

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT

APRIL 17, 2002

1. Call to Order and Roll Call:

The regular monthly meeting of the Metropolitan Sewerage District Board was held in the Boardroom of MSD's Administration Building at 2:00 p.m., Wednesday, April 17, 2002. Chairman Blackburn presided with the following members present: Aceto, Ball, Bryson, Field, Gantt, Graham, Kelly, Pace, Sobol and Venable.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill and Danny Bridges of McGill Associates, William H. Mull, Margaret Mull, Donna Milligan of the NC League of Municipalities, Patrick Flanagan, Attorney, Kurt Wright, W.K. Dickson, Ann LeMieux, Ed Bradford, John Kiviniemi, Stan Boyd, Eric Mann, Peter Weed, and Sondra Honeycutt, MSD.

2. Approval of Minutes of March 20, 2002 Meeting:

Mr. Clarke stated the following wording should be added to page 1, item 5.c., paragraph 2 "voice vote in favor of the motion was unanimous." With no further additions or corrections, Mr. Venable moved that the minutes of the March 20, 2002 meeting be approved as amended. Mr. Pace seconded the motion. Voice vote in favor of the motion was unanimous.

3. Informal Discussion and Public Comment:

Mr. Blackburn welcomed Mr. & Mrs. Mull to the meeting and stated he hoped Mr. Mull was pleased with the new entrance sign to the Administration building. Mr. Blackburn expressed the Board's appreciation for Mr. Mull years' of service and for allowing the building to be named in his honor. Several other comments were made and Mr. Mull expressed his appreciation to the Board.

4. Discussion and Adjustment of Agenda:

At 2:10 p.m., Mr. Venable moved that the Board go into closed session to discuss pending litigation between Mr. Tom Tarrant and the MSD. Mr. Pace seconded the motion. Voice vote in favor of the motion was unanimous.

At 3:42 p.m., the Board went back into open session.

5. Report of General Manager:

Mr. Hartye presented information regarding Good Mail, Kenilworth Lake Project, Meeting with Legislators, Resolution from the Buncombe County Commission, Board Meeting Agenda and Letter from the City of Asheville.

Regarding the Kenilworth Lake Project, Mr. Hartye reported the Upper Ross Creek interceptor lining project is substantially complete. He further reported that plat adjustments and homeowner negotiation are on-going on the lower portion of Ross Creek and should be complete in the next couple of weeks followed by construction of an access.

Mr. Hartye reported a meeting with the Legislators is being planned and the Board will be notified when a date is set.

Mr. Hartye reported the Resolution from Buncombe County would be brought before the Planning Committee April 25, 2002.

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With regard to the letter from the City of Asheville about billing rates, Mr. Hartye stated this would be presented to the Finance Committee once the supporting documentation was received from the City of Asheville.

6. Report of Committee Chairs:

Right of Way Committee:

Mr. Pace stated the items discussed at the Right of Way Committee meeting, held March 28, 2002, are part of the Consolidated Motion Agenda. He had no further report.

Construction Committee:

Mr. Sobol reported the Construction Committee met April 9, 2002 to discuss the Design Criteria for the Ross Creek Interceptor, the Sodium Hypochlorite Facility and finding ways of reducing the budget and still completing needed work safely and effectively.

Personnel Committee:

Mr. Venable reported the Personnel Committee met April 15, 2002 to discuss several options for Cost of Living and Merit Increases. He stated that given the economic climate of the community, the Committee recommends a Cost of Living increase of 2.5% with no Merit for FY 2003, which is an increase in the Budget of approximately \$140,000.00. Mr. Hartye stated this amount represents the increase amount in salaries and does not increase the bottom line of the budget.

CIP Committee:

Mr. Sobol reported the CIP Committee met today to review the CIP Plan in the amount of \$16 million and to continue to finance the CIP Sewer System Revenue Bonds. He further reported a discussion was held regarding a rate increase, but the two municipalities represented (Montreat and Weaverville) would not give an endorsement. Ms. Field stated she is concerned that only two representatives were in attendance and suggested another meeting be scheduled to get input from

other local government representatives. Mr. Blackburn asked Mr. Sobol and Mr. Hartye to contact Committee Members prior to the meeting to let them know what will be discussed.

7. Consolidated Motion Agenda:

a. Consideration of Revised Compensation Budget - Inglewood Road:

The Right of Way Committee recommends approval of the revised Compensation Budget for Inglewood Road, which reflects current land values.

b. Consideration of Revised Compensation Budget - Grassy Branch Rehabilitation:

The Right of Way Committee recommends approval of the revised Compensation Chart for Grassy Branch Rehabilitation, which reflects current land values.

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c. Consideration of Compensation Budget - Pressley Branch:

The Right of Way Committee recommends approval of the Compensation Budget for Pressley Branch, which is based on current ad valorem tax values and follows the MSD approved formula.

d. Consideration of Developer Constructed Sewer System - Reynolds Mountain Line F:

The project (Line F) included the installation of approximately 572.77 linear feet of 8" gravity sewer pipe to serve three lots in Reynolds Mountain Subdivision at an approximate cost of \$27,000.00. Staff recommends acceptance of the developer constructed sewer system. All MSD requirements have been met.

e. Consideration of Bids for Odor Control, Equipment and Services:

The following Bids for Odor Control, Equipment and Services were received on February 28, 2002: Vulcan Performance Chemical, Inc. with a total bid of \$84,300.00 and US Peroxide, Inc. with a total bid of \$104,100.00. Staff recommends awarding the bid to Vulcan Performance Chemical in the amount of \$84,300.00.

f. Consideration of Acceptance of Annexation Sewer from City of Asheville - Maplesprings Road Sewer Extension:

The project included installation of approximately 1,640 linear feet of 8" sanitary sewer pipe at a cost of \$154,973.00. Staff recommends acceptance of the City of Asheville constructed sewer system.

g. Consideration of Cost of Living Salary Adjustments for FY03:

The Personnel Committee recommends approval of a Cost of Living increase of 2.5%.

h. Consideration of Merit Increases for FY03:

The Personnel Committee recommends no Merit Increases for FY03; however, the merit evaluation program shall be continued to give a good benchmark for further review.

i. Consideration of Change Order for Sodium Hypochlorite Facility:

The Construction Committee recommends approval of staff's recommendation as follows:

1. Approve Change Order #2 extending the Contract Time to April 9, 2002.
2. Approve closeout Change Order #3 reducing the final contract price from \$876,237.30 to \$862,092.30.
3. Contractor to provide a five-year warranty on all four tanks.
4. Waive Liquidated Damages.

j. Cash Commitment/Investment Report for Period Ended 2/28/02:

Presented as information only.

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k. Cost of Treatment:

Presented as information only.

With no discussion, Mr. Pace moved that the Board approve the Consolidated Motion Agenda as presented. Ms. Ball seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

8. GIS Department Presentation:

Mr. Eric Mann, GIS Coordinator gave an interesting presentation on the MSD's Geographic Information System. He reported the system allows staff to perform major analysis and assists other departments in making faster and better decisions by creating a graphic way to look at data.

Mr. Mann stated that some examples of GIS Application are:

- Pipe video linking
- Pipe scoring and SSO relations
- "Enterprise" system with multi user accessing using networked "Floating" licensing for anyone on the network to use and access GIS data
- New Internet/Intranet access to GIS applications using the Web Browser and soon, to be on the World Wide Web.

Mr. Mann presented a video about the Prime Time TV show "The District", which shows various uses of GIS by the Washington, D.C. Police Department. He reported MSD is cooperating with local government and participating in the organization of a 9-county Regional GIS Advisory Council (MRGAC). He stated that the purpose of the Council is to share knowledge and data, and provide a strong voice to benefit Western North Carolina in supporting GIS data development by addressing State and Federal government GIS needs.

Mr. Hartye expressed his appreciation to Mr. Mann for his presentation and GIS knowledge. He stated that because of Eric's efforts, MSD is well beyond any utility of equal size and most utilities in the United States in its GIS program.

9. Old Business:

None

10. New Business:

Mr. Sobol stated he would like the Board to consider at the next meeting endorsing a Water Infrastructure Bill introduced in the U.S. Senate and House of Representatives. He asked that Mr. McGill assist him in this effort.

11. Retreat Goal Setting Continued:

Postponed until the May 8th meeting.

12. Adjournment:

With no further business, Mr. Pace moved for adjournment at 4:20 p.m. Mr. Kelly seconded the motion. Voice vote in favor of the motion was unanimous.

Jackie W. Bryson, Secretary/Treasurer