

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
OCTOBER 20, 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, October 20, 1999. Vice Chairman Sobol presided with the following members present: Aceto, Blackburn, Field, Graham, Kelly, Pace, Spell and Venable. Those members absent were: Bryson and Selby

Others present were: W. H. Mull, General Manager, William Clarke, General Counsel, Gary McGill, Danny Bridges and Gary Davis of McGill Associates, Pat Barrett of Jet Vac, Phil Smith and Ron Lawson of Arcadis, David Dillingham of Dillingham Construction, Con Dameron and Bill Langdon of Architectural Resource Collaborative, Tom Hartye, Jim Fatland, Stan Boyd, Ann LeMieux, Bill Conner, John Kiviniemi, Adrian Ellis, Sharon Walk and Sondra Honeycutt, MSD.

2. Approval of Minutes of the September 15, 1999 Meeting:

Mr. Pace moved that the minutes of the September 15, 1999 meeting be approved as presented. Mr. Blackburn seconded the motion. Voice vote was unanimous in favor of the motion.

3. Discussion and Adjustment of Agenda:

No discussion.

4. Report of General Manager:

Consolidated Motion Agenda

a. Consideration of Bids for Phase 1, Pilot Basin Rehabilitation/Ram Branch:

Mr. Mull reported that Phase 1 of the Pilot Basin Rehabilitation/Ram Branch project is divided into two contracts by specialty. Contract #1 consists of Fold and Form PVC pipe with 6,860 linear feet in the London Road (Pilot Basin) area, and 3,736 linear feet in the Biltmore Forest Ram Branch area. Contract #2 consists of Cured-In-Place pipe with 6,432 linear feet in the London Road (Pilot Basin) area, and 3,550 linear feet in the Biltmore Forest Ram Branch area. He further reported that bids for these Contracts were received October 5, 1999 as follows: Contract #1, Jones Brothers - ITG with a total bid of \$581,697.00; Am-Liner East with a total bid of \$673,000.00, and Insituform Technologies with a total bid of \$761,984.00. Contract #2, Insituform Technologies with a total bid of \$658,343.00; Reynolds, Inc. with a total bid of \$768,319.00; CSR Hydro Conduit with a total bid of \$827,127.10, and Jones Brothers - ITG with a total bid of \$951,599.00.

Mr. Mull stated that staff recommends award of Contract #1 to Jones Brothers-ITG in the amount of \$581,697.00; and award of Contract #2 to Insituform Technologies in the amount of \$658,343.00, contingent upon attorney review and approval. Mr. Sobol questioned the availability of funds for the Ram Branch portion of the project. Mr. Mull explained that the District is within budget for Phase 1 of the Pilot Basin (London Road) project, and the total work on the Ram Branch portion of the project is a percent of that line. He stated that funds are available for construction for FY 99-00 and 00-01 under Major Rehabilitation.

b. Consideration of Bids - Grading for New Maintenance Building - WWTP:

To be considered in closed session.

c. Consideration of Bids for State Street & McGill Drive Miscellaneous Sewer Rehabilitation Projects:

Mr. Mull reported that the State Street & McGill Drive projects would be re-advertised since only two (2) bids were received, therefore, will not be considered at today's meeting.

d. Consideration of Acceptance of Developer Constructed Sewer System - Coleman Development Group - Road A:

Mr. Mull reported that the project is located off of Mills Place in Woodfin and included installation of approximately 1,267 linear feet of 8" sanitary sewer pipe at an approximate cost of \$40,000.00. He further reported that staff recommends acceptance of the developer constructed sewer system and that all MSD requirements have been met.

e. Consideration of Acceptance of Developer Constructed Sewer System - Southside Village, Phase 2:

Mr. Mull reported that the project is located off of Mills Gap Road in Asheville and included installation of approximately 763 linear feet of 8" sanitary sewer pipe at an approximate cost of \$35,000.00. He further reported that staff recommends acceptance of the developer constructed sewer system and that all MSD requirements have been met.

f. Monthly Investment Report for Period Ended August 31, 1999:

Presented as information only.

With no discussion, Mr. Spell moved that the Board approve the Consolidated Motion Agenda, items a, d, e and f. Mr. Pace seconded the motion. Roll call vote was as follows: 8 Ayes; 0 Nays. Mr. Aceto was absent during the vote.

5. Consideration of Bids for Replacement of Vacuum Truck (VT-3):

Mr. Mull reported that on September 2, 1999, the Equipment Review Committee recommended the replacement of Vacuum Truck #3, with Vacuum Trucks #1 and #2 being traded in as a part of this purchase. He further reported that the following bids were received October 19, 1999: Bruder/Sharpe with a bid of \$210,929.19 and a \$50,000.00 trade-in; Jet Vac with a bid of \$155,850.00 and a \$72,000.00 trade-in, and Public Works with a bid of \$188,761.00 and a \$40,000.00 trade-in. He stated that staff recommends award of the bid to the second lowest bidder, Public Work Equipment and Supply, because the lowest bidder, Jet Vac, does not meet the specifications on the engine and the transmission. Mr. Mull further stated that funds are available in the Vehicle and Equipment Replacement Fund.

Mr. Barrett stated that the specifications called for a 335hp engine and Jet Vac bid a 345hp engine, which meets or exceeds the specifications. He further stated that the torque on the transmission was 1480, which Jet Vac met. Ms.

LeMieux stated that Fleet Maintenance specified a Cummings SM 335hp engine and Jet Vac bid a Volvo engine. She further stated that specifications on the transmission were for a large type Allison transmission and the transmission bid by Jet Vac is smaller. Mr. Barrett stated that the transmission is the same, but the gear ratio is different and the specifications called for a comparable. Also, the difference in the cost of the bids is \$32,911.00. A discussion was held regarding the specifications, the cost difference, and the reason for trading in the old vacuum truck instead of selling it at auction.

Mr. Ellis, reported that he specified a Cummings engine because it would do a better job in mountainous terrain and there is no local dealer for Volvo parts. Regarding the transmission, he stated that he specified a heavier transmission, since the current vacuum trucks are not getting the expected full life service. A lengthy discussion was held regarding specifications for other components of the truck; the model of the motor being traded, and whether the bid specifications were clear. Mr. Clarke stated that the specifications do say "comparable or equal to". Mr. Spell asked whether the District could award the bid to Jet Vac and execute a change order from a Volvo to a Cummings engine at no additional cost. Mr. Clarke stated that he does not recommend this action, however, the Statutes give the District the right to reject all bids and re-advertise. He further stated that the Board needs to decide whether the bid of Jet Vac is comparable or equal to the specifications.

Mr. Aceto moved that the Board accept the bid of Public Works Equipment and Supply in the amount of \$188,761.00. Ms. Graham seconded the motion. Mr. Spell asked Mr. Barrett whether he attempted to contact staff regarding the specifications. Mr. Barrett stated that he did attempt to call Mr. Ellis, but because there was only one week to bid the truck, Mr. Ellis was not able to get back to him. He argued that since the specifications do not specify a Cummings engine only, he feels that Jet Vac has exceeded the specifications. Mr. Spell moved that the Board reject all bids and readvertise the project to be due back in one week. A discussion followed regarding the reasons for rejecting the bids; vendor support, and the need to order and receive delivery of a truck as soon as possible. Mr. Barrett stated that as former Fleet Manager for the MSD, he feels that a good deal of the problems associated with the trucks in the past is due to a lack of operator training. Mr. Spell withdrew his motion to reject all bids based on the fact that Mr. Barrett used to work at the MSD and knew whom to contact. With no further discussion, Mr. Aceto restated his motion to accept the bid of Public Works Equipment and Supply in the amount of \$188,761.00. Roll call vote was as follows: 9 Ayes; 0 Nays.

6. Consideration of Bids for Replacement of Portable Flusher Truck:

Mr. Mull reported that the Vehicle and Equipment Review Committee approved the replacement of a Portable Flusher Truck due to concerns for safety. He further reported that the following bids were received October 19, 1999: Bruder/Sharpe with a total base bid of \$68,350.00; Jet Vac with a total base bid of \$72,049.82 and Public Works with a total base bid of \$70,159.00. He stated that The Vehicle and Equipment Review Committee recommends award of the bid to Bruder/Sharpe in the amount of \$68,350.00 subject to legal review and approval. Mr. Fatland stated that this equipment will be funded from the Fleet Replacement Fund. With no further discussion, Mr. Pace moved that the Board approve the recommendation of The Vehicle and Equipment Review Committee. Ms. Graham seconded the motion. Roll call vote was as follows: 8 Ayes; 0 Nays. Mr. Aceto was absent during the vote.

7. Consideration of Change Order - North Swannanoa Phase II, Section 1B:

Mr. Mull reported that the Construction Committee met to review the current contract on the North Swannanoa interceptor sewer and revising the construction schedule on the remaining sections of the project. Mr. Hartye reported that the reason for the Change Order is to shorten the time for the construction of the project and to reduce risks involved due to the grade and pump around situations. Gary McGill also spoke about the risks involved and the fact that the proposed Change Order would help to reduce risks and shorten the contract time. Mr. Hartye stated that he met with the consulting engineers to identify the issues, and as a result, the starting points for Sections 2 and 3 were changed. Mr. Mull stated that the Construction Committee recommends acceptance of Change Order #1, North Swannanoa, Phase 2, Section 1B with Bryant Electric Company, Inc. in the amount of \$1,820,243.24.

Mr. Venable apologized for the delay in getting this information to the Board, since the Committee met yesterday to hear this report. He stated that the Committee felt that although there were some risks, they are small compared to the savings in time and costs. He further stated that Bryant Electric is doing an exceptional job and that extending their contract is in the best interest of the District. Mr. Sobol asked whether this Change Order would have a financial impact on the budget for this project. Mr. Hartye stated that the District was awarded a \$3 million grant for projects budgeted for this fiscal year, over and above the \$2 million CIP contingency. However, the District should consider a Reimbursement Resolution in June to be included in the next Bond Issue for Section 3. With no discussion, Mr. Blackburn moved that the Board approve the recommendation of the Construction Committee. Mr. Spell seconded the motion. Roll call vote was as follows: 8 Ayes; 0 Nays. Mr. Aceto abstained from voting.

8. Report/Consideration of Consolidated Office Building: Tile Roof/Furniture:

Mr. Mull reported that the Construction Committee reviewed the additional costs and delays associated with the installation of a tile roof instead of a standing seam metal roof on the new consolidated office building. He further reported that because an answer regarding potential grant funds for a tile roof will not be know until January, the Architects prepared a list of proposed change orders to execute various approaches to the tile, versus metal roof installations. He stated that the Committee recommends that the Board accept the Change Order with Jerry Payne Construction Company, Attachment B in the amount of \$148,875.00; Attachment F in the amount of \$2,251.00; along with an alternate of Attachment D in the amount of \$7,472.00. Additionally, the architects will bring a request for additional architectural fees associated with this change order for consideration.

Mr. Dameron reported that when the District decided to pursue the grant application for the tile roof, Jerry Payne Construction Company was asked to put together a budget estimate on the cost of installing a tile roof and deleting the metal roof along with any associated time delays. As a result, Mr. Payne submitted a budget proposal of \$243,740.00. However, since that time, installation of the tile roof was negotiated and Mr. Payne submitted a revised estimate of \$148,875.00, which included schedule delays of 120 days. Mr. Dameron further reported that additional change orders include the cost to change the thickness of OSB on Perm-A-Deck from 7/16" to 5/8" at a cost of \$2,251.00, and costs to change the clay tile color from red to orange to match existing tiles at a cost of \$7,472.00. Mr. Dameron stated that if the District does not get the grant for the tile roof, the costs to delay the project 120 days will be \$31,740.00. However, if the Board decides not to pursue the tile roof today, the costs to the

District are only \$2,251.00. He further stated that the projected cost of tile roofing design services through completion, and the projected cost of construction phase services for the 120 day time extension is \$29,210.00, bringing the total cost for the tile roof to \$187,808.00. A discussion followed regarding the total cost of the metal roof.

Mr. Blackburn questioned the District's chances of receiving the grant. Ms. Field stated that because the District is providing matching funds of 25% the chances are very good and that this funding cycle is based on applications sent in prior to July 1st. She further stated that other items could be counted toward the roof for the 75% grant then just the cost of the roof, which would increase the amount of the grant and lower the cost to MSD. Mr. Mull reported that in staff's conversation with Ms. Corie Smith of the Department of Transportation, she stated that if the District expends funds between now and the time of the grant award, these funds are not eligible to be refunded to the District from the grant. However, expenditures after award of grant would be eligible for refund from the grant program. Following a discussion regarding costs delays, Mr. Aceto moved that the Board accept the Architectural Fees and Change Orders to proceed with installation of the tile roof. Mr. Kelly seconded the motion. Roll call vote was as follows: 6 Ayes; 2 Nays (Ms. Graham and Mr. Sobol). Mr. Spell was absent during the vote.

9. Consideration of Remote Telemetry/SCADA Permanent Meters and Professional Services Contract:

Mr. Hartye reported that at the October 7, 1999 meeting of the Planning Committee Arcadis gave a presentation on the proposed Remote Telemetry/SCADA (Supervisory Control and Data Acquisition) system and Permanent Flow Meters. In addition to review of budget recommendations for this system, the Committee considered the Arcadis Professional Services Contract. He further reported that since that time, staff has met with Arcadis representatives to negotiate a Services Agreement. Mr. Smith gave a slide presentation on the Remote Telemetry/SCADA system and the budget recommendations associated with it. Mr. Hartye reviewed the Estimated Costs/Recommended Budgets totaling \$542,740.00 for construction, engineering and contingency. In addition, he reviewed the proposed Construction Phase Scope of Services Agreement with Arcadis and a Cost Avoidance Evaluation. Regarding the Compensation and Fee Schedule, Ms. Field questioned the invoice cost and the reimbursement cost of 15 percent. Following a brief discussion regarding vendor support and parts availability, Mr. Sobol asked Mr. McGill for his comments on this system. Mr. McGill stated that this system is essential and that following review of the documents, he feels the District should proceed. He further stated that the key is through the bidding process, in that all of the concepts that have been laid out are adhered to. Mr. Pace asked how the various components of the system would be bid. Mr. Hartye stated that all components of the system would be bid separately.

With no further discussion, Mr. Venable moved that the Board proceed with the design and construction of the recommended improvements with formal bids to be brought to the Board for consideration. Also, those bids be requested from local vendors, if possible. Ms. Graham seconded the motion. Roll call vote was as follows: 8 Ayes; 0 Nays. Mr. Spell was absent during the vote.

Ms. Graham moved that the Board approve the Professional Services Contract with Arcadis in an amount not to exceed \$46,700.00. Mr. Venable seconded the motion. Roll call vote was as follows: 8 Ayes; 0 Nays. Mr. Spell was absent during the vote.

10. Consideration of 4" & 6" Public/Private Lines in Black Mountain:

Mr. Mull further reported that the Planning Committee reviewed the issue of 4" & 6" Public/Private lines in Black Mountain extensively and recommend that the District continue to maintain lines on SSES maps identified in the Consolidation Agreement, and to maintain 4" lines in road right of ways, but not on private property. Also, continue the PSR program as outlined in the Consolidation Agreement(s), and reconsider the funding level of this program. A discussion was held regarding whether the recommendation changes the current policy. Mr. Aceto questioned the wording of the recommendation. Mr. Clarke stated that he would draft a recommendation for the Board's review. Mr. Aceto moved that the Board refer the recommendation back to staff for further review with a report to the Planning Committee at it's next meeting. Mr. Blackburn seconded the motion. Voice vote was unanimous in favor of the motion.

At 4:35 p.m., Mr. Pace moved that the Board go into closed session to confer with Counsel regarding the bids for site grading for the new maintenance facility. Mr. Venable seconded the motion. Voice vote was unanimous in favor of the motion.

At 5:10 p.m., the regular meeting was reconvened.

Mr. Pace moved that the Board award the contract to Dillingham Construction for site improvements at the new maintenance facility WWTP for \$123,400.00. Dillingham Company shall meet all written specs in bid documents without price adjustments. Mr. Venable seconded the motion. Roll call vote was as follows: 7 Ayes; 0 Nays. Mr. Kelly and Mr. Spell were absent during the vote.

11. Committee Reports:

CIP Committee

Mr. Sobol reported that the CIP Committee met September 22, 1999 to discuss items previously presented. He further reported that to date, the District has spent 87 percent of the CIP budget.

Planning Committee

Mr. Aceto reported that the Planning Committee met October 7, 1999 to discuss items previously presented.

Construction Committee

Mr. Venable reported that the Construction Committee met October 19, 1999 to review items previously presented. In addition, the Committee reviewed a preliminary study on furniture needs for the new Administration Building. As a matter of information he presented a color layout of the building.

12. Old Business

None

13. New Business:

a. Consideration of Private Sewer System - Lutheridge/Lutherock Ministries, Inc.

This item was referred to the Planning Committee for further review.

b. Consideration of Election of Chairman:

In other business, Mr. Sobol announced the resignation of Mr. Selby as Chairman of the Board and asked Mr. Clarke to address the issue. Mr. Clarke stated that the By-Laws state that any vacancy of the officers shall be filled by the Board at its next regular meeting. He further stated that because he did not receive the notice of resignation until today, he felt the Board could fill this vacancy at the next regular meeting, or the Board can fill the vacancy at today's meeting. Mr. Pace moved that the Board elect the Chairman and Vice Chairman at the next meeting of the Board. Ms. Graham seconded the motion. A discussion followed with regard to how long it will take the County to appoint a member to the District Board. Mr. Kelly stated that as a point of order, the District has a Vice Chairman, therefore suggested that the motion be amended to delete any reference to the election of a Vice Chairman. With no further discussion, voice vote was unanimous in favor of the amended motion.

Mr. Aceto moved that the Board express appreciation to Mr. Selby for his service in the appropriate manner. Mr. Venable seconded the motion. Voice vote was unanimous in favor of the motion.

c. Press Release


Mr. Mull presented a press release regarding a press conference to be held October 22, 1999 at the MSD. He stated that Congressman Charles Taylor will announce a major initiative benefiting MSD rate payers and the water quality of the French Broad River. He further stated that Congressman Taylor has work diligently to obtain a \$2 million grant to the District in a Bill that was signed by the President for wastewater system improvements.

14. Informal Discussion and Public Comment:

None

15. Adjournment:

With no further business, Mr. Pace moved for adjournment at 5:13 p.m. Ms. Graham seconded the motion. Voice vote was unanimous in favor of the motion.


Jackie W. Bryson, Secretary/Treasurer

**MINUTES OF THE CLOSED SESSION OF THE MEETING
OF THE
BOARD OF THE METROPOLITAN SEWERAGE DISTRICT**

October 20, 1999

At 4:39 P.M., Mr. Pace moved that the Board go into closed session to discuss a matter with the Board's attorney, William Clarke, in order to preserve the Attorney-Client Privilege. Mr. Venable seconded the Motion. Voice vote in favor of the Motion was unanimous. The Board discussed the bids for grading work for the new Maintenance Facility for the Wastewater Treatment Plant, and the fact that the lowest bidder, Dillingham Construction, had attempted to withdraw its bid on the basis of a mistake; to qualify its bid after the bids had been opened; that Dillingham Construction had attempted to have the specifications clarified to state that local fill material was acceptable, that Dillingham Construction had subsequently "withdrawn" its request to withdraw its bid and had threatened to protest an award of the bid for the work to any contractor other than Dillingham Construction.

At 5:02 P.M., Brady Blackburn moved that the Board return to open session. Mr. Venable seconded the Motion. Voice Vote in favor of the Motion was unanimous.

Respectfully Submitted



William Clarke