

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT

September 21, 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, September 21, 1994. Chairman Post presided with the following members present: Bryson, Casper, Dent, Holcombe, Joyner, Kelly, Slosman, Sobol and Wallace. Those Members absent were: Selby

Others Present were: W. H. Mull, Engineer-Manager, Jim Fatland, Director of Administration, John S. Stevens, General Counsel, Dale Pennell of McGill Associates, P.A., Jim Erwin and Doyle Freeman of Henderson County, Sharon Kane of Hendon Engineering Associates, Inc., Bob Tinkler, representing the League of Women Voters, Linda Mazingo, John Sainato, Tom Brittan, Ann Sutton and Sondra Honeycutt, MSD.

2. Approval of the Minutes of the August 17, 1994 meeting;

Mr. Kelly moved that the wording on page 4, paragraph 3 be changed to read "any encroachment" instead of "footing". Mr. Dent seconded the motion. With no further change, the minutes of the August 17, 1994 meeting were unanimously approved as amended.

3. Planning Committee Items:

a. Consideration of Bids for the Construction of the South French Broad Relief Sewer:

Mr. Mull reported that the following bids for the South French Broad Relief Intercepting Sewer were received August 9, 1994: Ruby-Collins, Inc. with a total base bid of \$4,877,006.00; W. L. Hailey & Company, Inc. with a total base bid of \$4,933,267.00; Rockdale Pipeline, Inc. with a total base bid of \$5,857,116.00 and Don Moorhead Construction, Inc. with a total base bid of \$8,584,667.00. Mr. Mull presented a project data sheet showing the total C.I.P. Budget of \$5,605,000.00 and construction cost of \$4,650,000.00, (5% under the bid of Ruby Collins) thereby reducing the contingency to \$427,994.00). Mr. Mull further reported that in review of the bids, bid bonds and powers of attorney, Mr. Currie, Attorney for the District stated that in his opinion all the bids were in acceptable form. As a result, staff made the following recommendation: That the contract be awarded to Ruby-Collins; that the Engineer-Manager be authorized to execute any documents necessary for construction, and that the Engineer-Manager be authorized to negotiate change orders in an amount up to a total aggregate amount of \$425,000.00, except that any single change order in excess of \$50,000.00 would require further Board approval. Mr. Mull stated that in review of staff's recommendation, the Planning Committee approved award of the contract to Ruby-Collins. A brief discussion followed as to why the bids exceeded the engineer's estimate and whether subsequent change orders would be reported to the Board. There being no further discussion, Ms. Bryson moved that the Board adopt the recommendation of the Planning Committee. Mr. Casper seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

b. Consideration of Policy Requiring All Sewers to Meet Public Sewer Standards:

As a matter of information, Mr. Mull presented a draft policy requiring that all sewers meet public sewer standards. Mr. Mull reported that the Planning Committee discussed the policy in length and recommended that the Board be informed and prepared to spend a substantial amount of time discussing the policy in upcoming sessions. Since a number of approvals for connection to the sewer system are pending clarification of the policy, Mr. Mull suggested that a special meeting of the Board, and/or Planning Committee be scheduled to further discuss the policy. Mr. Post stated that Mr. Selby

requested that the Board consider scheduling a special Planning Committee meeting to convene at 1:00 p.m., and that the entire Board be asked to attend. Following a brief discussion, Mr. Post requested that the Engineer-Manager schedule a meeting, emphasizing its importance.

c. Report on Sewers to be Reconstructed Within Department of Transportation's Broadway Widening Project:

Mr. Mull reported that the North Carolina Department of Transportation, (NCDOT) is funding portions of the District's sewer lines that fall within its rights of way for the Broadway widening project. However, the NCDOT will not participate in the cost of construction for those areas outside of its rights of way. As a result, staff recommends that the Engineer-Manager be authorized to enter into a contract with the NCDOT to have the sewers reconstructed during its highway widening project, and that the District fund that portion of the work which is outside the NCDOT's rights-of-way, (estimated at \$230,000.00). Mr. Mull further reported that following review of the information presented, the Planning Committee adopted the recommendation of staff. Following a brief discussion regarding the amount budgeted for this project, Mr. Holcombe moved that the Board approve the recommendation of the Planning Committee. Mr. Slosman seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

d. Consideration of Proposals from CP&L and Southern Bell to Remove Poles in Conflict with Sweeten Creek Interceptor Construction:

Mr. Mull reported that both Carolina Power & Light Company (CP&L) and Southern Bell have facilities which are in conflict with the proposed Sweeten Creek Interceptor Sewer. In letters received from CP&L and Southern Bell the estimated cost to relocate the facilities are \$5,147.96 and \$3,543.30 respectively. Mr. Mull further reported that staff recommended that the Engineer-Manager be authorized to enter into a contract with CP&L in an amount not to exceed \$5,200.00, and Southern Bell in an amount not to exceed \$3,600.00, to relocate facilities in conflict with this project. Mr. Mull stated that in review of the information presented, the Planning Committee adopted the recommendation of staff. A brief discussion followed with regard to whether the NCDOT plans to widen Sweeten Creek Highway; the location of the line, and if the District can wait until that time. There being no further discussion, Mr. Slosman moved that the Board adopt the recommendation of the Planning Committee. Mr. Dent seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

g. Consideration of Additional In-House Inspectors for CIP Project Administration:

Mr. Mull reported that because construction management of sewer line rehabilitation projects is being handled on an in-house basis, the C.I.P. Project Manager has prepared an evaluation of three (3) options for hiring resident inspectors. Mr. Mull presented the following revised options: Option #1 - District Employee - Permanent, consist of a Senior Inspector and Construction Inspector at a total annual cost including vehicle of \$58,800.00 and \$52,920.00 respectively. Option #2 - District Employee - Contract Labor, consists of a Senior Inspector and Construction Inspector at a total annual cost less vehicle of \$81,925.00 and \$67,935.00 respectively. Option #3 - Consulting Engineers Inspector, consist of a Senior Inspector and Construction Inspector at a total annual cost less vehicle of \$103,320.00 and \$81,480.00 respectively. As a result of not using contracted personnel from a consulting engineer, staff recommended that the Board authorize another inspection position to be filled in the current fiscal year with monies from the General Fund. In review of the information presented, the Planning Committee recommended adding another position with the possibility of amending the budget to reflect the additional position at the end of the fiscal year.

Mr. Mull presented a memorandum from Jim Fatland recommending the following: 1.) That the Board approve two personnel positions, (CIP Construction Inspector, Paygrade 24 and CIP Senior Construction Inspector, Paygrade 26) with authorization to fill one position based on qualifications. 2.) That the Planning Committee review the progress of in-house construction inspection services for possible expansion on an annual basis. 3.) Authorize the purchase of a new vehicle plus radio for the new construction inspector. Several questions were asked with regard to whether the C.I.P. Manager has administered any in-house construction projects; how much the District has saved as a result, and if the District anticipates reducing consulting engineering fees over the next twelve months as per in-house contract administration and resident project inspection, if the Board approves hiring an inspector. Mr. Boyd reported that Mr. Watkins is currently involved in all active projects, such as review of pay request on the Montreat and Biltmore Forest projects; he is actively involved in the North Swannanoa Interceptor Sewer Project, and is developing a program to administer the Sweeten Creek Interceptor Sewer Project in-house, which the potential inspector would be involved in. Mr. Mull stated that the estimated savings to the District for the Sweeten Creek project is estimated at \$30,000.00. Following a discussion with regard to who was designing the project, Mr. Post reported that both McGill Associates, P.A. and Hendon Engineering Associates, agreed to do the design and as much of the inspection as required by the District.

Mr. Fatland stated that since construction will slow down as the project progresses, and will eventually be complete, he felt the District should review the construction program on an annual basis with those findings reported back to the Planning Committee and Board. In answer to a question regarding salaries, Mr. Fatland reported that salaries for these positions were reviewed in accordance with Griffith Archer's Pay Plan. A lengthy discussion followed regarding the specific duties of Mr. Watkins on the Sweeten Creek Project and whether he could inspect the project as well as administer it. Mr. Boyd stated that since Mr. Watkins is involved in other projects, it would be difficult to handle more than one project at a time. Mr. Mull stated that Mr. Watkins is a project manager, not an inspector, which would require being on a construction job eight hours per day, leaving little time for professional management. In addition, when the construction contract is awarded in October, the District must have a contract with either a consulting engineer, or an in-house project inspector. A lengthy discussion followed with regard to whether monitoring of Mr. Watkin's position has been given a sufficient amount of time to determine if the District is saving money; when the Sweeten Creek project will start, and funding for this position. Mr. Slosman stated that the question is whether there will be enough work in the future to justify hiring an inspector. Mr. Mull stated that when the project is complete, the inspector can be moved into rehab work.

Mr. Holcombe stated he felt that the estimates for contract labor, performed by H.K, Avery Personnel Services, seemed high, and suggested that the District advertise for this type of labor. Mr. Mull restated the Planning Committee's recommendation and the recommendation of staff. Mr. Dent moved that the Board accept the recommendation of the Planning Committee. Ms. Wallace seconded the motion. Mr. Sobol suggested that the position be hired on the basis that it will not be for an indefinite period of time. Mr. Casper stated that he felt it was premature to hire an inspector until the Project Manager has been involved in the project for a longer period of time, with a re-evaluation of the number and grade of inspectors that are actually needed. Mr. Holcombe suggested that staff generate information on the savings to the District as a result of hiring a project manager and inspector, and requested that staff investigate advertising for either contract labor or a permanent position. With no further discussion, roll call vote was as follows: 9 Ayes; 1 Nay (Mr. Casper).

h. Consideration of MSD Participation in Rehabilitation of Sewer Line Serving Laurel Bridge Housing Community:

Mr. Mull reported that due to roots and offset joint problems in existing sewer lines at the Laurel Bridge Housing Community, the District's Maintenance crews were not able to T.V. the lines. Although this is a rehab project not scheduled by the District, staff is of the opinion that the lines should be replaced. Mr. Mull further reported that following an evaluation, (utilizing rating factors) staff determined the District's participation in the cost at an amount not to exceed fifty percent (50%). Mr. Mull presented a letter from Mountain Housing Opportunities (MHO), who estimated costs for the existing sanitary sewer relocation, new sewer installation and connection to the existing main at an estimated cost of \$13,500.00 including fees. In addition, (MHO) requested that since it was a charitable, non-profit development agency, that the Board waive connection charges and other fees.

Mr. Mull stated that following review, the Planning Committee approved the recommendation of staff as presented. A lengthy discussion followed with regard to the wording of the recommendation by staff. Mr. Stevens stated that by assuming the estimate of \$13,500.00 is correct, the Board is bypassing a two meeting process, however, another alternative would be for (MHO) to bid the project in order to get a firm contract cost. Ms. Wallace stated that the Board should be absolutely clear about it's intent and how that procedure is followed. Mr. Stevens explained that the Board is saying it will pay (50%) of the cost not to exceed one-half of \$13,500.00. Mr. Mull stated that it should be communicated to (MHO) that on the chart the District has, they are eligible for (50%) participation, (\$6,750.00) by the District based upon the estimate of \$13,500.00, which the Board approved. However, if expenses are higher, the Board will need to re-evaluate the District's participation. A brief discussion followed with regard to the wording in the letter from (MHO); whether the estimated cost is for site development or rehabilitation, and how the District determines that an estimate is reasonable. There being no further discussion, Mr. Kelly moved that the Board authorize the expenditure not to exceed (50%) of \$13,500.00 to rehabilitate the existing sanitary sewer line. Mr. Slosman seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

i. Consideration of Final Change Order to Pavement Contract - APAC Carolina, Inc.:

Mr. Mull reported that due to a lack of bids received for the District's annual construction paving contracts, it was necessary to readvertise, which left the existing contract open for a period of one (1) month without a contract. As a result, APAC-Carolina, Inc. agreed to a change order to handle the paving for that month in an amount not to exceed \$25,000.00. Therefore, staff recommended that \$25,000.00 be added to the original contract amount of \$213,700.00 for a final contract amount of \$238,700.00. A brief discussion followed regarding the length of the new contract, and the total estimated amount of the old contract. Ms. Sutton reported that the total estimated cost for the month is \$21,266.00. With no further discussion, Mr. Dent moved that the Board approve the additional expenditure not to exceed \$22,000.00 and that this amount be added to the original contract for a final contract amount of \$235,700.00. Mr. Holcombe seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

4. **Right of Way Committee Items:**

a. Consideration of Lake View Park Commission's requests in exchange for conveyance of an easement around Beaver Lake:

Mr. Mull reported that in consideration of the Lake View Park Commission's request, the Right of Way Committee recommended property owner compensation in the

amount of \$3,800.00 plus replacement of dogwoods and installation of a security gate. In addition, that the Lake View Park Commission be responsible for all costs associated with raising and lowering of lake levels, including installation of a grate and labor necessary to monitor lake levels. If the offer is refused, additional compensation in an amount not to exceed \$1,100.00 be authorized in order to continue negotiations. Mr. Mull further reported that since the meeting of the Right of Way Committee, the Lake View Park Commission accepted the offer as stated. There being no discussion, Mr. Holcombe moved that the Board adopt the recommendation of the Right of Way Committee. Ms. Bryson seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

b. Consideration of Compensation Chart:

Deferred to Executive Session

5. Report on Joint Meeting Between the MSD and City of Asheville Regarding Back Sewer Charges.

Deferred to Executive Session

6. Report of Officers
None

7. Report of Committees:

Planning Committee - None
Right of Way Committee - None

8. Unfinished Business:
None

9. Old Business:
None

10. New Business - Introduction of New Environmental Safety Director

Mr. Fatland expressed his appreciation to Mr. Holcombe and staff person, Bruce Ponder for assisting with questions for the Safety position interview, as well as Mr. Clint Thompson, Human Resource Manager for the Western Carolina Regional Sewer Authority out of Greenville, South Carolina, who assisted in the review of applications received. Mr. Fatland stated that John Sainato's educational qualifications and environmental background in safety occupational health will be a tremendous asset to the District. Mr. Sainato stated that he did not realize the District had such a large scope of commitment and that the position was more of a challenge than he had originally thought. Mr. Sainato further stated that within six months he hoped to determine the District's long range safety goals. A brief discussion followed with regard to whether any glaring safety errors are evident; if the District's personnel have commercial driver's licenses, and if he was aware of the new laws regarding drug testing.

In other business, Mr. Mull reported that Linda Mazingo recently attended the Institute of Government's Personnel Procedures training session and that Mr. Fatland is currently attending the Municipal Administration course. Mr. Fatland stated that he felt the course was very beneficial.

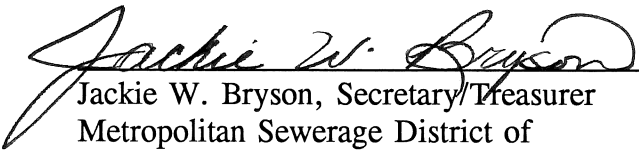
At 3:25 p.m., the Board moved into Executive Session to consider acquisition of real property, rights of way, and litigation.

At 4:28 p.m., the Board reconvene the regular meeting.

Mr. Slosman moved that the Board approve the compensation chart as presented. Mr. Sobol seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

11. Adjournment:

At 4:30 p.m., Ms. Wallace moved for adjournment. Mr. Joyner 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