

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT

June 12, 1996

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, June 12, 1996. Chairman Post presided with the following members present: Bryson, Casper, Joyner, Kelly, Pace, Selby, Slosman, Sobol and Wallace. Mr. Holcombe was absent.

Others present were: W. H. Mull, Engineer-Manager, Billy Clarke, Attorney for the District, Ed Byas of Hendon Engineering Associates, Inc., Dick Rice representing Taxpayers for Accountability in Government, (T.A.G), and the Coalition of Asheville Neighborhoods, (C.A.N.), Patty Beaver with CIBO, Don White of Don White Associates, Max Haner with NCDEHNR, Sandra Trivett, an interested citizen, Clark Morrison with the Asheville Citizen-Times, Ann Sutton, Jim Fatland, Stan Boyd, Marc Fender, Bob Ensley, Wayne Watkins, Monty Payne, Randy Hintz, Tom Tarrant, and Sondra Honeycutt, MSD.

2. Approval of the Minutes of the May 8 and May 29, 1996 meetings:

Mr. Slosman moved that the Board approve the minutes of the May 8, and May 29, 1996 meetings as presented. Mr. Joyner seconded the motion. Voice vote was unanimous in favor of the motion.

3. Annual Budgets:

a. Report from Finance Committee

Mr. Casper reported that the Finance Committee met May 29, 1996 to consider recommendations with regard to the Operations & Maintenance Budget, which includes funds for a 2.5% Cost of Living and 3.5% Merit increase; the General, and Construction III Fund Budgets, and Sewer User Charge Rates. In addition, the Committee made recommendations regarding the Personnel Committee's Pay Plan.

With regard to the User Charge Rates, Mr. Mull reported that there was a change in the methodology for setting both the domestic and industrial waste charges. He further reported that industrial sewer charges will be phased in over a 20 year period and will involve industry paying the domestic rate regardless of whether they discharge less Biochemical Oxygen Demand (BOD) or Suspended Solids (SS). They will pay for 200 milligrams of BOD and 260 milligrams of SS plus a surcharge for BOD & SS concentrations over those limits. On the domestic side, the minimum charge of 3ccf will be eliminated, which will be a decrease for those customers using less than the minimum. He stated that the average customer using 6 ccf will realize an increase of 2.38%, while those customers using 10 ccf will realize an increase of 2.67%, with the total net revenue change for domestic users at approximately \$10,000.00 for the year. Mr. Mull further stated that a sewer rate increase workshop with industrial customers was held June 7 to discuss the budget and proposed rates. In addition, meetings were held with the Town Managers and citizen groups to review the same information. A discussion followed with regard to how user rates will be determined over the next four years, and whether the District is giving non-residents a break in their sewer rates by doing away with the minimum charge.

Mr. Casper stated that he felt it was important to understand that this Budget is a blueprint, which must be looked at very closely each year.

b. Report from Personnel Committee - Mr. Sobol

Mr. Sobol reported that the Personnel Committee met today to consider Cost of Living (COL) and Merit increase fund. The Committee recommended

that the Board approve a COL increase of 3.8% and Merit Increase fund up to 3.5%; an O&M budget impact of \$59,000.00. Mr. Mull stated that he felt MSD employees work hard, under less than desirable conditions and should be compensated fairly. Mr. Sobol moved that the Board adopt the recommendation of the Personnel Committee. Mr. Joyner seconded the motion. A lengthy discussion followed regarding the Cost of Living Index; how staff arrived at a proposed 2.5% COL increase, and how the proposed Merit increase fund is structured. Mr. Joyner read a statement voicing his objection to paying employees less than a 3.8% COL, which is based on Bureau of Labor Statistic figures. Mr. Slosman stated that the District has an allegiance not only to it's workers, but it's ratepayers, therefore recommended that the Board consider a COL increase between 2.5% and 3.8%. With no further discussion, roll call vote was as follows: 5 Ayes; 5 Nays, (Mr. Casper, Mr. Kelly, Mr. Pace, Mr. Selby and Mr. Slosman).

Mr. Slosman moved that the Board approve a 3% COL and a 3.5% Merit increase fund. Mr. Selby seconded the motion. Ms. Wallace suggested that the Board consider a COL increase based on an average of the Bureau of Labor Statistics COL figures over the last four (4) years, which would be 3.2%. With no further discussion, roll call vote was as follows: 3 Ayes; 7 Nays, (Ms. Bryson, Mr. Casper, Mr. Kelly, Mr. Pace, Mr. Sobol, Ms. Wallace, Mr. Post).

Ms. Wallace moved that the Board approve a 3.2% COL, reflecting an average over the last four years, and a 3.5% total Merit increase fund. Mr. Sobol seconded the motion. Roll call vote was as follows: 8 Ayes; 2 Nays, (Mr. Casper, Mr. Kelly).

c. Report from the Planning Committee:

Mr. Slosman referred to Item 10.d.II.3., **Consideration of Participation of Project Costs - Blue Ridge Apartments - Daniel W. Aston**

Mr. Mull reported that MSD's share of participation, (\$150,000.00) in the project costs for the Blue Ridge Apartments was not included in the preliminary CIP budget of May 8, 1996, but would be reflected back in a former resolution where the CIP budget was amended to include this amount. Mr. Slosman reported that the Planning Committee, at it's May 30 meeting recommended that this project be identified as a new Miscellaneous Sewer Rehab (MSR) project, revise the FY 96-97 CIP budget to include funding for this project, and proceed with design and development of plans for estimates, bidding and construction. With no discussion, Mr. Selby moved that the Board adopt the recommendation of the Planning Committee. Mr. Pace seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

A discussion followed with regard to response time on this and other projects, and when the District plans to complete the Dingle Creek project. Mr. Slosman stated that he has a problem with a lack of communication between the City, County, Water Department and MSD. Mr. Mull stated that a one-stop permitting office that serves Buncombe County has been suggested. Mr. Selby recommended that the Planning Committee look into a way to alleviate the problem.

MINUTES OF PUBLIC HEARING

At 3:20 p.m. Chairman Post opened a Public Hearing open for consideration of the District's Fiscal Year 1996-97 Budgets and Sewer Service Charges presented by Mr. Mull as follows:

a. Operations & Maintenance Budget:

With no discussion or comment from the public, Mr. Slosman moved that the Board adopt the Operations and Maintenance Budget as amended in the amount of \$9,781,717.00. Mr. Pace seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

b. General and Construction III Fund Budgets:

Mr. Joyner requested that the public be offered an explanation as to reasons for the increase in the Construction III Fund Budget. Mr. Mull reported that the budget includes the Capital Improvement Plan (CIP), consisting of projects that are complete; some that funded in the current budget, some that are included in the long-term budget, from the issuance of bonds, and rehabilitation projects. With no further discussion or comment from the public, Ms. Bryson moved that the Board adopt the amended budget in the amount of \$18,568,915.00. Mr. Selby seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

c. Fleet Replacement Fund Budget:

Following a brief discussion regard whether the District is spending the funds that are being allocated for the Fleet Replacement Budget, and there being no comment from the public, Mr. Slosman moved that the Board adopt the Preliminary Fleet Replacement Fund Budget in the amount of \$358,000.00. Mr. Kelly seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

d. Wastewater Treatment Plant Replacement Fund Budget:

With no discussion or comment from the public, Mr. Pace moved that the Board adopt the Preliminary Wastewater Treatment Plant Replacement Fund Budget. Mr. Sobol seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

e. Sewer User Charge:

Mr. Mull stated that because the resolution does not speak to a minimum charge, he suggested that the Board consider a 1 ccf minimum charge as opposed to a 0 ccf charge, which would address those persons that are part time residents. Following a brief discussion, the Board agreed to leave the minimum charge at 0 ccf for this year. With no comment from the public, Mr. Sobol moved that the Board adopt the Sewer User Charge Rate for 1996-97. Mr. Slosman seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

At 3:30 p.m., Mr. Post declared the Public Hearing closed.

4. Engineer-Manager's Report

CONSOLIDATED MOTION AGENDA

e. Right of Way Committee Items:

Mr. Mull reported that the following items were brought before the Right of Way Committee, April 30, 1996.

II.c. Consideration of Budget for Stoner Avenue Rehabilitation:

The Committee recommended approval of the Compensation Budget in the amount of \$24,500.00 for Stoner Avenue Rehabilitation.

IV. Consideration of Approval of Obtaining an Appraisal - North Swannanoa II-Section I.:

The Committee recommended obtaining an appraisal.

With no discussion, Mr. Sobol moved that the Board adopt the Consolidated Motion Items as presented. Mr. Selby seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

REGULAR AGENDA ITEMS:

d. Planning Committee Items:

II.2. Consideration of Bids and Demolition of Weaverville Treatment Plant Facility:

Mr. Mull reported that the Planning Committee recommended proceeding with the design plans and estimates for demolition of the Weaverville Treatment Plant Facility, and bidding process for Board consideration. As a result, the following bids were received June 10, 1996 for demolition of the Weaverville Treatment Plant facility: RT Construction Company, Inc. with a total base bid of \$71,426.00; Curtin Brothers Contracting, Inc. with a total base bid of \$85,010.00; E. Luke Greene Company, Inc. with a total base bid of \$44,735.00. He further reported that staff recommends awarding the bid to E. Luke Greene Company in the amount of \$44,735.00, and to fund an additional \$25,265.00 for roadway repairs and contingencies for a total budget of \$70,000.00. Mr. Clarke reported that the bid bond submitted by E. Luke Greene Company was not acceptable because it did not cover the full amount of the bid, but because the contract is less than \$100,000.00, a bid bond is technically not required. With no discussion, Mr. Selby moved that the Board approve the recommendation of staff, and to waive the bid bond requirement for this project and award a contract for the demolition to E. Luke Greene Company. Mr. Pace seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

h.1. Consideration of Annual Chlorine Bids:

Mr. Mull reported that because the District is dissatisfied with the supplier of chlorine under the State contract, staff requested that the District be removed from the State contract and go out to bid for chlorine. As a result, the following bids for the District's Annual Chlorine contract were received on June 10, 1996: Van Waters & Rogers, Inc. with a total base bid of \$392.80/ton; Prillaman Chemical Corporation with a total base bid of \$590.00/ton; Jones Chemical Company with a total base bid of \$361.00/ton, and PB&S Chemical Company with a total base bid of \$400.00/ton. He further reported that the low bid of Jones Chemical Company is less than what the District is currently paying under the State contract. With no discussion, Ms. Bryson moved that the Board approve the low bid of Jones Chemical Company. Mr. Pace seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

h.2. Consideration of Bids for Microscreen

Mr. Mull reported that the following bids for 1,600 microscreen grid panels were received May 28, 1996: B&M Industries with a total base bid of \$95,200.00, and Envirex, Inc. with a total base bid of \$99,200.00. With no discussion, Mr. Sobol moved that the Board approve the low bid of B&M Industries. Ms. Wallace seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

h.3. Consideration of Bids for Gibson Road Miscellaneous Sewer Rehabilitation.

Mr. Mull reported that the Gibson Road Rehabilitation project was identified during the construction of the Beaverdam Annexation Sewers and that the total project budget for FY 1996-97 is \$155,800.00, of which \$10,000.00 has been spent to date. He further reported that the following bids were received May 21, 1996: Buckeye Construction, with a total base bid of \$234,345.00; Wheeler Construction, with a total base bid of \$117,179.00; Hobson Construction, with a total base bid of \$130,045.00, (corrected bid amount) and Tennoca Construction, with a total base bid of \$158,621.00. With no discussion, Mr. Slosman moved that Board approve the low bid of Wheeler Construction in the amount of \$117,179.00 with a contingency of \$17,600.00. Mr. Joyner seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

h.4. Consideration of Bids for WMIT Sewer Rehabilitation.

Mr. Mull reported that the WMIT sewer rehabilitation project is part of the overall replacement of the existing sewer system from Asheville to Black Mountain, at a total CIP budget cost of \$557,500.00. He further reported that the following bids were received May 7, 1996: Morgan Corporation with a total base bid of \$251,028.00; Ruby-Collins, Inc. with a total base bid of \$379,163.00; Hobby Construction Company, Inc. with a total base bid of \$469,682.00, and BC&D Associates with a total base bid of \$421,364.00. Mr. Mull stated that staff has made an investigation and has determined the Morgan Corporation appears to be a responsible bidder, therefore, staff recommends the low bid of Morgan Corporation in the amount of \$251,028.00, with a contingency of \$100,000.00 as budgeted. Also, that change orders not exceed \$50,000.00 without Board approval. Following a discussion regarding reasons for the high contingency; who the design engineer and contract administrator on the project is, Mr. Joyner moved that the Board adopt the recommendation of staff and award the contract to Morgan Corporation. Mr. Slosman seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

i. Update on Utilization of Landfill Gas.

Mr. Mull reported that meetings have been held with Asheville Landfill Gas Company, Attorneys and Engineers to consider questions regarding the District's Bond Order; the Federal Energy Regulatory Commission, CP&L and the Utilities Commission.

5. Report of Committees

a. Finance Committee - Mr. Casper

No further report.

b. Personnel Committee - Mr. Sobol

Mr. Sobol discussed the status of the Deputy General Manager of Operations position. In addition, he presented a copy of the results of the Employee Opinion Survey for review. He reported that it was the recommendation of L.F. Zerfoss Associates, Inc. that they meet with the Division Heads to go over the results of the survey and to provide a written response to employees at a cost of \$800.00. Mr. Sobol moved that the Board approve the cost for these services. Mr. Selby seconded the motion. A brief discussion followed regarding the number of employees who participated in the survey. With no further discussion, roll call vote was as follows: 10 Ayes; 0 Nays.

d. Planning Committee - Mr. Slosman

Mr. Slosman had no further report.

Mr. Selby questioned the status of the Preliminary Sewer Master Plan. Mr. Mull reported that the plan was distributed to the Water Authority and Managers of each municipality, but to date, no comments have been received.

e. Right-of-Way Committee, Mr. Selby

No further report.

6. Unfinished Business:

a. Consideration of Resolution Regarding Participation in Sewer Extensions:

Mr. Casper reported that following a year of discussion regarding whether the District should participate in the cost of extensions beyond the present system of financial participation, the Blue Ribbon Committee drafted a resolution. He further reported that the resolution states that until the District builds out the rehabilitation program, and until some county-wide land use planning is done, the District will not consider participation in extensions. He stated that the Committee did agree that the District will continue to consider policies that encourage extensions without additional costs to the rate payer, one of which is an acreage fee. Mr. Casper moved that the Board adopt the Resolution as drafted by the Blue Ribbon Committee. Mr. Joyner seconded the motion. As a matter of information, Mr. Post presented copies of letters from the Asheville Area Chamber of Commerce, who opposed the resolution, and the Coalition of Asheville Neighborhoods, who supports the resolution. Following a lengthy discussion, roll call vote was as follows: 5 Ayes; 5 Nays, (Mr. Pace, Mr. Selby, Mr. Slosman, Mr. Sobol and Ms. Wallace.

Following several motions for amendment to the Resolution, and a withdrawal of a motion by Ms. Wallace, and second by Mr. Sobol, Ms. Wallace moved that the third and fourth paragraphs of the Resolution be amended to read:

Paragraph Three (3)

"WHEREAS, MSD is unable, at this time, to commit to future extensions beyond the completion of the current CIP,"

Paragraph Four (4)

"NOW, THEREFORE, BE IT RESOLVED, that the extension of sewer service to areas not currently served represents a financial burden to ratepayers that cannot be justified until sewer line rehabilitation is complete and until MSD has received guidance from the political subdivisions comprising the District, or a regional planning effort endorsed by the political subdivisions comprising the District, that identifies growth areas and provides for a rational basis for engineering and financial projections; and"

Mr. Sobol seconded the motion.

Mr. Selby stated that if the District adopts the resolution as amended, it is effectively closing it's door to any financial cost participation in the extension of sewer lines. A discussion followed regarding the difference in rehabilitation and extension of sewer lines; the value of new users on the system, and the District's participation in economic development.

With no further discussion, roll call vote was as follows: 9 Ayes; 1 Nay, Mr. Selby.

7. Old Business:

A brief discussion followed with regard to the recording and procedure for approval of Committee meeting minutes.

8. New Business:

a. Consideration of Revenue Bond Debt Service Fund-Put Agreement:

Mr. Fatland gave a synopsis on the Revenue Bond Debt Service Fund-Put Agreement. He requested that vote on this agreement be deferred until the next meeting of the Board when a legal opinion is received from Bond Counsel.

In other business, Mr. Mull requested that the August 21, 1996 meeting of the Board be rescheduled to August 14, 1996 due to the Annual Bio-Solids Conference in Denver, Colorado. In addition, he announced the upcoming Water Environment Federation Conference in Dallas.

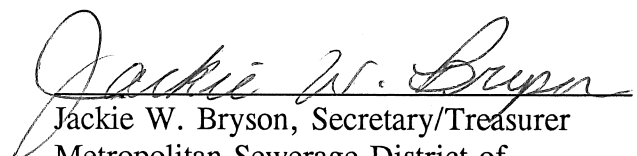
Mr. Joyner commended Mr. Mull for his recent presentation to the Weaverville Town Board.

At 5:25 p.m., Ms Wallace moved that the Board go into closed session to consider the acquisition of real property and a personnel issue. Mr. Pace seconded the motion. Voice vote was unanimous in favor of the motion.

At 6:00 p.m., the Board reconvened the regular meeting.

9. Adjournment:

With no further business, the meeting adjourned at 6:01 p.m.

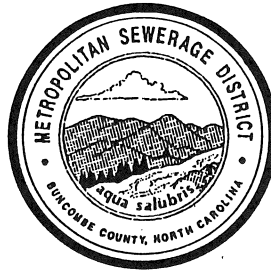

Jackie W. Bryson, Secretary/Treasurer
Metropolitan Sewerage District of
Buncombe County, North Carolina

MSD Metropolitan Sewerage District of Buncombe County, North Carolina

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John S. Stevens, General Counsel



O. R. Post, Chairman
E. Benson Slosman, Vice-Chairman
Jackie W. Bryson
Larry Casper
Michael L. Holcombe
Joe Joyner
E. Glenn Kelly
Ben Pace
Bob Selby
C. Michael Sobol
Carolyn R. Wallace

CERTIFICATION

I, Jackie W. Bryson, Secretary/Treasurer to the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, do hereby certify that the attached is a true and correct copy of the Resolution adopting the PRELIMINARY OPERATIONS AND MAINTENANCE BUDGET FOR FISCAL YEAR 1996-97.

This 12th day of June, 1996.

Jackie W. Bryson,

Secretary/Treasurer

Board of the Metropolitan Sewerage District

of Buncombe County, North Carolina

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CERTIFICATION

I, Jackie W. Bryson, Secretary/Treasurer to the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, do hereby certify that the attached is a true and correct copy of the Resolution adopting the FLEET REPLACEMENT FUND BUDGET FOR FISCAL YEAR 1996-97.

This 12th day of June, 1996.

Jackie W. Bryson,

Secretary/Treasurer

Board of the Metropolitan Sewerage District

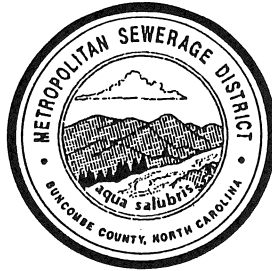
of Buncombe County, North Carolina

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CERTIFICATION

I, Jackie W. Bryson, Secretary/Treasurer to the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, do hereby certify that the attached is a true and correct copy of the Resolution adopting the GENERAL AND CONSTRUCTION III FUND BUDGETS FOR FISCAL YEAR 1996-97.

This 12th day of June, 1996.

Jackie W. Bryson,

Secretary/Treasurer

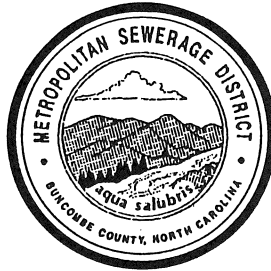
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CERTIFICATION

I, Jackie W. Bryson, Secretary/Treasurer to the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, do hereby certify that the attached is a true and correct copy of the Resolution adopting the amended GENERAL AND CONSTRUCTION III FUND BUDGETS FOR FISCAL YEAR 1996-97.

This 12th day of June, 1996.

Jackie W. Bryson,

Secretary/Treasurer

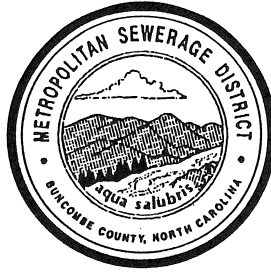
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CERTIFICATION

I, Jackie W. Bryson, Secretary/Treasurer to the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, do hereby certify that the attached is a true and correct copy of the Resolution adopting the WASTEWATER TREATMENT PLANT REPLACEMENT FUND BUDGET FOR FISCAL YEAR 1996-97.

This 12th day of June, 1996.

Jackie W. Bryson,

Secretary/Treasurer

Board of the Metropolitan Sewerage District

of Buncombe County, North Carolina

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Carolyn R. Wallace

CERTIFICATION

I, Jackie W. Bryson, Secretary/Treasurer to the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, do hereby certify that the attached is a true and correct copy of the Resolution adopting the USER CHARGE RATES FOR FISCAL YEAR 1996-97.

This 12th day of June, 1996.

Jackie W. Bryson, Secretary/Treasurer

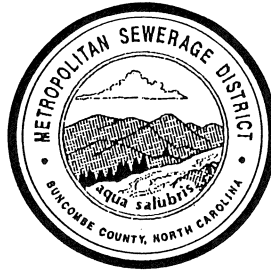
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RESOLUTION

METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA

WHEREAS, MSD rate payers are currently the primary investors in infrastructure for economic development in Buncombe County, in terms of dollars committed to projects, (\$119,244,114 for sewer lines and \$46,848,632 for plant expansion since 1990 totaling \$166,092,740) that directly make land available for industrial, residential and commercial development; and

WHEREAS, when the current Capital Improvement Plan (CIP) is built out, substantial acreage throughout the County will be reopened to industrial, residential and commercial development, however, even this commitment requires a sewer service charge that is among the highest in the State; and

WHEREAS, MSD is unable, at this time, to commit to future extensions beyond the completion of the current CIP,

NOW, THEREFORE, BE IT RESOLVED, that the extension of sewer service to areas not currently served represents a financial burden to ratepayers that cannot be justified until sewer line rehabilitation is complete, and until MSD has received guidance from the political subdivisions comprising the District, or a regional planning effort endorsed by the political subdivisions comprising the District, that identifies growth areas and provides for a rational basis for engineering and financial projections.

BE IT FURTHER RESOLVED, that the MSD continue to consider policies that encourage extension of service without additional costs to the rate payers including, but not limited to, the development of an acreage fee concept.

Resolution
Page Two

Duly adopted this 12th day of June, 1996.

O.R. Post, III
Chairman
METROPOLITAN SEWERAGE DISTRICT OF
BUNCOMBE COUNTY NORTH CAROLINA

MSD Metropolitan Sewerage District of Buncombe County, North Carolina

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RESOLUTION OF THE METROPOLITAN SEWERAGE DISTRICT BOARD OF BUNCOMBE COUNTY, NORTH CAROLINA

BE IT RESOLVED that the Metropolitan Sewerage District Board of Buncombe County, North Carolina, hereby adopts the User Charge Rates for the Fiscal Year 1996-97, which was submitted to the Board and other interested parties by the Engineer-Manager on June 12, 1996, as set forth below.

DOMESTIC USER CHARGE PER CCF:
(Treatment and Transport Systems)
\$2.54

BILLING FEE
\$1.30 (Per Bill)

BASE METER CHARGE

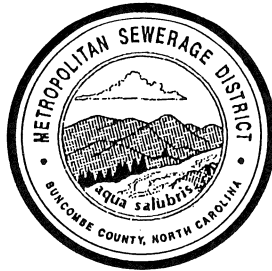
Size	Fee
5/8"	\$ 4.10/month
3/4"	5.90
1"	10.50
1-1/2"	24.00
2"	42.00
3"	94.00
4"	168.00
6"	380.00
8"	670.00
10"	1,050.00

MSD Metropolitan Sewerage District of Buncombe County, North Carolina

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John S. Stevens, General Counsel




O. R. Post, Chairman
E. Benson Slosman, Vice-Chairman
Jackie W. Bryson
Larry Casper
Michael L. Holcombe
Joe Joyner
E. Glenn Kelly
Ben Pace
Bob Selby
C. Michael Sobol
Carolyn R. Wallace

RESOLUTION OF THE METROPOLITAN SEWERAGE DISTRICT BOARD OF BUNCOMBE COUNTY, NORTH CAROLINA

BE IT RESOLVED that the Metropolitan Sewerage District Board of Buncombe County, North Carolina, does hereby adopt the attached amended Annual Operation and Maintenance Budget for the Fiscal Year 1996-97, this being the same Preliminary Budget which was submitted to the Board and other interested parties by the Engineer-Manager and Budget Officer on May 8, 1996, which Budget has been available for inspection at the District office since May 8, 1996, and which Budget has decreased from \$9,827,029.00 to \$9,781,717.00 dollars of which the estimated monthly Budget is equal to one-twelfth (1/12) of the Total Budget.

THIS, 12th day of June, 1996.



O.R. POST, III, CHAIRMAN
Metropolitan Sewerage District Board
of Buncombe County, North Carolina

Attest:



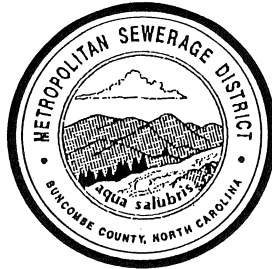
W. H. Mull, P.E.
Engineer-Manager

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



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Carolyn R. Wallace

RESOLUTION

BE IT RESOLVED that the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, does hereby adopt the attached General and Construction III Fund Budgets for the Fiscal Year 1996-97, this being the same Preliminary Budget presented at the regular meeting of the Board May 8, 1996 by the Engineer-Manager and Budget Officer, which Budget has been available for inspection at the District office since May 8, 1996, except that the Preliminary Budget was amended in the following manner:

The total General and Construction III Fund Budget has increased from \$18,418,915.00 to \$18,568,915.

This 12th day of June, 1996.

O.R. POST, III - CHAIRMAN

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
OF BUNCOMBE COUNTY, NORTH CAROLINA

Attest:

W. H. Mull, P.E.

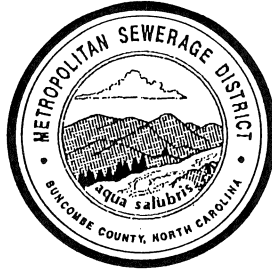
Engineer-Manager

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Carolyn R. Wallace

RESOLUTION

BE IT RESOLVED that the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, does hereby adopt the attached Fleet Replacement Fund Budget for the Fiscal Year 1996-97, this being the same Preliminary Budget presented at the regular meeting of the Board May 8, 1996 by the Engineer-Manager and Budget Officer, which Budget has been available for inspection at the District office since May 8, 1996.

This 12th day of June, 1996.

O.R. POST, III - CHAIRMAN

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
OF BUNCOMBE COUNTY, NORTH CAROLINA

Attest:

W. H. Mull

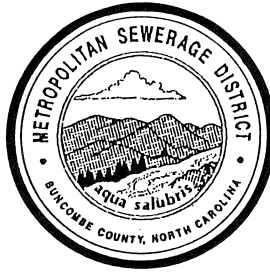
Engineer-Manager

MSD Metropolitan Sewerage District of Buncombe County, North Carolina

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RESOLUTION

BE IT RESOLVED that the Board of the Metropolitan Sewerage District of Buncombe County, North Carolina, does hereby adopt the attached Wastewater Treatment Plant Replacement Fund Budget for the Fiscal Year 1996-97, this being the same Preliminary Budget presented at the regular meeting of the Board May 8, 1996 by the Engineer-Manager and Budget Officer, which Budget has been available for inspection at the District office since May 8, 1996.

This 12th day of June, 1996.

O.R. POST, III - CHAIRMAN

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
OF BUNCOMBE COUNTY, NORTH CAROLINA

Attest:

W. H. Mull

Engineer-Manager

INDUSTRIAL USER CHARGE:
(Treatment and Transport Systems)

Flow (Per CCF) - \$.587

BOD (Per Lb.) - \$.389 (For all BOD > 10 mg/l)

SS (Per Lb.) - \$.262 (For all TSS > 13 mg/l)

BILLING FEE
\$1.30 (Per Bill)

BASE METER CHARGE

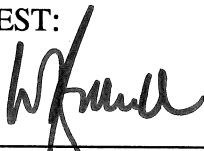
Size	Fee
5/8"	\$ 4.10/month
3/4"	5.90
1"	10.50
1-1/2"	24.00
2"	42.00
3"	94.00
4"	168.00
6"	380.00
8"	670.00
10"	1,050.00

This the 12th day of June, 1996.



O.R. Post, III, Chairman
Metropolitan Sewerage District Board of
Buncombe County, North Carolina

ATTEST:



W. H. Mull, P.E.
Engineer-Manager

MSD Metropolitan Sewerage District of Buncombe County, North Carolina

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RESOLUTION

METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA

WHEREAS, MSD rate payers are currently the primary investors in infrastructure for economic development in Buncombe County, in terms of dollars committed to projects, (\$119,244,114 for sewer lines and \$46,848,632 for plant expansion since 1990 totaling \$166,092,740) that directly make land available for industrial, residential and commercial development; and

WHEREAS, when the current Capital Improvement Plan (CIP) is built out, substantial acreage throughout the County will be reopened to industrial, residential and commercial development, however, even this commitment requires a sewer service charge that is among the highest in the State; and

WHEREAS, MSD is unable, at this time, to commit to future extensions beyond the completion of the current CIP,

NOW, THEREFORE, BE IT RESOLVED, that the extension of sewer service to areas not currently served represents a financial burden to ratepayers that cannot be justified until sewer line rehabilitation is complete, and until MSD has received guidance from the political subdivisions comprising the District, or a regional planning effort endorsed by the political subdivisions comprising the District, that identifies growth areas and provides for a rational basis for engineering and financial projections.

BE IT FURTHER RESOLVED, that the MSD continue to consider policies that encourage extension of service without additional costs to the rate payers including, but not limited to, the development of an acreage fee concept.

Resolution
Page Two

Duly adopted this 12th day of June, 1996.



O.R. Post, III

Chairman

METROPOLITAN SEWERAGE DISTRICT OF
BUNCOMBE COUNTY NORTH CAROLINA