

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
FEBRUARY 18, 1998**

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., Wednesday, February 18, 1998. Chairman Casper presided with the following members present: Aceto, Bryson, Field, Kelly, Pace, Selby, Sobol. Those members absent were: Ms. Graham and Mr. Joyner.

Others present were: W.H. Mull, General Manager, William Clarke, MSD Attorney, Gary McGill and Danny Bridges of McGill Associates, Inc., Debbie Lane of Martin/McGill, William Langdon and Con Dameron of Architectural Resource Collaborative, Dr. Ed Wetzel and Ronald Lawson of ARCADIS Geraghty & Miller, Inc., Diane Delafield, Marketing Consultant, Benson Slosman, Ginny Liles and Tammy Bostick representing the League of Women Voters, Patti Beaver of CIBO, Brenda Fullick of Mountain Express, Ann Sutton, John Kiviniemi, Jim Fatland, Jim Naber, and Sondra Honeycutt, MSD.

Mr. Casper welcomed new Members, Steve Aceto, representing the Town of Montreat and Barbara Field, representing the City of Asheville.

2. Approval of Minutes of the January 14, 1998 Meeting:

Ms. Bryson moved that the Board approve the minutes of the January 14, 1998 meeting as presented. Mr. Pace seconded the motion. Voice vote was unanimous in favor of the motion.

3. Energy Audit and Energy Management Presentation:

Mr. Mull reported that as a result of recent by-pass events, Mr. Lawson and Dr. Wetzel were present to give a presentation on the results of the Energy Audit approved by the Board July 16, 1997, and to discuss recommendations for an Energy Management Program.

Mr. Lawson gave a brief history of the Wastewater Treatment Plant and discussed the purpose of the study; project steps and goals; power purchases and sales to CP&L; future energy purchase options; landfill gas and options to reduce power usage. Dr. Wetzel discussed the need for improved solids removal; anaerobic digestion; current programs and modifications underway by MSD. In summary, Dr. Wetzel outlined the following recommendations for MSD to achieve energy goals:

- Negotiate new CP&L agreement
- Conduct landfill gas test program
- Test TC and Nutri-Lime using undigested sludge
- Evaluate primary clarifier alternative
- Maximize use of hydro plant
- Develop approach to eliminate bypass events during power outages

A discussion followed regarding whether potential landfill gas savings takes into account the cost of an extra generator; the uses of natural and digested gas; the benefit of undigested versus digested sludge; whether there is a way to generate power during outages; if the audit was reviewed by the District's Consulting Engineer and whether other energy concerns such as lighting, HVAC systems, etc., will be addressed. Mr. Mull stated that the recommendations will

be thoroughly reviewed by staff and the District's Consulting Engineers.

4. Consolidated Motion Agenda:

a. Consideration of Compensation Chart - Trinity Chapel Road

Mr. Mull reported that the total compensation budget for the Trinity Chapel Road project is \$7,600.00 and was calculated according to the established formula and policy of the Right of Way Committee. He further reported that staff recommends approval of the Compensation Chart as presented.

b. Consideration of Contract Amendment for North Swannanoa, Phase II, Section 2 - Easement Acquisition Services - Martin/McGill:

Mr. Mull reported that the Right of Way Committee recommends approval of the Contract Amendment for North Swannanoa, Phase II, Section 2 - Easement Acquisition Services, increasing the original contract of \$37,500 by \$54,800 to a not to exceed ceiling of \$92,300.

c. Consideration of Annual Audit Services:

Mr. Mull reported that the Finance Committee recommends approval of a three-year contract extension with Killian, Cole & Marshall for audit services subject to approval of the Local Government Commission. He further reported that the fee for the June 30, 1998 fiscal year audit is \$17,700 and the proposed fees for 1999 and 2000 is \$18,600 and \$19,500 respectively, based on an annual 5% increase.

d. Consideration of Self-funded Medical Program:

Mr. Mull reported that proposed changes in the District's Self-funded Medical Program were discussed at length with employee groups and the Employee Advisory Committee. As a result, staff recommends an increase in the employer contribution of 5.9% (\$30,000) and employee dependent contribution of 23.0% (30,000) for 1998-99. He stated that by increasing contributions and cutting expenses (increase in deductible and co-pays on physician and prescription cards) by \$71,000, financial stability can be achieved. He further stated that following review of the program, the Finance Committee recommended approval of staff's recommendation.

With regard to Item b. (Contract Amendment) Mr. Aceto asked whether consideration has been given to expanding the easement scope to include a bike path or greenway. Mr. Mull stated that on this particular project a greenway is not being considered, but the District is participating with the City of Asheville in a greenway pilot project for Haw Creek. He further stated that the District can negotiate with the City and County, or others to include dual use of sewer rights-of-way, but a greenway is another encumbrance on an easement, making it more difficult to obtain. Mr. Selby stated that the District has been formally petitioned by RiverLink to consider obtaining greenways wherever and whenever it can. He further stated that the Right-of-Way Committee felt if the District can obtain rights-of-way for all sewer lines as cheaply as it can with ratepayer dollars it will do that. Ms. Field reported that the City of Asheville recently received a grant to do a comprehensive greenway study for the entire city from the Trust for Public Lands. She stated that the City is looking at MSD rights-of way in conjunction

with purchasing and/or getting options on private land as well as City property to put together a major greenway system of the City. She further stated that in other communities, the equivalent of MSD sewer rights-of-way are often used for greenways. With no further discussion, Mr. Sobol moved that the Board approve the Consolidated Motion Agenda as presented. Ms. Field seconded the motion. Roll call vote was as follows: 8 Ayes; 0 Nays

5. Consideration to Sole Source the Purchase of a Closed Circuit Television Inspection System:

Mr. Mull reported that the Equipment Review Committee recommends the replacement of "aged out" closed circuit television (CCTV) equipment purchased in 1991 at a cost not to exceed \$230,000.00. He further reported that because OSHA regulations require that CCTV be certified as "explosion proof" and Pearpoint, Inc. is the sole provider, staff request authorization to sole source this equipment as per the District's Purchasing Policy and in compliance with NC General Statutes. Mr. Casper asked if the equipment comes with a warranty and service agreement. Ms. Sutton stated that the equipment comes with a one-year warranty, with an add-option in the specifications to purchase an additional warranty for a percentage of the purchase price on parts that have maintenance problems. With regard to service, Ms. Sutton stated that the equipment will be sent to the manufacturer for repair, however, the District has the option to receive immediate pricing for replacement in order to avoid down time problems. A discussion followed regarding the location of the company; what the equipment includes; how the old equipment will be disposed of; how the equipment is funded, and the difference in cost of "explosion proof" and "non-explosion proof" equipment. Ms. Sutton reported that the difference in cost is \$9,000.00. With no further discussion, Ms. Bryson moved that the Board waive the District's formal bidding procedure and authorize staff to enter into a contract with Pearpoint Inc. for the purchase of "explosion proof" CCTV equipment in an amount not to exceed \$230,000.00. Mr. Pace seconded the motion. Roll call vote was as follows: 8 Ayes; 0 Nays.

6. Consideration of Bids for (4) ¾ Ton Four wheel Drive Pick-up Trucks:

Mr. Mull reported that the following bids were received and opened February 10, 1998 for four (4) ¾ ton four wheel drive pick-up trucks: Prestige Dodge with a total base bid of \$29,228.51 w/bed and \$27,965.82 w/o bed; Parkway Chevrolet with a total base bid of \$25,432.81 w/bed and \$25,020.81 w/o bed; Black Mountain Chevrolet with a total base bid of \$22,998.02 w/bed and \$22,822.48 w/o bed; Matthews Ford Co., with a total base bid of \$25,085.00 w/bed and \$24,654.00 w/o bed. He further reported that because the District will only save \$177.00 per truck without beds, it plans to purchase the trucks with beds; sell the beds for approximately \$500.00 each and replace them with utility beds.

Mr. Aceto requested that the Board excuse him from voting on this issue due to a possible conflict of interest. Mr. Pace moved that Mr. Aceto be excused. Mr. Selby seconded the motion. Voice vote was unanimous in favor of the motion.

A discussion followed regarding the use of the trucks and whether these are replacement vehicles. With no further discussion, Mr. Selby moved that the Board approve the recommendation of the Equipment Review Committee and

award the bid to Black Mountain Chevrolet in the amount of \$22,998.02 each for four (4) ¾ ton four wheel drive pick-up trucks subject to legal review. Mr. Pace seconded the motion. Roll call vote was as follows: 7 Ayes; 0 Nays; 1 Abstention (Mr. Aceto)

7. Consideration and Acceptance for Ownership and Maintenance of Developer Constructed Sewer Systems - Country Club Villas and Walden Ridge:

Mr. Mull reported that construction of the Country Club Villas sewer system located in North Asheville included installation of 221 linear feet of 8" sanitary sewer pipe at an approximate cost of \$10,000 to the developer. He stated that staff recommends acceptance of the developer constructed sewer system contingent upon receipt of final recorded Subordination Agreements, which are in progress. He further reported that the Walden Ridge sewer system located off Hendersonville Road, included installation of 700 linear feet of 8" sanitary sewer pipe at an approximate cost of \$35,000.00 to the developer. He stated that staff recommends acceptance of the developer constructed sewer system contingent on the City of Asheville accepting the 40 foot right of way designated as Walden Ridge Drive. However, if the City does not accept the right-of-way, the owners will need to acquire an additional right-of-way and deed this to the District prior to acceptance. He further stated that conveyance of permanent easement rights from the appropriate record property owners is complete.

Ms. Field requested that she be excused from voting on this issue because her Architectural firm represents Walden Ridge. Mr. Aceto moved that Ms. Field be excused from voting. Mr. Pace seconded the motion. Voice vote was unanimous in favor of the motion.

With no discussion, Mr. Pace moved that the Board accept ownership and maintenance of the Country Club Villas and Walden Ridge sewer systems subject to contingencies as previously noted. Mr. Kelly seconded the motion. Voice vote was unanimous in favor of the motion. Ms. Field abstained from voting.

8. Consideration of Proposal for Newspaper Insert:

Mr. Mull reported that as a result of last year's staff retreat, the Public Relations Committee proposed a newspaper insert following completion of the Customer Telephone Survey by Market Insight. He presented a copy of a proposal prepared by Diane Delafield, Marketing Consultant, for the development of a 16 page quarter fold publication at a Media cost of \$5,000.00 and Creative Development cost of \$15,500.00. He stated that the Media cost (available in the General Fund) includes printing and insertion of 45,000 tabloids, and the Creative Development cost includes development, design, copywriting; account and production supervision; line art and supplies. He further stated that staff recommends authorization to enter into a contract with Ms. Delafield for Creative Development in an amount not to exceed \$15,500.00. Ms. Field asked whether any portion of the Creative Development services can be used for other publications. Ms. Delafield stated that these services take into consideration some of the District's future public relations needs. Mr. Mull stated that the slides used in today's presentation and information for the web page came from development of the District's brochure and will be used in a proposed five-year public relations plan. Ms. Delafield presented an example of the publication and stated that the District's piece will be very informative and address several issues. A discussion followed regarding the need to emphasize the importance of sewer system

rehabilitation to the public; the cost of direct mail and the day of the week the publication will be distributed. Ms. Field suggested that specific zip code designation be requested and that overruns of the publication be given to MSD for use in mailings and handouts. Mr. Mull stated that several work sessions will be held to review the content of the publication prior to printing. Mr. Selby moved that the Board approve the recommendation of staff. Mr. Pace seconded the motion. Mr. Sobol suggested that the piece include a section on tips with regard to what should not be put into the sewer system. With no further discussion, roll call vote was as follows: 8 Ayes; 0 Nays.

9. Consideration of Entropy, Inc. Change Order:

Mr. Mull reported that Entropy, Inc. is performing the District's annual air emission testing of the thermal converter in the amount of \$26,880.00. However, because of a one day delay, resulting from equipment breakdown (at a downtime cost of \$3,710.00) and sludge and ash metal testing cost in the amount of \$1,700.00 (not included in the original contract) Entropy, Inc. is requesting that the Board approve a change order in the amount of \$5,910.00. He further reported that a 10% additional cost was added to the change order because the company is asking for 90% of the payment now and 10% when the District receives the results. He stated that in addition to the five hour delay, there was a break in the Woodfin water line below the plant, requiring the District to restart the process. Following a discussion regarding the reason for the 10% additional cost and the reason for the breakdown Mr. Aceto moved that the Board approve the change order in the amount of \$5,910.00. Mr. Kelly seconded the motion. Roll call vote was as follows: 8 Ayes; 0 Nays.

10. Committee Reports:

Finance Committee

Mr. Casper reported that the Finance Committee reviewed the Quarterly Investment Report, showing \$37 million in funds with rates of return, and the Six-month Budget Revenue/Expenditure Report, showing Capital Funds (General Fund Projects) at 14.5% of budget; Revenues at 53.4% of budget, and Expenditures at 48.5% of budget. He further reported that the Committee considered renewing a three-year contract with the District's auditors, Killian, Cole & Marshall and the Domestic Revenue Analysis. Mr. Selby asked for an update on understated revenues by the City of Asheville. Ms. Field presented a letter dated January 26, 1998 from Mr. Spell, Interim Water Department Manager to Mr. Mull stating that the customers were billed and funds were collected, but were reported incorrectly to the MSD. Mr. Mull stated that the accrual revenue of \$400,000.00 reported by the City of Asheville was a separate issue, but both issues are now resolved. Mr. Fatland explained that although the amount reported by the City to the MSD Auditors was incorrect, City staff felt the Auditors should have contacted them when they realized the numbers were low in order to give them a chance to recheck the numbers. Mr. Fatland further stated that MSD staff will be working with City staff on a monthly basis to verify numbers. Ms. Field stated that it's important to clear this matter up quickly and improve the problem of communication.

Mr. Sobol asked about the list of 1600 water customer provided by the City that are not being billed for sewer and the status of the Amnesty Program. Mr. Mull stated that an updated report on the 1600 customers will be provided prior to the next meeting.

He further stated that since the initiation of the Amnesty Program in December, several hundred calls have been received from water customers asking if they are connected to the sewer system. As a result, approximately thirty (30) water customers are now being billed for sewer. A discussion followed regarding how far back the District can go in collecting unpaid sewer charges and the availability of records. Ms. Field asked whether a program is in place to assist customers in payment of back charges. Mr. Casper stated that when all the customers are identified, the District will discuss terms of payment.

Planning Committee

Mr. Selby reported that he met with Congressman, Charles Taylor concerning the WNC Rivers Initiative. He further reported that as Sub-committee Chairman of the Appropriations Committee, Congressman Taylor requested that the District provide a list of capital improvement projects that can be considered from a Federal funds point of view. As a result, staff prepared a report on the District's funding needs and a draft copy was delivered to Congressman Taylor's office last week. Mr. Selby suggested following review of the report, that it be approved and formally presented to Congressman Taylor from the District. Mr. Casper commended Mr. Selby for his involvement in initiating preparation of this report and recommended that Mr. Selby present the final copy. Mr. Pace moved that the Board approve a resolution to formally present a final copy of the report to Congressman Taylor by Mr. Selby. Mr. Sobol seconded the motion. Ms. Field suggested that a meeting be scheduled with Congressman Taylor to review the report and that Mr. Mull be present to answer any questions he might have. With no further discussion, voice vote was unanimous in favor of the motion.

Mr. Selby further reported that the Planning Committee reviewed newspaper articles related to Sewer System Overflows in the Atlanta area and discussed the new administration building with a facility assessment presentation given by the Architects. Also, the Committee considered a contract submitted by the Architects for design and discussed the option of private developer construction of the building with MSD leasing the property versus MSD constructing and owning the property. The Committee asked Mr. Fatland to investigate this option. Mr. Fatland reported that in a conversation with Mr. David Lawrence of the Institute of Government he cautioned the District that doing a public/private financing to circumvent NC bidding is prohibited. Mr. Selby stated that a legal opinion and financial analysis will be presented at the next meeting of the Planning Committee, at which time, the Committee should be prepared to make a recommendation to the Board to hire the Architects to finish the bid documents. Mr. Mull requested that the Board approve entering into a contract with the Architects for design in an amount not to exceed \$226,375.00, subject to legal review. He stated that this amount does not include fees for a consultant to determine whether all energy sources are being utilized. A discussion followed regarding costs savings and requirements resulting from the use of tax credits; separate prime bid process; whether the building has been declared historical, and if the contract with the Architects was approved by the Planning Committee. Mr. Clarke stated that tax credits cannot be used to alter the exterior of a structure (shrubbery, grading, etc.) only renovation expenses for the building. Mr. Casper stated that he has a problem with approving a contract, with the intention of add-on expenses, without a recommendation from the Planning Committee. Therefore, he requested that the Board not act on this issue at today's meeting. He further asked that Ms. Field and Mr. Aceto to serve on the Planning Committee.

Personnel Committee:

Mr. Sobol reported that the Personnel Committee reviewed the Goals and Objectives of the General Manager and Organizational Assessment of the District. He further reported that the Committee discussed the vacant position of Deputy General Manager of Operations. He presented a copy of the job qualifications and suggested that the Board strike the engineering requirement as noted on page two (2). He stated that the reason for this request is that the person who fills this position could possibly qualify for the General Manager's position upon his retirement, therefore, he recommended that the District proceed with advertisement of the position at a pay grade of 49. He suggested that advertisement take place during March and April, with selection of the top five candidates, to be interviewed by the Personnel Committee and General Manager in June, and a final selection by the General Manager in July. A lengthy discussion followed regarding deletion of the Engineer qualification as required by the District's Bond Order. Mr. Clarke stated that amendment of the Bond Order requires 2/3 of holders of outstanding bonds to approve any change. He further stated that the Bond Order requires the District to have an Engineer-Manager who is licensed in the State of North Carolina to run it's operations and if an individual is hired who does not meet this requirement, the District is in violation of the Bond Order. Ms. Field stated that if this qualification is deleted from the job description then several of the requirements listed on page three (3) of the document will need to be amended. In order to help the Personnel Committee make a decision on this issue, Mr. Casper called for an informal vote on whether a degree in Civil Engineering should be a requirement for the position. By a show of hands, three (3) members felt it should be required and five (5) felt it was not necessary.

Right of Way Committee:

Mr. Pace reported that the existing contract for the North Swannanoa, Phase 11, Section 2 Interceptor was put on hold at the direction of MSD to acquire easements for the Sweeten Creek Interceptor, due to emergencies, and public health concerns resulting from overflows on the US 74 Interceptor project. As a result, original discussions with property owners have been forgotten, requiring negotiations to begin again on the 75 remaining parcels. He further reported that MSD requested Martin/McGill to acquire 11 additional parcels for Phase 11, Section 1. He suggested that in the future, the firm who is acquiring the easements, should hire additional people to continue negotiations in order to avoid delays.

11. Unfinished Business:

Smoking Policy Update

Mr. Mull presented a copy of the Smoking Survey Results and Preliminary Draft Policies #1 and #2 for review. He stated that the District will consider Preliminary Draft Policy #2, which includes designated smoking areas and that the Policy will be presented in final form at the next meeting of the Board.

12. Old Business:

None

13. New Business:

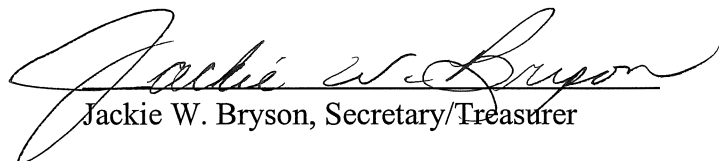
Report on Ragsdale Creek Sewer Rehabilitation

Mr. Mull reported that the need for repairs on the Ragsdale Creek Sewer (part of the Hominy Valley Interceptor Sewer) was identified in December, 1997 when a section of the 18" line collapsed. He further reported that the project was accelerated due to extreme settlement of pipe segments, the presence of some leakage and the possibility of total collapse of the interceptor. He stated that the project consists of 343 feet of 18" Ductile Iron Pipe, a stream crossing with two piers, and one new manhole at a cost of \$67,840.00. He further stated that funds for this project will be taken from the general contingency fund for major sewer rehabilitation projects.

In other business, Mr. Mull reported on a recent overflow from a manhole into a private pond owned by Mr. Carter whose property is located along the second section of the North Swannanoa Interceptor Sewer. He stated that staff met with Mr. Carter to discuss plans to pump the water into the sewer system as soon as the line is clear. However, because the blockage is not accessible from land, staff floated equipment down the river to clear a section of the line, but noted that the rest of the line will need to be cleared. He further reported on the collapse of another sewer line in West Asheville.

14. Adjournment

With no further business, Mr. Sobol moved for adjournment at 4:40 p.m. Mr. Aceto seconded the motion. Voice vote was unanimous in favor of the motion.


Jackie W. Bryson, Secretary/Treasurer

RESOLUTION

RESOLUTION APPROVING THE ACQUISITION OF THE SEWERAGE SYSTEM FACILITIES OF WALDEN RIDGE PROFESSIONAL PARK

WHEREAS, the Metropolitan Sewerage District ("District") has been asked to acquire the sewerage system facilities constructed to serve Walden Ridge Professional Park located off Hendersonville Road, City of Asheville, Buncombe County, North Carolina and more particularly described on a plat bearing an initial date of October 16, 1997, prepared by Hutchison-Biggs and Associates, Inc. and recorded in the Office of the Register of Deeds for Buncombe County, in Plat Book 68 at Page 105;

WHEREAS, the District Board is bound by certain covenants in its Bond Order and cannot acquire additional sewerage system facilities unless such provisions are satisfied;

WHEREAS, the District Board has determined that the Walden Ridge Professional Park sewerage system facilities are not subject to any lien or other encumbrance which is materially adverse;

WHEREAS, the District Board has determined the acquisition of the Walden Ridge Professional Park sewerage system facilities and the responsibility to operate and maintain it will preserve and maintain the public health and welfare within the District;

WHEREAS, Claire Bridge of Asheville, LLC, Winston W. Pulliam, Jr. and Pulliam Walden Ridge have tendered appropriate instruments transferring complete ownership of the system to the District and delegating to the District the responsibility for operation and maintenance;

WHEREAS, the appropriate instruments have been prepared and executed by Claire Bridge of Asheville, LLC, Winston W. Pulliam, Jr. and Pulliam Walden Ridge and have been duly recorded;

WHEREAS, the District has determined that it has reasonable access to and over related public rights of way and easements necessary to operate and maintain the system;


WHEREAS, the District Board has determined that adequate funding will be available for the acquisition and for the operation and maintenance of the system and that the District Board will have the authority to determine the need and priority for the operation and maintenance, improvement and reconstruction of the additional sewerage system facilities.

BE IT NOW HEREBY RESOLVED: The District Board of the Metropolitan Sewerage District hereby accepts the Walden Ridge Professional Park sewerage system facilities together with all easements therefor, said sewerage system being more particularly described on a plat bearing an initial date of October 16, 1997, prepared by Hutchison-Biggs and Associates, Inc., and recorded in the Office of the Register of Deeds for Buncombe County, in Plat Book 68 at Page 105;

This the 18th day of February, 1998.

METROPOLITAN SEWERAGE DISTRICT OF
BUNCOMBE COUNTY, NORTH CAROLINA

By: _____


Chairman

ATTEST:


Secretary

RESOLUTION

RESOLUTION APPROVING THE ACQUISITION OF THE SEWERAGE SYSTEM FACILITIES OF COUNTRY CLUB VILLAS

WHEREAS, the Metropolitan Sewerage District ("District") has been asked to acquire the sewerage system facilities constructed to serve the Country Club Villas of Asheville located off Dover Street, City of Asheville, Buncombe County, North Carolina and more particularly described on a plat last revised on January 27, 1998, prepared by Hutchison-Biggs & Associates, Inc. and recorded in the Office of the Register of Deeds for Buncombe County as an attachment to the Conveyance of Sewer System and Easement as recorded in Deed Book 2006 at Page 204;

WHEREAS, the District Board is bound by certain covenants in its Bond Order and cannot acquire additional sewerage system facilities unless such provisions are satisfied;

WHEREAS, the District Board has determined that the Country Club Villas sewerage system facilities are not subject to any lien or other encumbrance which is materially adverse;

WHEREAS, the District Board has determined the acquisition of the Country Club Villas sewerage system facilities and the responsibility to operate and maintain it will preserve and maintain the public health and welfare within the District;

WHEREAS, Country Club Villas of Asheville, Inc. has tendered appropriate instruments transferring complete ownership of the system to the District and delegating to the District the responsibility for operation and maintenance;

WHEREAS, the appropriate instruments have been prepared and executed by Country Club Villas of Asheville, Inc. and have been duly recorded;

WHEREAS, the District Board has determined that it has reasonable access to and over related public rights of way and easements necessary to operate and maintain the system;

WHEREAS, the District Board has determined that adequate funding will be available for the acquisition and for the operation and maintenance of the system and that the District Board will have the authority to determine the need and priority for the operation and maintenance, improvement and reconstruction of the additional sewerage system facilities.

BE IT NOW HEREBY RESOLVED: The District Board of the Metropolitan Sewerage District hereby accepts the Country Club Villas sewerage system facilities together with all easements therefor, said sewerage system being more particularly described on a plat last revised on January 27, 1998, prepared by Hutchison-Biggs and Associates, Inc., and recorded as an attachment to the Conveyance of Sewer System and Easement in the Office of the Register of Deeds for Buncombe County, in Deed Book 2006 at Page 204;

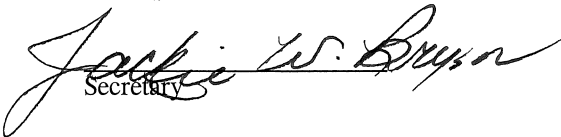
This the 18th day of February, 1998.

METROPOLITAN SEWERAGE DISTRICT OF
BUNCOMBE COUNTY, NORTH CAROLINA

By: _____

Chairman

ATTEST:


Secretary