

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT

AUGUST 15, 2001

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 15, 2001. Chairman Blackburn presided with the following members present: Aceto, Ball, Bryson, Field, Gantt, Kelly, Pace, Sobol and Venable. Ms. Graham was absent.

Others present were: Thomas E. Hartye, General Manager, John S. Stevens, General Counsel, Gary McGill and Danny Bridges of McGill Associates, Ann LeMieux, John Kiviniemi, Jim Fatland, Stan Boyd, Ed Bradford, Peter Weed, Sharon Walk and Sondra Honeycutt.

2. Approval of Minutes of the July 18, 2001 Meeting:

Mr. Venable moved that the Minutes of the July 18, 2001 meeting be approved as presented. Mr. Gantt seconded the motion. Voice vote was unanimous in favor of the motion.

3. Discussion and Adjustment of Agenda:

None

4. Informal Discussion and Public Comment:

None

5. Report of General Manager:

Mr. Hartye presented information regarding the Master Plan Workshops, Enka Village Petition, Water Infrastructure Network's (WIN) Funding, GFOA Certificate of Achievement, Proposed Reclassification of the French Broad River, Good Mail/Graduations, Planning Committee, Building Security and Bond Issue.

He reported the MSD picnic held August 3rd was well attended and very successful. He further reported that during a recent power outage, the MSD's new generator at the treatment plant switched over automatically without incident, as did the generator in the Administration building.

Regarding the Master Plan Workshops, Mr. Hartye recommends presenting the entire Master Plan at the September 19th meeting, with a detailed discussion to be held at the October 10th meeting.

Mr. Hartye congratulated Jim Fatland, Chuck Young, Teresa Gilbert and the Consultant, Gould Killian CPA Group for receiving the Government Finance Officer Association's Certificate of Achievement for the Comprehensive Annual Financial Report (CAFR) for fiscal year ending June 30, 2000. He stated the District has received this award for six consecutive years.

Mr. Hartye reported a public hearing on the proposed reclassification of the French Broad River and Nolichucky was held July 31st at AB-Tech. He stated the requirements for reclassification would not affect MSD's NPDES permit, since the District already meets these standards as a part of its existing discharge permit issued last year. Mr. Pace stated the reclassification would affect the smaller municipalities more, since they are not in compliance. Mr. Aceto asked if other municipalities would be looking to MSD for solutions to higher permit standards. Mr. McGill stated it's possible, but did not think it was likely.

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Regarding Good Mail, Mr. Hartye expressed his appreciation to Ben Reeves and his construction crew for outstanding customer service on a recent job in Weaverville. Also, he congratulated the following graduates from AB-Tech: Karl DeKing who received an Associates Degree in Information Systems Technology, and David Monteith and Wesley Banner who received Associate Degrees in Civil Engineering Technology. Mr. Aceto moved that a letter of commendation from the Board be sent to Mr. Reeves and his crew for achievement in Customer Service and that a letter of congratulations be sent to the three (3) graduates of AB-Tech who were willing to further their education and obtain a degree. Also, that a copy of the letters be placed in their respective personnel files. Mr. Pace seconded the motion. Voice vote was unanimous in favor of the motion.

With regard to the Bond Issue, Mr. Hartye reported bids on the final phase of the North Swannanoa Interceptor would be let soon. He stated the Local Government Commission requires bids in hand prior to final application for bonding approval. He further stated the bond issue would be approximately \$20 million and that a

meeting with the rating agencies would be held in October, with a closing in November.

6. Report of Committee Chairs:

Right of Way Committee

Mr. Pace reported the Right of Way Committee met July 25, 2001 to consider condemnations on the Swannanoa River Road and Clingman Avenue projects and to review the second quarter report.

7. Consolidated Motion Agenda:

a. Consideration of Compensation Budget - Clingman Avenue:

The Right of Way Committee recommends approval of the Compensation Budget.

b. Acceptance of Developer Constructed Sewer Systems: Kelsey Park, Riverwood/Bee Tree Place and Coleman Development Residential:

Staff recommends acceptance of the developer constructed sewer systems. All MSD requirements have been met.

c. Consideration of Bids - North Griffing Boulevard Private Sewer Rehab:

The following bids were received July 19, 2001 for the North Griffing Boulevard Private Sewer Rehab: Buckeye Construction Company with a total base bid of \$185,327.75; Bryant Electric Company with a total base bid of \$170,990.00; Wheeler Construction with a total base bid of \$164,920.00; T&K Utilities with a total base bid of \$147,400.00; Terry Brothers with a total base bid of \$136,575.00; Hobson Construction with a total base bid of \$124,095.00 and Wolfpen Associates with a total base bid of \$122,712.50. The Wolfpen bid did not have a valid Bid Bond, therefore, the bid was rejected. Staff recommends award of the contract to Hobson Construction Company in the amount of \$124,095.00, in accordance with recommendations from District Counsel.

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d. Consideration of Bids for Restoration of Streets and Highway Right-of-Way following Maintenance Performed by the District - 2 year contract:

Staff recommends award of two-year contract to APAC in the amount of \$892,900.96.

e. Consideration of Bids for (3) Cab & Chassis Trucks:

The following bids were received August 7, 2001: Volvo GMC with a total base bid of \$81,849.00, which did not meet specifications, and Buchanan & Young with a total base bid of \$84,123.00. Staff recommends award of the bid to Buchanan & Young subject to legal counsel approval.

f. Consideration of Piggyback on City of Asheville Contract with JCI Jones Chemical, Inc. for Sodium Hypochlorite:

Staff recommends award to JCI Chemical, Inc. for Sodium Hypochlorite at a cost of \$.52 per gallon.

g. Authorize Sale/Purchase of Camera Equipment:

Staff recommends authorizing staff to advertise for bids for new camera equipment or piggyback on an existing contract, and advertise for bids for sale of existing Pearpoint camera equipment.

h. Employee Participation in 401 (k) & 457:

Presented as information only.

i. Cash Commitment/Investment Report for Period Ended 6/30/01:

Presented as information only.

Ms. Bryson moved that the Consolidated Motion Agenda be approved as presented. Mr. Pace seconded the motion. Regarding Item f., Mr. Venable asked when the Sodium Hypochlorite facility would go on-line. Mr. Hartye stated start-up and testing is underway. Regarding Item i., Mr. Blackburn asked if the entire investment funds on hand have been encumbered. Mr. Fatland responded yes, and the District is contemplating a revenue bond issue this fall. With no further discussion, roll call vote was as follows: 10 Ayes; 0 Nays.

8. Old Business:

Mr. Blackburn reported an informal meeting was held today with Mr. Hartye to review some thirty (30) goals and objectives set out when he was hired in December. Others in attendance were Mr. Venable, Mr. Kelly and Mr. Sobol. He stated those in attendance agreed that Mr. Hartye has done an excellent job, they support his efforts, and look forward to his many years of service as General Manager. He further stated Mr. Hartye's official performance review would take place in December.

In other business, Mr. Venable asked for a report on the Mills River Interceptor Sewer. Mr. Hartye stated to his knowledge, Henderson County is still trying to obtain funding for this project and that construction has not started, but he would keep the Board informed of any new development.

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Mr. Gantt asked Mr. Hartye if he felt good about being in the loop with all the utilities and government units that operate and affect the MSD. Mr. Hartye stated there are several levels of communication that are maintained such as meetings with managers of the various entities and on-going involvement with the Utilities Coordinating Committee.

9. New Business:

None

10. Adjournment:

At 2:25 p.m., Mr. Kelly moved for adjournment. Mr. Pace seconded the motion. Voice vote was unanimous in favor of the motion.

Jackie W. Bryson, Secretary/Treasurer