

MINUTES OF THE METROPOLITAN SEWERAGE DISTRICT BOARD

JULY 18, 1972

RESOLUTION: MSD TO PARTICIPATE IN A JOINT VENTURE TO ELIMINATE A SEWER PROBLEM AT THE BLACK MOUNTAIN GOLF COURSE.

BLUE CROSS AND BLUE SHIELD INSURANCE CO. SHOWING AN INCREASE IN HOSPITAL RATES \_ EFFECTIVE AUGUST 1, 1972.

EXTRACT FROM CONSULTING ENGINEER'S REPORT DATED - APRIL 14, 1970 on INCREASING SEWER SERVICE (CITY OF ASHEVILLE INCREASED THE WATER RATES ON CONSUMPTION IN EXCESS OF 5,000,000 GALLONS PER MONTH - EFFECTIVE AUGUST 1, 1972.)

RESOLUTION: RESERVE ACCOUNT OF \$1,137,000.00, THAT THE TRUSTEE BE AUTHORIZED TO USE \$500,000.00 of funds in said Reserve Account to redeem bonds of the District at his discretion on or after October 2, 1972.

The regular monthly meeting of the Metropolitan Sewerage District Board was held in the Board Room 501, City Building, Asheville, North Carolina at 2:00 p. m. on Tuesday, July 18, 1972.

Chairman Peterson called the meeting to order and Mrs. Swicegood, Secretary, called the roll with the following members present: Mr. Clark, Mr. Dawson, Mr. Liles, Mr. Longshore, Mr. Peterson, Mrs. Swicegood, Mr. Williams, Mr. Goodson, and Mr. Redmond.

The members having received copies of the previous minutes, Mr. Dawson moved and Mr. Williams seconded the motion that they be approved as recorded. This motion was carried unanimously. Affirmative.

Mr. Johnson, Engineer-Manager, pointed out to the Board that they had a letter from Mr. Gordon Greenwood, Chairman of Buncombe County Commissioners, relating to construction of a new sewer

line at Black Mountain. Mr. Greenwood spoke on behalf of this project. After a general discussion.

The Attorney, Mr. Anthony Redmond, was requested to word a Resolution as follows:

RESOLUTION

WHEREAS, Mr. Gordon Greenwood, Chairman of County Commissioners and Mr. Richard Stone, Mayor of Black Mountain, have requested Metropolitan Sewerage District to participate in a joint venture to eliminate a sewer problem at the Black Mountain Golf Course, and

WHEREAS the Board considered this project similar to Beaverdam Sewer Project previously constructed and in keeping with the former policies of the Board

NOW, THEREFORE, BE IT RESOLVED that Harry Hendon and Associates, Inc. be authorized to prepare a preliminary engineering report defining the scope of the project and including a determination that this Project is such a project that the Metropolitan Sewerage District may participate within the intent and meaning of the Bond Resolution of September 25, 1964 and as amended on September 3, 1965, and with the Engineer-Manager's approval, file such report with the North Carolina Board of Water and Air Resources and, in the name of the District, make a formal application for State and Federal grants as may be applicable for the Project.

Mr. Dawson moved <sup>that</sup> the resolution be adopted and Mr. Clark seconded the motion. The rollcall vote was unanimous. Affirmative.

Mr. Johnson presented a letter from Mr. Gordon Greenwood, Chairman of the Buncombe County Commissioners, requesting financial assistance to repair damage done by a recent high water to the existing Swannanoa sewer line. Mr. Greenwood spoke on this matter and indicated that he would make a request to the Federal Government for a disaster Grant for Buncombe County. After discussion, Chairman Peterson suggested to Mr. Greenwood that he should pursue the matter of a Federal Grant and that the MSD Board would defer action until further report from Mr. Greenwood. Chairman Greenwood indicated that this would be satisfactory.

Mr. Johnson read a letter from Container Service Company relating to their service. The Board decided it was an administrative matter.

Mr. Johnson presented a letter from Blue Cross and Blue Shield Insurance Company, showing an increase in BlueCross Hospital rates - effective August 1, 1972. Chairman Peterson stated that we have a policy on this matter, WHEREUPON Mr. Dawson moved that the MSD continue to pay 50% of Blue Cross premiums. Mr. Clark seconded this motion. The roll call vote was unanimous. Affirmative.

Mr. Johnson called the Board's attention to the fact that the City of Asheville had increased the water rates on consumption in excess of 5,000,000 gallons per month - effective August 1, 1972. Upon questioning, Mr. Johnson estimated that this would effect the largest (18) eighteen water users in the County. It would not effect domestic or average water users. Mr. Johnson pointed out that the Consulting Engineer previously had recommended to the MSD Board that we take similar action.

EXTRACT FROM CONSULTING ENGINEER'S REPORT  
DATED - APRIL 14, 1970

(d) We recommend that the District Board direct its staff to make an analysis of past revenues to determine the approximate effect of eliminating each of the two lower use brackets in the Schedule of Rates for Sewer Service (\$0.03 and \$0.05 per 1,000 gallons of water used) on the District's revenues and the sewer users that fall in these brackets. These rates appear to us to be lower than reasonable and lower than those of similar systems.

.03 and  
Mrs. Swicegood moved that the Board accept the above recommendation to eliminate the/\$0.05 per 1,000 sewer charge from the current rate schedule. The effective time to be set by the Board at a later date. Mr. Williams seconded the motion. The roll call vote was unanimous. Affirmative.

Mr. Johnson stated that the Trustee requested advice relating to the Reserve Account. After a general discussion, the Engineer-Manager was instructed to draft a formal Resolution as follows:

RESOLUTION

WHEREAS the Trustee has informed the Metropolitan Sewerage District Board of current assets in the Reserve Account of \$1,137,000.00, which is substantially greater than the required reserve, and

WHEREAS the Consulting Engineer and the Engineer-Manager recommend that a portion of the funds in said account be used for the redemption of the Bonds of the District;

NOW, THEREFORE, BE IT RESOLVED that the Trustee be authorized and instructed to advertise for tenders and if tenders are received and acceptable, to use \$500,000.00 of funds in said Reserve Account to redeem bonds of the District at his discretion on or after October 2, 1972.

Mr. Dawson moved that this resolution be adopted and Mrs. Swicegood seconded the motion. Roll call vote was unanimous. Affirmative.

The next order of business was election of officers. WHEREUPON, Mr. Clark moved that Chairman Peterson, Vice-Chairman Dawson, Secretary Swicegood, and Treasurer Liles be re-elected to their current offices. Mr. Longshore seconded this motion. The roll call vote was unanimous. Affirmative.

There being no further business, the meeting adjourned at 3:10 p. m.

July 18, 1972

  
Secretary