

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
NOVEMBER 10, 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, November 10, 1999. Vice Chairman Sobol presided with the following members present: Aceto, Blackburn, Bryson, Field, Graham, Kelly, Pace, Spell and Venable.

Others present were: W. H. Mull, General Manager, William Clarke, General Counsel, Danny Bridges of McGill Associates, Tom Hartye, Jim Fatland, Stan Boyd and Sondra Honeycutt, MSD.

2. Approval of Minutes of the October 20, 1999 Meeting:

Mr. Spell suggested that the wording on page three, paragraph two, line eight be changed to read "Mr. Spell moved that the Board reject all bids and re-advertise the project to be due back in one week." With no further additions or corrections, Mr. Pace moved that the minutes be approved as amended. Ms. Graham seconded the motion. Voice vote was unanimous in favor of the motion.

3. Election of Chairman:

Ms. Bryson nominated Mr. Blackburn as Chairman. Mr. Kelly seconded the motion. There were no other nominations. Mr. Spell moved that the nominations be closed. Ms. Bryson seconded the motion. Voice vote was unanimous in favor of the nomination. Mr. Blackburn presided over the remainder of the meeting.

Ms. Graham asked why it is necessary to elect a new officer immediately following that officer's resignation. Mr. Clarke stated that the By-laws state that any vacancy among the officers so elected shall be filled by the Board at its next regular meeting following the vacancy in such office. Mr. Venable suggested amendment of the By-laws, changing the time frame. Mr. Blackburn requested that the Committee appointed to review the By-laws meet again to revisit previously discussed amendments and to consider any additional amendments, with a recommendation to the Board.

4. Report of General Manager:

Consolidated Motion Agenda

a. Consideration of Acceptance of Developer Constructed Sewer System - Willoughby Run Ext./Relocation:

Mr. Mull reported that the project located off of Sweeten Creek Road included installation of 825 linear feet of 8-inch sanitary sewer at an approximate cost of \$46,000.00. He further reported that staff recommends acceptance of the developer constructed sewer system and that all MSD requirements have been met.

b. Consideration of Acceptance of Developer Constructed Sewer System Carolina Day School - New Upper School:

Mr. Mull reported that the project is located off of Hendersonville Highway and included relocation of approximately 260 linear feet of existing sanitary sewer at an approximate cost of \$9,438.00. He further reported that staff recommends acceptance of the developer constructed sewer system and that all MSD requirements have been met.

c. Consideration of Acceptance of City of Asheville Constructed Sewer System - Brevard Road Annexation Phase III Contract 1 (Pond Rd.):

Mr. Mull reported that the project is located along Pond Road and Brevard Road and included installation of approximately 2,500 linear feet of 8" sanitary sewer pipe at a cost of \$150,341.98. He further reported that staff recommends acceptance of the City of Asheville constructed sewer system and that all MSD requirements have been met.

d. Consideration of Construction without Easement or Condemnation London Road, AMP:

Mr. Mull reported that the Right of Way Committee recommends proceeding with construction of the London Road project without an easement or condemnation action at this time. If owners or heirs do come forth, staff will negotiate or condemn if necessary for the taking at that time.

e. Consideration of Construction without Easement or Condemnation Fairfax Avenue, AMP:

Mr. Mull reported that the four properties being considered are small, undeveloped and currently bisected by public sewer lines, with the last deed transfers in 1927, 1928, 1930 and 1931. He further reported that the Right of Way Agent continues attempts to contact last known heirs and consult with adjacent property owners on the history of the property. He stated that the Right of Way Committee recommends proceeding with construction without an easement or condemnation action at this time. If owners or heirs do come forth, staff will negotiate or condemn if necessary for the taking at that time.

f. Consideration of Monthly Investment Report for Period Ended September 30, 1999:

No action necessary.

With no discussion, Mr. Spell moved that the Board approve the Consolidated Motion Agenda as presented. Mr. Pace seconded the motion. Voice vote was unanimous in favor of the motion.

Mr. Spell questioned why acceptance of developer constructed sewer systems comes to the Board for approval. Mr. Clarke stated that the Bond Order requires that any addition to the sewer system be formally accepted by the District Board.

5. Y2K Presentation/Report:

Mr. Mandler reported that as a supplement to previous Y2K reports, final tests were performed at the end of October on all Computer Equipment and Software and that all file servers, desktop computers, and the Pentation UNIX system were rolled forward to October 2000. He further reported that all internal processes were run without incident including email, payroll, AP and AR, Work Order tracking for the Plant and System Services, individual word processing and spreadsheets, Industrial Waste tracking, etc.

With regard to Non-Computer Hardware, Mr. Mandler stated that previous research was done on embedded chip technologies that are present at the Treatment Plant, however, none of the standard pumps, meters, valves or other

Grievance Policy. Mr. Spell stated that this policy would be discussed, with a recommendation to the Board.

With regard to receipt of recent grant funds, Mr. Spell suggested that the CIP or Planning Committee address how these funds will be spent. Mr. Mull stated that a scenario will be put together for review by the CIP Committee.

Regarding press releases, Mr. Spell suggested that staff provide a copy to the Board, either simultaneous when sending them out to the media, or in advance. Mr. Mull reported that in Cary, North Carolina all Board members have laptops instead of board books and that all information is sent via the internet. He stated that in his opinion the District would benefit from this same type of set up and the Personnel and Finance Committees should discussed this during budget sessions.

Mr. Blackburn reported that a Finance Committee meeting will be scheduled for December 13th to review the audit.

Mr. Mull presented a copy of the agenda and comment sheet from the Management Retreat held November 7th through the 9th.

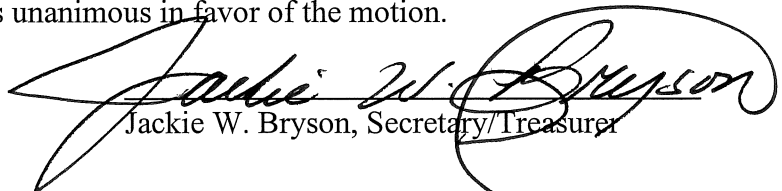
10. Informal Discussion and Public Comment:

At 3:00 p.m., Mr. Pace moved that the Board go into closed session to discuss a criminal investigation. Ms. Graham seconded the motion. Voice vote was unanimous in favor of the motion.

At 3:10 p.m. the regular meeting was reconvened.

11. Adjournment:

At 3:12 p.m., Mr. Pace moved for adjournment. 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**

November 10, 1999

At 3:00 P.M., Mr. Pace moved that the Board go into closed session to discuss a pending criminal investigation. Mr. Venable seconded the Motion. Voice vote in favor of the Motion was unanimous.

Mr. Mull advised the Board that the District had discovered that one of its former employees had made unauthorized purchases using District funds and may have misappropriated and misused property purchased with District Funds. Mr. Mull reported that the Sheriff's Department and a private investigator were assisting the District with the investigation. Mr. Mull expects to have a full report to the Board as soon as criminal charges are filed.

Respectfully Submitted

A handwritten signature in black ink, appearing to read 'William Clarke', written in a cursive style.

William Clarke