

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT

February 16, 1994

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, February 16, 1994. Chairman Post presided with the following members present: Bryson, Casper, Dent, Joyner, Kelly, Penny, Post, Slosman, Sobol and Wallace. Absent was Bob Selby.

Others Present were: W. H. Mull, Engineer-Manager, John S. Stevens, General Counsel, Councilwoman Barbara Field, City of Asheville, Richard Stiles with the Asheville Area Chamber of Commerce, Mike Calhoun with Vaughn & Melton, Bob Holbrook of Hendon Engineering Associates, Inc., Gary McGill of McGill Associates, P.A., Bob Tinkler, representing the League of Women Voters, Kemper Brown and Bill Fishburn with The Electronic Office, Ray Burrows with the North Carolina Department of Commerce, Charles Gaither and Joe Hamlin of Milkco, Inc., Bob Jones with North Carolina Equipment Company, Scott Payne of Gerber Products Company, Susan Burnham of Anvil Knitwear, Larry Hall of Champion Products, Alan Jacobsen, Stan Boyd and Angel Banks-Craven, Sondra Honeycutt and Linda Dickson, MSD.

2. Approval of the Minutes of the January 19, 1994 and February 4, 1994 meetings;

Ms. Wallace requested that page 4, paragraph 3 of the January 19, 1994 minutes, be changed to read "rate payer" instead of "ray payer" and in reference to her name on pages 2 and 3, "Mr. Wallace" should be changed to read "Ms. Wallace". There being no further corrections, Ms. Bryson moved that the minutes of the January 19, 1994 and February 4, 1994 meetings be approved as corrected. Mr. Dent seconded the motion. Voice vote was unanimous in favor of the motion.

Mr. Post recognized Mr. Charles Gaither of Milkco, Inc. who presented a statement to the Board on behalf of those industrial users present regarding the recent retroactive sewer charges. A discussion followed as to the reason for back charges; rate increase structure and whether industry was provided with the District's rate study and other pertinent information. Mr. Post then recognized Mr. Ray Burrows with the North Carolina Department of Commerce, who gave a brief presentation on industry trends, resulting from automation and increased costs of public services.

Mr. Post announced the appointment of Councilwoman Barbara Field as the City of Asheville's liaison to the District Board.

3. Engineer-Managers Report:

Personnel Committee Items

1. Consideration of Applications for the Director of Administration:

Mr. Mull reported that the Personnel Committee met February 7, 1994 to review eight (8) of the 67 applications received for the Director of Administration position. The Committee selected five (5) of the most qualified applicants for a personal interview on February 21, 1994.

2. Review of CIP Project Engineer Job Description/Pay Classification and 1994-95 O&M Budget Impact:

Mr. Mull presented a Job Description/Pay Classification for a CIP Project Engineer/Secretary and a projected budget as follows: Salaries, \$53,100.00; Office Equipment, \$35,000.00; Office trailer purchase (24'x 64') at \$38,400.00 and Office trailer lease at \$11,400.00 per year with a non-refundable down

down payment of \$5,952.00. The cost to rent office space is estimated at \$10 - \$13,000.00 per year. Mr. Mull reported that the Committee recommended that the Board approve the Job Title, Job Description, Grade Classification 29, (\$29,877.00 to \$41,828.00) for the CIP Project Engineer, prepared by David M. Griffith & Associates, Ltd. and increase in the 1994-95 Operations & Maintenance Budget to include these numbers. Following a brief discussion on the number of employees involved and the cost of office space, Mr. Penny moved that the Board adopt the recommendation of the Personnel Committee. Mr. Slosman seconded the motion. Voice vote was unanimous in favor of the motion.

Planning Committee Items

1. Consideration of Bids for Geographic Information System (GIS) Hardware:

Mr. Mull reported that the following bids were received January 24, 1994 for the District's GIS Hardware: The Electronic Office with a total base bid of \$39,766.36; Merrill Consulting Group with a total base bid of \$31,728.98; New Era Computers with a total base bid of \$27,755.99 and the Sharpe Company with a total base bid of \$25,298.06. Mr. Mull further reported that following review of the bids by Walter L. Currie, Attorney for the District, it was the recommendation of the Planning Committee that the Board reject all bids and readvertise since the most responsive bids, (The Electronic Office and Merrill Consulting Group) did not meet the necessary specifications of a "local bus slot" and training, respectively.

Mr. Brown of The Electronic Office stated that his firm put a great deal of work into its proposal, using the best equipment available, and was told by staff that they were the most responsive bidder, until an out-of-state vendor threatened a complaint based on the detail of the "local bus slot", which in his opinion, is an unimportant detail and highly debatable. Mr. Brown further stated that the "local bus slot" is not possible to do, but that staff indicated the bid was still very good and would do the job, therefore, Mr. Brown requested that the Board approve the proposal as submitted. At the request of Mr. Slosman, Mr. Brown briefly explain how the "local bus slot" works. Mr. Jacobsen explained that although the system cannot take advantage of a "local bus slot", which allows for the potential of enormous speed but only affects the video performance, the District could get by without it since every machine will not require this capability. Mr. Penny moved that the Board adopt the recommendation of the Planning Committee. Mr. Sobol seconded the motion. Following a discussion on whether the three vendors who did not conform to the bid specifications, would be allowed to rebid and the bid process, voice vote was 9 to 1 in favor of the motion. Mr. Casper opposed the motion.

2. Consideration of a Consolidated Motion:

Mr. Slosman reported that because of the length of Committee agendas and to avoid use of Board time to review the same details, the Planning Committee recommends that the Board approve a Consolidated Motion (Consent Agenda) for items 5 through 12 previously reviewed by the Planning Committee in great detail. Following a discussion on the concept of a Consolidated Motion and how particular items in question can be pulled for further discussion, Mr. Slosman moved that the Board adopt the concept of a Consolidated Motion as a voting procedure for future meetings of the Board. Mr. Penny seconded the motion. Mr. Joyner stated that he had no objection to the motion but hoped that this concept would encourage other Board Members to attend Committee meetings. Mr. Casper stated that he would feel more comfortable instituting the

concept after the Director of Administration was hired. There being no further discussion, voice vote was unanimous in favor of the motion.

Ms. Wallace moved that the Board approve items 5 through 12 as follows:
Mr. Joyner seconded the motion.

- Item #5 Beaverdam North Fork - Increase Construction Contract \$10,950.00, (from \$580,305.00 to \$591,255.00) - Wheeler Construction Company and Increase Engineering Agreement \$7,321.85 (from \$68,828.00 to \$76,149.85) - Vaughn & Melton.
- Item #6 Beaverdam Creek - Increase Design \$2,605.00 (from \$51,600.00 to \$54,205.00) and Increase Contract Administration \$23,105.00, (from \$38,150.00 to \$61,225.00) - McGill Associates, P.A.).
- Item #7 Biltmore Forest - Increase Preliminary Engineering Report - Ram Branch \$5,950.00; Increase Design \$2,100.00; Increase Multiple Contracts - \$7,500.00 and Decrease Evaluation \$38,150.00 for a total contract amount (from \$47,302.00 to \$22,600.00) - McGill Associates, P.A.
- Item #8 Weaverville CIP - Decrease Contract Administration - from \$29,050.00 to \$10,000.00 - McGill Associates, P.A.
- Item #9 Woodfin CIP- Earl Capps Hollow - Increase Construction Contract \$35,221.36, (from \$354,577.25 to \$389,798.61) - Buckeye Construction - McGill Associates, P.A.).
- Item #10 Woodfin CIP - Earl Capps Hollow - Increase Engineering Agreement \$25,200.00, (from \$12,675.00 to \$37,875.00) - McGill Associates, P.A.
- Item #11 Woodfin CIP - Earl Capps Hollow - Status Report on Young Property.
- Item #12 Montreat CIP - Increase Construction Administration \$42,310.00, (from \$59,900.00 to \$102,210.00) - McGill Associates, P.A.

With Regard to Item #12, (Montreat CIP) Mr. Casper questioned the increase in construction time from 180 calendar days to 600 calendar days and what effect the increase will have on the overall costs of the project. Mr. McGill reported that the primary reason for the increase is because the project is being done in two phases that were not concurrent and because the budget was split into two phases, the budget will be slightly over the amount projected. Mr. Mull presented a breakdown of McGill Associate's costs for dividing the construction contract documents into two (2) phases and a spread sheet, prepared by staff, showing an increase of \$14,800.00 for additional time spent in Construction Engineering on Phase I; \$7,100.00 in the cost of Design and \$27,510.00 for Construction Engineering on Phase II, bringing the total cost for Construction Engineering to \$102,210.00, (a fee increase of \$42,310.00). Following a request by Mr. Penny for clarification on the Consolidated Motion procedure, roll call vote was as follows: 10 Ayes; 0 Nays and 2 Abstentions, (Mr. Kelly on Item #7, and Mr. Sobol on Item #9)

Mr. Sobol moved that the vote by which Item #9 was approved be reconsidered. Mr. Penny seconded the motion. The motion passed putting Item #9 back before the Board. Mr. Sobol then asked for a clarification on Item #9,

(Woodfin CIP) on who obtains easement acquisitions and if there is a procedure for informing property owners on how a project is to be done, particularly with regard to the removal of trees. Mr. McGill reported that in this particular case, the property owner was contacted by MSD staff, who explained what would be done, however, it was found that the contractor did not understand the magnitude of the project, and as a result, additional care was taken to be sure the owner had a full understanding of the scope of the project. Mr. McGill further reported that since that time, a tree policy has been implemented and that all special provisions of the easement negotiations are included in the contract documents in order that the contractor will know what its obligations and restrictions are.

Ms. Craven reported that the property owner is provided with a legal easement document and a plat showing the permanent and temporary construction easement. In addition, a set of construction plans is presented, showing the trees to be removed within the permanent easement area and since the development of the tree policy, property owners are informed that all trees within the permanent easement and every tree within the 50 foot temporary construction easement will be removed. Ms. Craven further reported that even though the easement documents do not show the trees to be removed, it is stated in the easement agreement that "the District has the right to clear and keep clear the permanent and temporary easement areas". However, when construction is complete, the temporary construction easement is dissolved. Mr. Mull reported that the total project cost, with increases, is \$518,782.00, but because of realignment of the property, the District anticipates a savings of approximately \$19,000.00 on the construction contract. There being no further discussion, Mr. Penny moved that the Board approve Item #9. Mr. Dent seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

3. Consideration of Bids for Front End Loader for Chemical Stabilization Facility:

Mr. Mull reported that the following bids were received January 11, 1994 for a Front End Loader for the Chemical Stabilization Facility: Mitchell Distributing Company with a total base bid of \$62,476.40; Carolina Tractor with a total base bid of \$65,296.84; L.B. Smith (Apparent low bidder) with a total base bid of \$54,435.22; Van Loth with a total base bid of \$66,366.00 and N.C. Equipment with a total base bid of \$57,175.34. Mr. Mull further reported that following review of the bids by Mr. Walter L. Currie, Attorney for the District, the Committee recommended that since no bid security accompanied the bid of L.B. Smith, Inc. that the bid be awarded to the second low bidder, N.C. Equipment in the amount of \$57,175.34 and that the bids of L.B. Smith and Van Loft be rejected because of insufficient bid bonds. There being no discussion, Mr. Slosman moved that the Board adopt the recommendation of the Planning Committee. Mr. Penny seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

4. Consideration of Bids for Standby Pump for Collection System:

Mr. Mull reported that although the amount budgeted for the Standby Pump has increased from \$18,000.00 to \$20,000.00, all bids received were over budget, therefore, the Committee recommended that the Board reject all bids and include this equipment in next year's budget. There being no discussion, Mr. Dent moved that the Board adopt the recommendation of the Planning Committee. Mr. Joyner seconded the motion. Voice vote was unanimous in favor of the motion.

5. Discussion of Sewer Rehabilitation Project - Asheville Sewer Master Plan:

Mr. Mull presented an updated cost estimate for the Asheville Sewer Master Plan, (approximately 20 projects) scheduled on the CIP for fiscal year 1996-97 at a total cost of \$1.6 million. Mr. Mull reported that the Milkco Plant, that is served by this line, has requested an allocation to increase its production, but due to the condition of the sewer line and reported overflows, (38 in 1993) the District cannot issue an allocation for the amount of flow requested. Replacement of the interceptor serving Milkco is estimated to cost approximately \$924,000.00. The District's current estimate is over \$5 million for this group of projects.

Mr. Joyner stated that the District should go back to the municipalities and readjust the payment ratios due to the uninformed original estimates and the realization that the District cannot continue to raise rates to make up the difference in these costs. Mr. Penny expressed his agreement and stated that the municipalities need to allow the District to schedule and plan when these projects will be done. Mr. Post suggested that this matter be placed on the next CIP Committee agenda for further consideration. A brief discussion followed regarding the need to reevaluate this project.

6. Consideration of Proposal To Evaluate Utilization of Lime Stabilized Wastewater Treatment Plant Residuals On Mountain Soils for Agricultural and Silvicultural Production:

Mr. Mull presented a proposal from Dr. Rubin of North Carolina State University for a 3 year study to evaluate the use of the District's sludge on agricultural lands; the evaluation of plant uptake; growth rates and its effect on ground water, etc. for a not to exceed annual cost of \$15,000.00. Mr. Mull reported that in review of the proposal, the Planning Committee recommended that the Board approve the not to exceed annual cost of \$15,000.00 for a 3 year period beginning in the Spring, 1994. A brief discussion followed regarding the effect chemically treated sludge will have on agricultural soils and the marketability of the product. Mr. Holbrook reported that upon completion of the Alkaline Stabilization facility in April, a sample from that facility can be studied and used as a marketing tool. There being no further discussion, Ms. Wallace moved that the Board adopt the recommendation of the Planning Committee. Mr. Slosman seconded the motion. Roll call vote was as follows: 9 Ayes; 0 Nays, Mr. Penny was absent during the vote. Mr. Mull reported that a representative of Bio-Gro will be present at the next meeting of the Planning Committee to discuss marketing possibilities.

7. Report on Pickup Truck for Maintenance Facility:

Mr. Mull reported that a letter was received on February 15, 1994 from Matthews Ford releasing the District from its bid award of December, 1993 for a diesel powered pickup truck for the Maintenance Facility because of its inability to make delivery. As a result, the Planning Committee recommended that the District award the bid to the second low bidder, Parkway Chevrolet/GEO in the amount of \$19,294.00. Mr. Mull further reported that although there has been a price increase since the bid opening, Parkway Chevrolet/GEO has agreed to its original bid price.

Mr. Slosman agreed that the bid should be awarded to the second low bidder, but felt that Matthews Ford should pay the difference, (\$997.00) in the

amount of its bid and that of Parkway Chevrolet/GEO. In answer to a question regarding bid bonds, Mr. Mull explained that the District previously required bid bonds, but later decided to drop the requirement because of the cost and that the District cannot go to the next low bidder unless the apparent low bidder releases the District in writing. Following a brief discussion on when delivery can be expected, Mr. Slosman moved that the Board adopt the recommendation of the Planning Committee and that a letter be written to Matthews Ford requesting that they pay the difference in the amount of its bid and that of Parkway Chevrolet/GEO. Mr. Dent seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

8. Consideration of Revised Proposed Policy on System Acquisition:

Mr. Mull presented a revised policy on System Acquisition and reported that following review of the changes made to Paragraphs 1, 2 and 4, the Committee recommended approval of the policy. Mr. Slosman moved that the Board adopt the recommendation of the Planning Committee and approve the policy as revised. Mr. Casper seconded the motion. Voice vote was unanimous in favor of the motion.

9. Consideration of Revised Recycling Policy:

Mr. Mull presented a revised Recycling Policy and reported that following review of the change in Paragraph 2, the Committee recommended approval of the policy. With no discussion, Ms. Wallace moved that the Board adopt the recommendation of the Planning Committee and approve the Recycling Policy as revised. Ms. Bryson seconded the motion. Voice vote was unanimous in favor of the motion.

Mr. Mull reported that a meeting was held February 9, 1994 with the District's Recycling Coordinators and Ms. Janie Wilson of Quality Forward. Ms. Wilson reviewed the District's Recycling Policy and its current recycling efforts and stated that the District is doing more than any other governmental agency in the County.

Mr. Penny announced his resignation from the City of Asheville to assume a position in Rocky Mount, North Carolina but will remain a Board Member through March 16, 1994. The Board expressed its appreciation to Mr. Penny for his service as a Member of the District Board.

Right of Way Committee Items:

1. Consideration of a Consolidated Motion for Right-of-Way Committee Items:

Ms. Wallace moved that the Board authorize a voting procedure of having a Consolidated Motion for Right-of-Way items to fit under the general agenda along with Planning Committee items. Mr. Joyner seconded the motion. Mr. Casper agreed with the concept, but suggested that the original contract and amended dollar amount be reported. There being no further discussion, voice vote was unanimous in favor of the motion.

2. Consideration of Approval of Items Under a Consolidated Motion:

Mr. Mull gave a brief report on those items under the Consolidated Motion as follows:

- Item #1.b Beaverdam Creek Interceptor - Increase in Current Contract from \$19,250.00 to \$22,000.00 - (McGill Associates, P.A.)
- Item #2.a Biltmore Forest Sewer Line Replacement - Increase in Contract Amount from \$7,181.00 to \$50,000.00 - (McGill Associates, P.A.)
- Item #3.a Woodfin - Earl Capps Hollow Sewer Replacement - Increase in Contract Amount from \$14,226.00 to \$20,031.00 - (McGill Associates, P.A.)
- Item #4.a Montreat Sewer Line Replacement - Increase in Contract Amount from \$8,500 to \$15,000.00 - (McGill Associates, P.A.)
- Item #9.a Weaverville Sewer Line Replacement - Increase in Contract Amount from \$3,959.00 to \$33,766.00 - McGill Associates, P.A.

There being no discussion, Ms. Wallace moved that the Board approve Items 1.a, 2.a, 3.a, 4.a and 9.a as presented. Mr. Joyner seconded the motion. In reference to Item #9.a, Mr. Sobol asked for an explanation on the increase in the contract. Mr. McGill reported that the Weaverville project is complete, but the Board, at its August 18, 1992 meeting, decided to wait until this project and other projects were complete before making adjustments in the contract ceiling. Mr. Mull reported that the District currently uses 50% of the design and plat preparation dollar figure for engineering assistance during easement acquisition, for which the Weaverville project totaled \$33,766.00, (\$2,234.00 under the budgeted amount of \$36,000.00). Mr. Casper questioned whether the placement of a CIP Project Engineer will help to reduce the costs of these projects. Mr. McGill stated these costs could be reduced, however, part of the reason for the increase is that the District has taken the approach that it should do everything within reason to accommodate property owners but the District should look at how conciliatory it needs to be in certain situations, since doing so, does not have a large impact on the outcome of a project. There being no further discussion, roll call vote was as follows: 10 Ayes; 0 Nays; 1 Abstention (Mr. Kelly on Item #2.a.)

3. Consideration of Stones Unturned Proposal for North Swannanoa Phase I - Archaeological Survey Mitigation:

Mr. Mull reported that due to a change in the amount of archaeological survey mitigation work required on the North Swannanoa, Phase I site, Mr. Michael Baker submitted a revised proposal in the amount of \$9,632.00 for limited mitigation work, allowing the District to terminate the original contract with Hall & Baker at a cost not to exceed \$75,000.00. There being no discussion, Mr. Penny moved that the Board rescind its previous contract with Hall and Baker at a cost not to exceed \$75,000.00 and accept the Stones Unturned proposal dated January 17, 1994 in the amount of \$9,632.00. Mr. Dent seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

4. Report on the Carrier Bridge Pump Station:

Mr. Mull reported that the Planning Committee recommended approval of CP&L's request for right-of-way for electrical lines over District property in order to service power to a park under construction along the French Board River, provided CP&L agrees to use the District's easement form and pay for the preparation of survey and legal documents.

4. Report of Blue Ribbon Committee - January 31, 1994

Mr. Casper reported that the Blue Ribbon Committee met January 31, 1994 to discuss the development of a Sewer Extension Policy. The Committee agreed that the District should have two policies since its in the middle of doing rehabilitation projects and not in a position financially to do speculative extensions without the cooperation and undertaking with the County Commission and City Council. In addition, the Committee agreed to engage the Land of Sky Regional Council to determine its thinking on future extensions. Mr. Casper further reported that the second part of the policy will address requests for extensions by private developers and the development of an unbiased financial formula, whereby the District would not incur any costs unless the payback was sufficient enough to warrant it. The Committee is in the process of evaluating other municipalities throughout North Carolina to see how they handle extensions. Mr. Penny asked how the District intended to handle extensions for those persons who live in the District but are not served by the MSD. Mr. Casper stated that the Committee will consider a separate policy for this type of request.

Mr. Mull reported that he has contacted Mr. Bob Sheperd of Land of Sky Regional Council for assistance in setting up a meeting with the various municipalities and utilities to discuss the District's extension policy and Master Plan. Mr. Sheperd stated that the Land of Sky Regional Council's State and Federal funding for this type of work has ended, but agreed to assist provided the District would share in the cost. In addition, they discussed the District's GIS System in an attempt to coordinate the City, County, MSD and Utilities in mapping the various systems.

Mr. Joyner stated that he would like the Board to think about the fact that the District has no money except what comes from rate payers and for the District to take that money and give it to developers on a speculative basis is wrong. Mr. Penny expressed his disagreement and stated that if the District needs to expend a certain amount of funds for development, which is not speculative and is able to recoup its cost within 2 to 3 years, then it would be reasonable for the District to expend those funds.

A lengthy discussion followed regarding the District's Extension Policy and the development of a financial formula; the Sewer Master Plan; and the District's philosophy on growth. Ms. Wallace stated that the Blue Ribbon Committee is not making a recommendation on a financial formula or policy, but only making suggestions at this point. Mr. Holbrook reported that the issue of growth will be brought before the Planning Committee on February 25, 1994, since it has a major effect on the final outcome of the Master Plan. A brief discussion followed as to whether the Sewer Master Plan should be discussed at the February 25th meeting or at a special called meeting of the Committee.

Mr. Penny briefly discussed the interview process for the Director of Administration position and requested that Committee Members be the only ones in attendance. Ms. Wallace stated that since this position is the second most important position at the MSD other Board members should feel free to attend and observe.

At 4:35 p.m. Mr. Dent moved that the Board go into Executive Session to discuss rights-of-way issues. Ms. Wallace seconded the motion. Voice vote was unanimous in favor of the motion.

At 4:55 p.m. the regular meeting of the Board was reconvened.

Mr. Kelly moved that the Board approve the following items. Mr. Sobol seconded the motion.

- Item #1.a Beaverdam Creek Interceptor - Proceed with appraisal, offering of appraisal damages and condemnation if appraised damages not accepted.
- Item #5.a North Swannanoa Phase II, Section 1 - (Brower) Approval of Compensation in the amount of \$350.00.
- Item #6.b North Swannanoa Phase II, Section 1 - (Palas) Denial of \$3,000.00 request and offer of \$125.00. If refused, obtain appraisal, offer of appraised damages and proceed with condemnation if appraised damages not accepted.
- Item #7.a Pisgah View Rehabilitation - (Barlas/White Cedar Log Homes) - Denial of request for four taps and offer of \$600.00. If offer is refused, obtain appraisal, offer appraised damages, then proceed with condemnation if appraised damages not accepted.
- Item #8.a Sweeten Creek Interceptor - (Bryant) - Denial of request for \$3,500.00 and offer of \$1,600.00. If offer is refused, obtain appraisal, offer of appraised damages, then proceed with condemnation if appraised damages not accepted.
- Item #8.b Sweeten Creek Interceptor - (Goforth/Goforth Builders) -Approval of Compensation in the amount of \$700.00.
- Item #8.c Sweeten Creek Interceptor - (Slosman) - Obtain appraisal for valuation of damages to easement area and offer of same.

There being no discussion, Roll call vote was as follows: 8 Ayes; 0 Nays; 2 Absent (Mr. Penny and Mr. Slosman). Mr. Slosman did not participate in either the deliberation or vote on this motion.

5. Report of Officers

None

6. Unfinished Business

None

7. Old Business

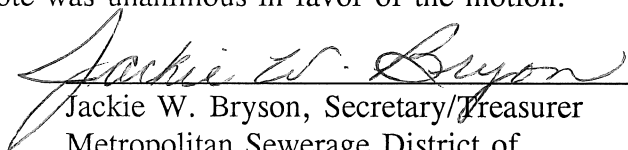
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8. New Business

Mr. Post presented a note from the Employee Advisory Committee who represents all employees expressing appreciation to the Board for its decision regarding insurance. In addition, Mr. Post presented a note of appreciation from the family of P. Greer Johnson.

9. Adjournment:

At 5:05 p.m., Mr. Kelly moved that the meeting be adjourned. Mr. Sobol seconded the motion. Voice vote was unanimous in favor of the motion.




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


RECYCLING PROGRAM POLICY

- I. The Engineer-Manager shall account for costs and any revenues, so that future operating budgets will reflect the cost of this program.
- II. The Division Head responsible for the Administration Building, Treatment Plant and Maintenance Facility shall be responsible for the effective implementation of this policy; appoint a recycling coordinator for that facility; be responsible for the effective implementation of MSD's Recycling Policy in that facility; and make a conscientious effort to include all recycling centers to assist the smaller local firms.
- III. Each Division Head shall provide (out of their respective O&M budgets) an adequate number of collection receptacles for items to be recycled.
- IV. Each Division Head shall either provide transportation to the most convenient recycling center or provide for pickup by the recycler depending on the most cost effective method and each recycling center used must provide documentation that the materials furnished by the District are recycled in accordance with all applicable laws.
- V. Each recycling coordinator shall provide training for all District employees as well as encourage each to participate.
- VI. Each recycling coordinator shall be responsible for keeping the necessary records with respect to costs and revenues in accordance with District policies and provide monthly reports to the respective Division Heads.
- VII. Each District employee shall be responsible for using the separate collection receptacles.

Adopted this 16th day of February, 1994.



Chairman



Secretary

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT

February 4, 1994

1. Call to Order and Roll Call:

The special meeting of the Board of the Metropolitan Sewerage District was held in the Boardroom of MSD's Administration Building at 12:30 P.M., on Friday, February 4, 1994. Chairman Post presided with the following members present: Dent, Joyner, Penny, Post, Selby, Slosman, Sobol and Wallace. Those members absent were: Bryson, Casper and Kelly.

Other present included: Bill Mull, Engineer-Manager and John S. Stevens, General Counsel.

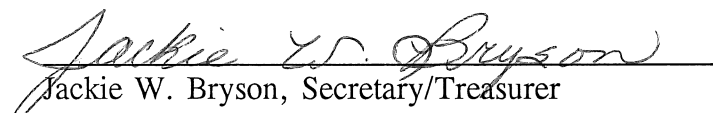
2. Consideration of Medical/Dental Insurance:

Mr. Mull presented a Medical Cost Analysis for 1994, which was presented to the Personnel Committee on January 5, 1994 and as a result, the Board approved the following recommendations of the Committee on January 19, 1994: (1. To freeze the amount the District would pay toward employees insurance, (2. Pass the savings obtained from the new plan to the District, (3. The employee would pay the difference between the 80/20% and 100% Guardian Plan, and (4. The District would pay the cost of the individual Plan. Mr. Mull reported that the total savings to the District under the new plan is \$51,744.00, (\$17,088.00 for the Individual Plan, \$9,720.00 for the Parent/Child Plan, \$17,892.00 for the Employee/Spouse Plan and \$7,044.00 for the Family Plan) but the cost to the employees would increase by \$18,300.00, due to the difference in the cost of the 80/20% and 100% Guardian Plan. Mr. Mull further reported that because several employees dropped the family coverage, due to the increase in cost, and because all employees had to be signed up before February 7, 1994, he prepared a revised Analysis which reflected a monthly reduction in the cost to employees by passing along some of the District's savings and presented this Analysis to the Blue Ribbon Committee on January 31, 1993. It was the consensus of the Committee to reduce the cost to the employee as follows: Parent/Child from \$82.00 to \$75.00; Employee/Spouse from \$131.00 to \$100.00 and the Family from \$197.00 to \$140.00, thereby reducing the District's total savings to \$33,184.00.

A discussion followed regarding the amount of the deductible; the monthly costs and the total amount of increase for each group. Mr. Sobol stated that he had a problem with taking money out of employees pockets when the District is saving \$51,744.00 and felt that the bottom line figures should be approved. Mr. Joyner moved that the Board approve the bottom line figures as presented. Mr. Sobol seconded the motion. Mr. Penny stated that the District's employees have an excellent benefit and if they do not want to pay \$197.00 per month for the 100% family coverage, they can still provide coverage for their family at basically the same rate they are currently paying by signing up for the 80/20% Plan. A discussion followed regarding the base salary of those employees on the current family plan; further clarification on the cost of coverage for employees, and the number of employees who have a working spouse who are already insured. Mr. Joyner stated that employees should be provided with information showing the District's share of insurance coverage. There being no further discussion, roll call vote was as follows: 6 Ayes; 2 Nays (Mr. Penny and Mr. Post).

3. Adjournment

With no further business, the meeting adjourned at 1:00 p.m.


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