

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT**  
**AUGUST 18, 1999**

**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, August 18, 1999. Chairman Selby presided with the following members present: Aceto, Blackburn, Field, Graham, Kelly, Pace, Sobol, Spell and Venable. Ms. Bryson was absent.

Others present were: W. H. Mull, General Manager, William Clarke, General Counsel, Gary McGill, Danny Bridges and Mike Apke of McGill Associates, Ray Baily of ARCADIS, Patti Beaver of CIBO, David Herbert of Clean Water Fund of North Carolina, Jim Fatland, Tom Hartye, Stan Boyd, John Kiviniemi, Tom Tarrant, Jim Naber and Sondra Honeycutt, MSD.

**2. Approval of Minutes of the July 21, 1999 Meeting:**

Mr. Spell asked if the Board will have a chance to review the Standard Procedures being developed for Asheville Master Plan projects as reported in paragraph 3, page five of the minutes. Mr. Mull stated that the flow chart for public notification of projects, presented at the last meeting of the Board, is the current procedure being followed. Mr. Selby stated that the Right of Way Committee will review the procedure and give a report to the Board. Mr. Blackburn asked if there was any response to the public notice sent on the rehabilitation project in Biltmore. Mr. Mull reported that 1700 individual notices were sent and only five attended, three of which lived in the immediate area. He further reported that he met with a reporter from the Asheville Citizen Times who is doing an article on MSD's rehabilitation efforts. With no further discussion, Mr. Spell moved that the minutes of the July 21, 1999 meeting be approved as presented. Mr. Venable seconded the motion. Voice vote was unanimous in favor of the motion.

**3. Consolidated Motion Agenda:**

**a. Consideration of Bids - Johnson Blvd. MSR and Morningside Drive MSR:**

Mr. Mull reported that the following bids were received July 27, 1999 for the Johnson Blvd and Morningside Drive miscellaneous sewer rehabilitation projects: Ivey Construction Company with a total base bid of \$406,748.80; Terry Brothers Construction with a total base bid of \$425,580.00; Hobson Construction Company with a total base bid of 444,601.00; Wheeler Construction Company with a total base bid of \$533,981.00 and Buckeye Construction Company with a total base bid of \$723,395.15. He further reported that staff recommends that the contract for both projects be awarded to Ivy Construction Company in the combined bid amount of \$406,748.80, contingent upon attorney review and approval.

**b. Consideration of Bids for Annual Fuel Contract:**

Mr. Mull reported that the following informal bids for the District's Annual Fuel Contract were received August 6, 1999: Morgan Oil with a total bid of \$92,726.95; Smoky Mountain Petroleum with a total bid of \$58,691.98 and Rankin-Patterson with a total bid of \$84,523.59. He further reported that staff recommends award of the bid to Smoky Mountain Petroleum for one year not to exceed a total of \$80,000.00. A discussion followed regarding the difference in fuel costs; the procedure for determining the monthly costs and what would happen if wholesale fuel costs rise during this period. Mr. Mull

stated that the District will pay the terminal price plus the fixed margin price. He further stated that the terminal price would likely go up and down during the year.

**c. Consideration of Bids for Restoration of Streets and Highway Rights-of-Way following Maintenance performed by the District:**

Mr. Mull reported that because an insufficient number of bids were received for Restoration of Streets and Highway Rights-of-Way, the project will be re-advertised on August 15 for an August 24, 1999 bid opening.

**d. Consideration of Monthly Investment Report for Period Ended June 30, 1999:**

Presented as information only.

With no further discussion, Mr. Blackburn moved that the Board approve the Consolidated Motion Agenda as presented. Ms. Graham seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

**4. Presentation - Safety Program Update:**

Mr. Naber, Safety Officer for the MSD gave a very interesting slide presentation on the Safety Program that included the following:

- Background information
- What is included in the MSD Safety Program
- Accident Statistics 1996 - 1999
  - a. Incident % by Department
  - b. Injury Types
- Program Implementations
- Safety Program Goals

He reported that although there are several important aspects of the safety program, the number one goal is to reduce injuries, which saves time and money. He stated that since 1996 the yearly accident rate has been reduced by 70% by implementation of the following programs:

- Supervisory Safety Manual
- Employee Pocket Guide
- Training Program at each Division
- Inspections
- Quality Equipment
- Drug Free Workplace Program
- Wellness Program
- Employee Empowerment
- Available Resources

He presented the Safety Program Goals, which includes the Department of Labor Sharp Program. He stated that this program allows a three-year exemption from OSHA inspections if the District's accident rate is 10 or below for the year. He further stated that a continued low incident rate over a period of years, would qualify the District for the Carolina Star Program, which would mean a lifetime exemption.

Several questions were asked regarding the training program; whether there is an incentive program in place to reward employees for reporting a hazard, and insurance premiums.

Mr. Selby expressed the Board's appreciation to Mr. Naber for his presentation.

**5. Presentation of Pilot Basin Preliminary Engineering Report:**

Mr. Baily reported that the Major Rehabilitation program is a multi-phase program, and that during the Phase I report process, 69 drainage basins were identified throughout the system; each assessed based on criteria using existing information. He further reported that based on the following criteria, a weighted average was developed and each basin was scored accordingly: year built; percentage of 6" pipe in the basin; system access; percentage of pipe built since 1990; percentage of pipe that had been smoke tested; the number of positive smoke test results; percentage on private property; percentage of the average flow that was infiltration; maintenance work orders per 10,000 feet and general development activity within the basins. As a result, 13 basins having the highest score were identified, and as part of Phase II, a pilot basin (Biltmore-London Rd) was selected to evaluate rehab techniques and to establish costs associated with this particular area. He stated that McGill Associates prepared the preliminary engineering report, which provides an analysis of the existing sewer system in the pilot basin and recommendations for rehabilitation of the system using trenchless technologies and open-cut construction.

Mr. Bridges recognized Mike Apke of McGill Associates who spent a significant amount of time in the preparation of this report. He presented a map showing the location of the pilot basin and stated that the report addressed the following issues: rehabilitation methods; trenchless technology; right-of-way easement issues; a method to set up standard specifications; construction recommendations and cost estimates. He reviewed the types of trenchless technology (fold and formed, cured-in-place, slip lining and pipe bursting) and the ones selected for this project, which were based on condition of the pipe; location; accessibility to manholes, and anticipated flow. He stated that other issues include rehabilitation of service laterals; installation of clean-outs; manhole rehabilitation and prescriptive easements. As a matter of clarification, Mr. Clarke explained that a prescriptive easement is one that the District maintains it owns by virtue of long use, but for which there is no easement on record. Mr. Selby asked what would be avoided by rehabilitation of this basin. Mr. Bridges stated that they are trying to avoid inflow/infiltration and that this basin was identified as having a high incidence rate following video and smoke testing.

Mr. Bridges reported that they are recommending that this project be approached in two phases (phase I - trenchless and phase II - semi-trenchless, pipe bursting and open trench technology) which includes manhole and service lateral rehabilitation. He stated that the cost of this project is \$2,016,000.00, with a 10% contingency of \$202,000.00 for a total construction cost of \$2,218,000.00. A discussion followed regarding service lateral rehabilitation and who is responsible for replacement if necessary; prescriptive easements; size of existing lines; cost per phase and if permanent flow meters will be installed.

He further reported that contracts for Phase I will be let in September, with a pre-construction conference in December and that the construction period would be from December, 1999 to May, 2000. Contracts for Phase II will be let in December, with a pre-construction conference in February, 2000 and that the construction period will be from February, 2000 to August, 2000. A lengthy

discussion followed regarding whether trenchless technology has been used in the past; the cost difference between trenchless and open trench construction; customer service downtime during installation, and the life of the lines upon completion.

**6. Consideration and Discussion of Pre-retreat Planning Session and Agenda Items:**

Mr. Mull presented a copy of the proposed agenda for the Board Planning Retreat tentatively scheduled for December/January. Mr. Aceto reported that at the Planning Committee, Mr. McGill suggested the Committee consider a pre-retreat meeting to talk about agenda items and about the retreat itself. He further reported that the Committee discussed agenda items; the duration of the retreat, and agreed that the Board should determine the final agenda. Mr. Mull reported that he met with Mr. Hartye and Mr. McGill to consider the following agenda items: Strategic Planning and Comprehensive Planning; Review of Current Master Plan; Determine Updated Master Plan Scope; Coordination with other governmental agencies to combine planning efforts and infrastructure needs, etc., and Develop Criteria for the Participation in Extensions. A discussion followed regarding the exhibits and the time frame for the retreat. Mr. Mull further reported that the Committee discussed the need for a facilitator and he suggested Mr. Dennie Martin of Martin/McGill, since he is very familiar with what's going on.

Mr. Kelly questioned why the item (Criteria for the Participation in Extensions) is on the agenda since the District voted against the issue several months ago. Mr. Venable stated that it was his understanding that at some point in time rehabilitation of the North Swannanoa Interceptor would be complete, which will free up funds that can possibly be used for this purpose. Mr. Selby stated that the intention is not to change the District's policy on extensions, but to adopt a plan to extend the District's boundaries; service areas or interceptors, which is more of a long-range strategic plan than a comprehensive plan. Mr. Spell stated that if the recommendations of the Blue Ribbon Committee was that if Land Use Planning was a component that was adopted, then this issue should be revisited. Mr. Pace stated that any available funds, following completion of the North Swannanoa Interceptor, will be used on other projects not extensions. With no further discussion, Mr. Aceto moved that the Board set time aside at the next meeting to consider the agenda and format for the Planning Retreat. Mr. Pace seconded the motion. Voice vote was unanimous in favor of the motion. Mr. Venable requested that the Master Plan and planning reports on the north and south areas of the County be made available for review.

**7. Committee Reports:**

Planning Committee

Mr. Aceto reported that the Planning Committee met August 5, 1999 to hear a report by Mr. Mull regarding the 139-acre tract along Brevard Road for a potential treatment plant. He further reported that the Committee discussed agenda items for the Planning Retreat; House Bill 1160, an act to enact the Clean Water Act of 1999, and Advantage West Planning Grant. Mr. Selby stated that Advantage West is a 23-county economic arm of the state government and that Jon Creighton, Assistant County Manager asked Advantage West to consider funding a drainage basin financial modeling study, which would be an opportunity to get the various infrastructure players together (schools, roads, water, sewer, etc.) to look at infrastructure from a regional perspective.

Regarding the Brevard Road Site, Mr. Selby gave a brief summary of the attached agreement between The Regional Water Authority and Henderson County and stated that if the MSD is part of this agreement, it has reason to be concerned about the viability of that site. Mr. Selby read a portion of the Agreement, which states that "Asheville shall convey the Brevard Road site to Henderson County in fee simple absolute to permit Henderson County to negotiate with MSD for sewer services. Henderson County shall either 1) convey the Brevard Road Site to MSD in fee simple upon condition subsequent that a wastewater treatment plant be constructed on the Brevard Road Site within ten (10) years of the date of such conveyance, or else title shall revert to Asheville; or 2) convey said property to a regional water and sewer authority of which Henderson County, the Authority, and Asheville are a part. In the event that Henderson County shall not perform numbers 1) or 2) above within ten years of the date of conveyance of the Brevard Road Site to Henderson County, Henderson County shall convey the Brevard Road Site back to Asheville in fee simple absolute. The Authority and Asheville shall seek the immediate declassification of the watershed draining to the Brevard Road Site from the State of North Carolina Department of Health, Environment, and Natural Resources ("DEHNR") upon approval by DEHNR of the application for a water intake to provide water to the treatment plant to be located on the property which Henderson County shall approve for acquisition by Asheville and the Authority according to the terms of this Agreement." Mr. Clarke stated that Henderson County has ten (10) years to either convey the property to The Regional Water Authority or the MSD and it appears the conveyance to MSD would have ten years as well. However, in his opinion, the Deed of Conveyance from Henderson County to the Regional Water Authority will govern over this agreement. Mr. Mull stated that technically this site would be an excellent site to own and possibly be exchanged for a better site to build a treatment plant. Ms. Field stated that the deed does not allow Henderson County to give the property to the MSD for this purpose.

#### Personnel Committee

Mr. Sobol reported that the Personnel Committee met August 10, 1999 to consider a six-month review of the General Manager. He stated that the Committee directed the General Manager to complete several goals by January, 2000; some by today's meeting and some within six weeks. He further stated that the review process went well and that because of Mr. Mull's guidance and leadership, the District realized a \$3 million grant. Also, the Committee praised Mr. Mull for changes that have been made, which have resulted in the way the District is currently operating. Mr. Selby stated that one of the important issues in goals set by the Committee is the establishment of Long-Range Planning, which should be available by December.

Mr. Mull stated that the issues the Committee directed him to have by this meeting are as follows:

- In connection with Y2K, how many days can the newly purchased generator operate with the fuel on-hand.

He reported that at full capacity, the generator can run 24-hours and if operations are cut back, 48-hours. He further reported that the District has received Y2K certification from both CP&L and Public Service Gas.

- Progress report on the CP&L Building.

He reported that the completion date for the new office facility is expected July 10, 2000, with 19% of the contract complete. However, construction is

approximately two weeks behind due to steel not being shipped on schedule.

As a matter of information, he presented the following publications: 1) Plant Profile, published by the Water Environment Federation, featuring the MSD. 2) The Pipeline, published by the Regional Water Authority, which addressed water rates, service fees, policy changes and the opening of the Mills River treatment plant. 3) Award of loans and grants for wastewater projects, published by Southern City.

- The possibility of each division providing a brief presentation on what is being accomplished, every two to three months.

He stated that presentations such as the Safety Officer's report can be made every quarter or can be made at the Committee level. Mr. Selby stated that the Personnel Committee discussed whether staff reports should be given at Board meetings, which previous Boards decided not to do. Ms. Field stated that any education the Board receives on what staff is doing is important as long as they are brief and not repetitious. Mr. Selby expressed a concern regarding the amount of time staff spends in preparation of these reports. Mr. Spell stated that these reports are not only beneficial to staff but to the Board, especially when discussing the budget each year.

**8. Report of Officers:**

No report.

**9. Unfinished Business:**

No report.

**10. Old Business:**

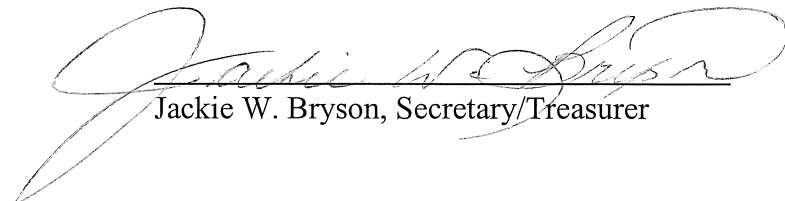
Mr. Selby reported that Mr. Spell, Mr. Venable, Ms. Field, Mr. Mull and Mr. Clarke met this week to review the By-laws and asked if there was any report on this meeting. Ms. Field stated that as soon as Mr. Clarke writes the changes, a report will be given to the Board. However, she feels that another meeting is needed. Mr. Selby stated that he attended this meeting and found that the current By-laws include a set order of business for each regular meeting and requested that Mr. Mull direct staff to follow this format for the next meeting of the Board. He further stated that another reason for review of the By-laws was a request to have a standard public comment section on the agenda, which will be addressed in the report.

**11. New Business:**

Mr. Selby appointed Mr. Spell to chair the Personnel Committee due to Mr. Sobol's request to be placed on the Planning Committee. Also, he appointed Mr. Venable to chair the Construction Committee.

**12. Adjournment:**

With no further business, Mr. Blackburn moved for adjournment at 4:23 p.m. Mr. Pace seconded the motion. Voice vote was unanimous in favor of the motion.

  
Jackie W. Bryson, Secretary/Treasurer