in the French Board River to encourage sand deposition, followed by a study of the river bed (two years later) in conjunction with the Fish & Wildlife. Mr. Mull further reported that the study indicated that the District did not meet the criteria of the U.S. Fish & Wildlife, therefore, further negotiations will be required to provide the appropriate enhancement for that portion of the river. Following a lengthy presentation on the events to date, the Planning Committee authorized staff to contact the original consultant to develop a proposal regarding the gabions that were constructed and to proceed with any modifications that will need to be made.

**2. Consideration of Funding Interceptor Sewer to Serve Proposed South Buncombe Development**

Mr. Slosman reported that following review of a request from Biltmore Dairy that the District participate in funding the extension of a sewer line to serve a proposed

development in South Buncombe, the Committee recommended that this issue be submitted to the Board for further discussion and establishment of a sewer extension policy. Mr. Stevens stated that the present Consolidation Agreement does not state there shall be no sewer extensions, but rather there will be a sharing in the costs of extensions to a certain level. A lengthy discussion followed regarding the Agreement and involvement by the various municipalities in possible changes with regard to sewer extensions. Mr. Joyner expressed his concern regarding the current policy and stated that the District is being pressured by the City and County to subsidize a development by calling the line an interceptor as opposed to an extension. Mr. Joyner urged the Board to take this matter before the Planning Committee to develop an extension policy and stated that any payback to the District, suggested by the developer, is a specious argument since the capacity depletion fees are to be put aside for future expansions. Mr. Joyner further stated that the additional income from added rate payers will only be sufficient enough to pay the treatment costs from the added flow and that tax revenues to the City and County, referred to in the developer's presentation as profit, will be offset by services that must be provided and that any policy the District establishes should be one that is followed with fairness and consistency. Mr. Joyner referred to a recent decision by the Board regarding its participation in the development of a trailer park and distributed quoted extracts from two consolidation agreements; the 1993 and 1992 bond orders; and a portion of the NC Statute regarding extensions.

Mr. Penny stated that he did not feel the District is being pressured by the City of Asheville to participate in the project and that he had a problem with the District having the sole responsibility for providing sewer service when it must tell the public that it does not extend sewers and if the District is going to provide sewer service it should develop a long-rang plan that includes extensions. A discussion followed regarding the CIP Committee and if this Committee is part of the Planning Committee. Mr. Stevens stated that the Sewer Consolidation Agreement provides for the creation of a CIP Committee, which is very specific as to who serves; its responsibilities and criteria for how it operates. Mr. Slosman stated that this issue should not be referred back to the Planning Committee but to the full Board for debate and establishment of a policy. A lengthy discussion followed with regard to whether the establishment of a Sewer Extension Policy violates the Bond Order and if the project should be considered prior to further debate by the Board. There being no further discussion, Ms. Wallace moved that a special Board meeting be held in January at the call of the Chair to consider the extension policy of the District. In addition, that the Board not make a decision on the Biltmore Dairy request until after the January meeting. Mr. Joyner seconded the motion. By a show of hands, the motion carried unanimously.

At the request of Mr. Slosman the Board agreed to hear the presentation of Mr. Carson, representing Biltmore Dairy. Mr. Carson reported that he did not have a formal presentation, but that presentations have be made by Mr. Cecil to the District's Planning Committee, the City of Asheville and Buncombe County, all of which was geared toward economic development and that extension of the line will provide service to two (2) schools along with other property in the area. Mr. Carson ask whether the Board would take a favorable attitude and position toward extending interceptor lines in Buncombe County since our area needs jobs and new development, or if the attitude of the Board is to do as little as possible. In addition, Mr. Carson requested that he be notified of the January meeting. It was the consensus of the Board that a decision of this magnitude can not be made without the benefit of specific information and that in its discussions, the Board did not mean to insinuate that it was not interested in economic development. Following a brief discussion, Mr. Carson requested that the Board act as quickly as possible and that staff be allowed to continue its work with Biltmore Dairy from an engineering and permitting standpoint in the event the District does not participate in the cost of extending the line.

3. Sludge Handling Facilities - Mr. Holbrook

Mr. Holbrook presented a report on the sludge handling facilities and thermal converter along with a schematic of the design sludge process train at the treatment plant. Mr. Holbrook reported that when the ultra presses were tested in late summer of 1993 they failed to meet specified dewatering performance and that attempts to operate the thermal converter on wetter than expected sludge have caused unsteady operating conditions. Mr. Holbrook further reported that the project is insured by a 100% Performance Bond provided by Lee Construction Company to the District, and Performance Guarantee Bonds (\$1,000,000 on the belt filter presses, \$500,000 on the ultra presses and \$5,000,000 on the thermal converter) provided by Enviroquip, Inc. to Lee Construction Company and the District jointly. Mr. Holbrook stated that a letter was written to the contractor, passing on the results of the latest pilot tests using an additive called K-sorb, which was helpful, but did not accomplish the 28-30% solids needed to dewater sludge on the belt filter presses.

A discussion followed regarding the performance bonds and the use of other options in lieu of using the belt filter press and ultra press. Mr. Holbrook briefly described the alternatives and whether the use of these alternative would affect the thermal converter in the generation of power. Mr. Holbrook further stated that Hendon Engineering is attempting to keep Lee Construction and Enviroquip working on the problem to come up with a solution without resorting to calling bonds and that other alternatives would not be considered until full scale operating data was available on-site with a brought in pilot unit to verify that requirements can be met. A discussion followed with regard to whether the digester could be used for some other purpose; operating costs of the alternatives presented; the advantage of using centrifuges as a dewatering device and when testing would be complete. Mr. Holbrook reported that the District has a contractual problem with Lee Construction in that it has a \$5 million Performance bond and that they are waiting to do a 30-day performance test on the incinerator, but could only do so by using undigested sludge, however, they would continue negotiations with the contractor and equipment manufacturers and keep the Board apprised of its progress.

A brief discussion followed regarding the Alkaline Stabilization Facility and when it would be on line. Ms. Wallace reported that marketing studies on the Alkaline Stabilization Facility should start soon and that the District needs to give its Engineering Consultants guidance in its technological recommendations and take responsibility for negotiations that go on. Mr. Holbrook stated that Hendon Engineering will not make any decisions until they have full agreement of staff and the Board and that further consideration of this issue should be delayed until late January. At the request of the Planning Committee, Ms. Wallace asked that a grid showing the options and the pros and cons of those options, be made available to the Board prior to the next meeting.

**7. Unfinished Business:**

None

**8. Old Business:**

Mr. Mull presented an Annual Meeting Schedule and reported that the May meeting has been scheduled for the second Wednesday to allow 30 days for the public hearing on the Budget. Also the October and November meeting dates take into account the dates of the State and National AWWA/WPCA Conferences. There being no discussion, Ms. Bryson moved that the Board adopt the Annual Meeting Schedule. Mr. Kelly seconded the motion. Voice vote was unanimous in favor of the motion.

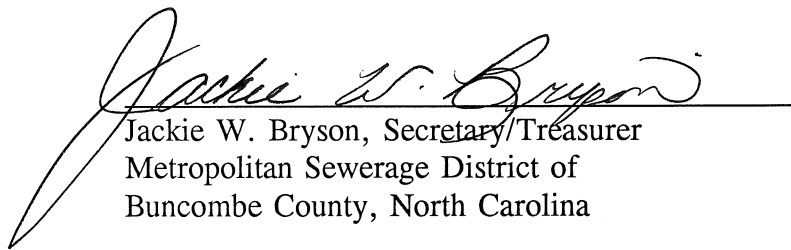
Mr. Joyner reminded staff to review information received at the conference in Atlanta in order that a recommendation can be made to the Board for its use.

**9. New Business**

None

**10. Adjournment:**

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

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