

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT

JULY 19, 2000

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, July 19, 2000. Chairman Blackburn presided with the following members present: Aceto, Bryson, Kelly, Pace, Sobol and Venable. Those absent were: Ms. Field, Mr. Gantt, Ms. Graham and Mr. Spell.

Others present were: William Clarke, General Counsel, W.H.Mull, General Manager, Gary McGill of McGill Associates, Natalie Berry and Cathy Ball with the City of Asheville, Jim Fatland, Tom Hartye, Ann LeMieux, Stan Boyd, Sharon Walk and Sondra Honeycutt, MSD.

2. Approval of Minutes of June 14, 2000 Meeting:

Mr. Sobol requested that the wording on page 4, paragraph 3, be changed to read: "Mr. Sobol stated that it's very important to obtain these figures and present them to the CIP Committee by this fall, etc." With no further additions or corrections, Mr. Venable moved that the minutes of the June 14, 2000 meeting be approved as amended. Mr. Pace seconded the motion. Voice vote was unanimous in favor of the motion.

3. Public Comment:

Mr. Blackburn called for comments from the public and recognized Ms. Berry and Ms. Ball with the City of Asheville.

4. Discussion and Adjustment of Agenda:

Mr. Sobol suggested that Committee Reports be given prior to the Consolidated Motion Agenda. Mr. Clarke stated that the agenda order stems from the By-laws as an order of business and was previously discussed by the By-laws Committee. Mr. Blackburn suggested that the By-laws Committee discuss this issue and bring a recommendation back to the Board.

5. Election of Officers:

Chairman

Ms. Bryson nominated Mr. Blackburn as Chairman. Mr. Kelly seconded the motion. Mr. Pace moved that the nominations be closed. Mr. Aceto seconded the motion. Voice vote was unanimous in favor of the motion. Mr. Blackburn was elected Chairman by acclamation.

Vice Chairman

Mr. Pace nominated Mr. Sobol as Vice Chairman. Mr. Aceto seconded the motion. Mr. Venable moved that the nominations be closed. Mr. Pace seconded the motion. Voice vote was unanimous in favor of the motion. Mr. Sobol was elected Vice Chairman by acclamation.

Secretary/Treasurer

Mr. Blackburn appointed Ms. Bryson to serve as Secretary/Treasurer. Voice vote was unanimous in favor of the appointment.

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6. Report of General Manager:

Consolidated Motion Agenda

a. Acceptance of Developer Constructed Sewer Systems:

1. Burnside, Phase 4 - Biltmore Park
2. BHW Partners
3. Wyntree Subdivision
4. Kenilworth Hills
5. Regional Medical Park

Mr. Mull reported that staff recommends acceptance of the developer constructed sewer systems as presented and that all MSD requirements have been met.

a. Consideration of City of Asheville Annexation Projects:

1. West Annexation Phase III, Contract A
2. Brevard Road Annexation Phase I
3. West Annexation Phase II

Mr. Mull reported that staff recommends acceptance of the City constructed sewer systems as presented and that all MSD requirements have been met.

a. **Consideration of Contract Amendment for Architectural Services - Construction Contract Administration - New Consolidated Office Facility - Architectural Resource Collaborative:**

Mr. Mull reported that the Construction Committee recommends an increase in the fee of \$18,210.00 to Architectural Resource Collaborative for a 93-day time extension for the change to tile for the roof on the new consolidated office facility.

b. **Consideration of Authorization to Proceed with Bidding and/or Piggyback Purchasing for New Furnishings for the Consolidated Office Facility - Present & Future:**

Mr. Mull reported that the Construction Committee recommends that the Board authorize staff to proceed with procurement of the furnishings, either by means of the bidding process, piggybacking on GSA or State contracts, or quotes, as applicable, in an amount not to exceed \$400,000.00, along with a 10% contingency.

c. **Consideration of Bids for five (5) 3/4 ton Four Wheel Drive Vehicles and four (4) 1 ton Four Wheel Drive Vehicles:**

Mr. Mull reported that the following bids were received June 27, 2000 for five (5) 3/4 ton, four wheel drive short bed vehicles: Tim Marburger Dodge with a total base bid of \$131,576.00; Buchanan & Young Dodge with a total base bid of \$144,290.00. Bids for the four (4) 1 ton four wheel drive vehicles are as follows: Tim Marburger Dodge with a total base bid of \$97,296.80; Buchanan & Young Dodge with a total base bid of \$112,372.00 and Matthews Ford Company with a total base bid of \$100,548.00. He further reported that staff recommends award of the bids to Tim Marburger Dodge (Concord, NC) for both the 3/4 ton and one ton trucks, subject to legal review.

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d. Investment Report for Period Ended 5/30/00:

Presented as information only.

Regarding item e. (Bids for vehicles), Mr. Venable asked why truck number 9115, with only 50,158 miles, needed to be replaced. Mr. Mull stated that although this 1991 vehicle has low mileage, it was used by both System Services and the Treatment Plant to haul heavy loads and is in poor condition. Mr. Venable further asked about the three (3) 3/4 ton vehicle that will be auctioned off. Mr. Fatland reported that these vehicles would be taken to the City of Asheville Auction in October, with the proceeds going directly back into the replacement fund. He further stated that these vehicles are fully depreciated and would not be replaced.

Mr. Aceto requested that item a.2 (BHW Partners) be pulled from the agenda in order that he might be excused from voting since they are his clients.

Mr. Sobol requested that item d. (Furnishings for the Consolidated Office Facility) be pulled from the agenda for further consideration.

Mr. Aceto moved that the Board approve the Consolidated Motion Agenda as presented, with the exception of items a.2 and d. Ms. Bryson seconded the motion. Roll call vote was as follows: 7 Ayes; 0 Nays.

Mr. Blackburn called for a vote to excuse Mr. Aceto from voting on item a.2 (BHW Partners). Voice vote was unanimous in favor of the motion.

Mr. Pace moved that the Board approve the recommendation of staff with regard to BHW Partners. Mr. Venable seconded the motion. Roll call vote was as follows: 6 Ayes; 0 Nays.

Regarding item d., Mr. Sobol stated that although he is not against buying new furniture, he feels the Board should look at this issue more closely and put off voting until the next meeting of the Board. He further stated that the reason for his concern is whether there is a need to buy all new furniture and the estimated cost of \$700.00 each for 70-80 new chairs, which is not included on the bid list. He requested that the District write specifications, not for any particular company, but general specifications that can be bid by any vendor. Mr. Venable asked Mr. Clarke to explain his letter to the Furniture Committee with regard to whether the District could purchase a specific type of furniture and piggybacking on a State or local government contract. Mr. Clarke explained the piggyback process for this type of purchase. He stated that even if the full board voted to

recommend proceeding in this way, a 10-day notice of a meeting must be given before the District can make a piggyback purchase. Mr. Venable stated that it was not clear at the Construction Committee meeting whether this purchase could be piggybacked or not. Also, the Committee did not necessarily authorize staff to go with a particular company, but to proceed based on the recommendations of the Furniture Committee. Mr. Pace moved that the Board approve the recommendation of the Construction Committee. Ms. Bryson seconded the motion. A lengthy discussion followed regarding the wording of the recommendation and whether it includes "brand name or equal" and if the District is saving as much money as it can by proceeding as recommended.

Mr. Aceto asked if the Furniture Committee is confident that the product selected will attract other bidders. Ms. Walk reported that the Committee looked at three (3) quality brands of furniture in the field and felt that the brand selected was the very best product for the price. However, this does not necessarily mean

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the company that carries this product will be the lowest bidder. Mr. Aceto asked if the Furniture Committee can assure the Board that the specifications will be sufficiently generic to allow other companies to bid. Ms. Walk stated that the specifications would include certain quality features that are necessary such as handicap accessibility. Mr. Venable stated that he went with the Committee to look at what was selected and was satisfied that the product was of good quality, and the price was fair. Mr. Sobol asked why it's necessary to buy so much new furniture. Mr. Mull explained that several of the offices will be using existing furniture, but the workstations in the Administration Building will remain when the building is leased. He stated that because the Engineering Division is using old federal surplus furniture that is heavy, uncomfortable and difficult to move, it would all be replaced.

Mr. Kelly suggested that the Board give authorization to proceed with both public bidding and piggyback purchasing, with the right of rejection. Mr. Pace consented to read "the Board authorize staff to proceed with procurement of the furnishings, by means of the bidding process and piggybacking on GSA or state contracts as applicable, in an amount not to exceed \$400,000.00, along with a 10% contingency." Mr. Venable asked

what the next step is for the Furniture Committee. Mr. Mull stated that the specifications must be written and presented to the Construction Committee. Following a discussion with regard to the specifications, roll call vote was as follows: 6 Ayes; 1 Nay (Mr. Sobol)

1. Consideration of Cost Participation - Monticello Commons Off-sight Rehabilitation:

Mr. Mull reported that the developer wishes to develop a 13 lot commercial subdivision located on Main Street just north of Weaverville. He further reported that the existing off-site sewer is undersized and must be upgraded, and has been identified as a portion of a future rehabilitation project by the District. He stated that the estimated construction cost for this section is approximately \$38,000.00, with MSD's share being approximately \$19,000.00. He further stated that staff recommends MSD's participation in this project, funding 50% of the total construction cost, or approximately \$19,000.00. Mr. Pace moved that the Board approve the recommendation of staff as presented. Ms. Bryson seconded the motion. Mr. Venable asked who will pay the difference in cost should the project exceed the estimated amount. Mr. Mull stated that the MSD would be responsible, but feels the estimate is realistic. Mr. Hartye stated the project would probably extend well beyond the subdivision, which would mean a better price. With no further discussion, roll call vote was as follows: 7 Ayes; 0 Nays.

2. Committee Reports:

Construction Committee

Mr. Venable expressed his appreciation to the Furniture Committee for their time and effort on this project.

3. New Business:

Mr. Sobol moved that recognition in the form of a plaque be presented to Mr. Bob Selby for his service, as not only a Member of the Board, but as Chairman. Mr. Venable seconded the motion. Voice vote was unanimous in favor of the motion.

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4. **Old Business:**

Mr. Blackburn reported that the Agreement between MSD and Avery Creek is signed, lifting the moratorium on new connections. He requested that staff prepare a press release to that effect. Mr. Sobol asked about the status of Avery Creek coming into the District and how the subdivisions, which are in need of collector sewer service will be funded. Mr. Clarke read the following language from the Agreement, "The District and Avery Creek agree to cooperate in good faith with each other and other appropriate governmental entities to make Avery Creek a part of the Metropolitan Sewerage District." He stated that he had been informed by counsel to Avery Creek that Avery Creek is applying for State grant funds for the construction of sewers to serve the subdivisions.

Mr. Mull presented a list of organization that has agreed to serve on the Citizens Participation Committee. He stated that this Committee would meet with the Consultants and Staff throughout the planning process for the Master Plan.

In other business, Mr. Mull reported that since State grant funds for water and wastewater projects have been used up, legislation was recently introduced for withdrawal of loan funds to be reallocated to grant funds. He stated that within this law, the maximum principal amount of grants made to any applicant over a period of three fiscal years is \$3 million. He further stated that the MSD contacted legislators regarding this bill, and as a result, the District is now eligible for an additional \$2 million a year for the next two years.

The Board commended David Monteith for his thorough work and quick response to inquires regarding sewer lines on the property of Northwestern Mutual Life, which was acknowledged by letter from the owners.

At 3:15 p.m., Mr. Pace moved that the Board go into closed session to discuss a personnel matter. Mr. Venable seconded the motion. Voice vote was unanimous in favor of the motion.

5. **Adjournment:**

With no further business, Mr. Pace moved for adjournment at 3:30 p.m. Mr. Aceto seconded the motion. Voice vote was unanimous in favor of the motion.

Jackie W. Bryson, Secretary/Treasurer