

# **BOARD OF THE METROPOLITAN SEWERAGE DISTRICT**

**FEBRUARY 19, 2003**

## **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, February 19, 2003. Chairman Blackburn presided with the following members present: Aceto, Ball, Bryson, Field, Graham, Gantt, Kelly, Pace, Sobol and Venable.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill, Danny Bridges and Mike Apke of McGill Associates, Leah Karpen and Richard Bowman with the League of Women Voters, Larry Frost with DENR, Martha Zeigler, Stan Boyd, John Kiviniemi, Angel Banks, Bill Conner, Monty Payne, Ed Bradford, Blake Bridwell, Peter Weed and Sondra Honeycutt, MSD.

## **2. Approval of Minutes of the January 15, 2003 Meeting:**

Mr. Kelly moved that the minutes of the January 15, 2003 Meeting be approved as presented. Ms. Field seconded the motion. Voice vote in favor of the motion was unanimous.

## **3. Discussion and Adjustment of Agenda:**

None

**4. Informal Discussion and Public Comment:**

Mr. Blackburn welcomed Leah Karpen and Richard Bowman with the League of Women Voters.

**5. Report of General Manager:**

Mr. Hartye presented information regarding Reading, Bond Refinancing, AMSA Rate Index versus Inflation, North Swannanoa Interceptor, Accomplishments for 2002, Appointment and information regarding Billing issues.

Mr. Hartye presented copies of the following: The latest copy of the Metro-Lite, articles from AMSA regarding Funding and EPA's Workshop on SSO's and Public Health Impacts, WEF article on the funding gap analysis and an article in the Asheville Citizen Times with regard to the Blue Ridge Plating site.

Regarding Bond Refinancing, Mr. Hartye reported that the District received approval from the Local Government Commission with the pricing scheduled for March 19<sup>th</sup> and closing in early April. A copy of the Preliminary Official Statement was provided to each Board Member.

Mr. Hartye presented a graph and table provided by AMSA showing the index of sewer service charges versus inflation for the last 18 years. He also provided a table showing the District's rate increases for the last 13 years.

Mr. Hartye reported that an Emergency Response Drill was held at the Plant on February 12<sup>th</sup> in concert with the Woodfin police, fire and rescue contingent. He stated that the drill went well, but communications could be improved.

Minutes

February 19, 2003

Page Two

Mr. Hartye reported that the last section of the main line of North Swannanoa Interceptor was opened up last week, but there are some small collector line replacements that remain before close-out of the project. He stated that the project replaced 24 miles of sewer line at a cost of \$40 million. Mr. Aceto stated that this project is what got the Montreat Town Board interested in the MSD and has been his top priority over the years. He expressed his appreciation to staff and the Board for their involvement.

Mr. Hartye recognized Angel Banks who will be inducted this fall as the 2004 President of the North and South Carolina Chapter of the International Right of Way Association. He also recognized Blake Bridwell who recently earned his Professional Engineer Registration.

Mr. Hartye presented information regarding the billing issue. He reported that a meeting was held February 3<sup>rd</sup> with the Water Authority Budget Committee and others to discuss the cost of billing charged to the District by the City of Asheville. He further reported that Mr. Ramsey made a motion for City staff to revisit the issue to determine a cost that is closer to the incremental cost of billing rather than the prorated cost and closer to \$1.75 per bill instead of \$3.23. The motion was seconded and carried. Mr. Hartye stated that a subsequent meeting will be held March 4<sup>th</sup> at 8 a.m. In other business, a discussion was held regarding incentives for new industrial users and extension policies.

**6. Report of Committees:**

**Finance Committee**

Mr. Kelly reported that the Finance Committee met prior to the Board Meeting to consider the Self-funded Employee Medical & Dental Program. He stated that the Committee recommends that the District absorb the over \$300,000.00 increased cost as recommended by staff.

**Personnel Committee**

Mr. Venable reported that the Personnel Committee met February 18<sup>th</sup> to review a new appraisal sheet for appraising and evaluating the General Manager and to review the goals and objectives of the General Manager, which run from January 2003 to June 2004.

**7. Consolidated Motion Agenda:**

**a. Consideration of Developer Constructed Sewer Systems: Dunbar Place Apartments and Holcombe Woods Subdivision Phase 2.**

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

**b. Consideration of Cost Recovery Request for Woodland Avenue Triplex:**

Staff recommends that the General Manager be authorized to reimburse David Ball of Ball Enterprises Inc. the amount of \$2,303.00 upon Board acceptance for ownership of the sewer system.

Minutes

February 19, 2003

Page Three

**c. Consideration of Bids for General Sewer Rehab Project - Beechwood Road & Pressley Branch:**

The following bids for the Beechwood Road and Pressley Branch projects were received February 6, 2003: Buncombe Construction Company with a combined total bid of \$237,864.00; Hobson Construction Company with a combined total bid of \$240,825.00; Huntley Construction with a combined total bid of \$335,879.50; Payne, McGinn & Cummings with a combined total bid amount of \$294,565.20; T&K Utilities Company with a combined total bid of \$223,760.00 and Terry Brothers Construction Company with a combined total bid of \$205,417.00. Staff recommends award of this contract to Terry Brothers Construction Co., Inc. in the amount of \$205,417.00, contingent upon review by District Counsel.

**d. Consideration of Bids for General Sewer Rehab Project: Biltmore Forest - Ram Branch Dig & Replace Project:**

The following bids for the Ram Branch Dig & Replace project were received February 11, 2003: Cooper Construction Company with a total bid of \$75,234.20; Hobson Construction Company with a total bid of \$73,690.00; T&K Utilities, Inc. with a total bid of \$64,368.00 and Terry Brothers Construction Company with a total bid of \$71,794.00. Staff recommends award of the contract to T&K Utilities, Inc. in the amount of \$64,368.00, contingent upon review by District Counsel.

**e. Consideration of Resolution Authorizing Issuance of Refunding Bonds:**

Staff recommends approval of the Resolution authorizing issuance of Refunding Bonds.

**f. Consideration of Self-Insured Health Plan:**

The Finance Committee recommends that the Board approve staff's recommendation to adjust/increase co-pays and contributions, but maintain the 100% hospitalization coverage scheme the District presently has.

**g. Cash Commitment/Investment Report for Month Ended December 31, 2002:**

Presented as information only.

Ms. Field moved that the Board approve the Consolidated Motion Agenda as presented. Mr. Pace seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

**8. Grease and Pretreatment Program Presentation:**

Mr. Hartye introduced Monty Payne, Industrial Waste Coordinator. Mr. Payne gave an interesting presentation on the District's Pretreatment and Grease Programs. He addressed the many aspects of the Pretreatment Program which include the Sewer Use Ordinance, Industrial Waste Survey, Long Term Monitoring Program, Headworks Analysis, Industrial User Permits, Monitoring, Inspections, Compliance Judgements and Enforcement.

Minutes

February 19, 2003

Page Four

Regarding the Grease Program, Mr. Payne reported that this program is a requirement of the North Carolina Collection's Permit and includes, Education of Restaurant Workers, Thorough Site Inspections and Education of the Public. He showed the difference in a Grease Trap and Grease Interceptor, the cost of installation and how it works. He reported that since implementation of this program, the incidents of grease blockages have been reduced from 122 in 1993 to 11 in 2002. He stated that this program has expanded from commercial/industrial users to food establishments and residential areas. He showed the difference between a well maintained interceptor and a poorly maintained interceptor. Several questions were asked regarding grease traps, and whether the District works in conjunction with City and County inspectors. Mr. Payne reported that 85% of food establishments currently have a grease removal unit and 15% of food establishments will need to install a grease removal unit. Mr. Venable asked if the 15% represents businesses that have been there a long time. Mr. Payne stated that these are food establishments that were discovered after the program was implemented. Mr. Gantt asked how much the District has saved since the program was implemented. Mr. Hartye stated that this information would be hard to quantify, but staff would attempt to come up with some data. Mr. Venable asked how much it cost businesses to maintain a grease interceptor. Mr. Payne stated that the cost involves removing the grease on a monthly basis. Mr. Pace requested that staff obtain information on the monthly

cost to maintain both grease traps and grease interceptors. A brief discussion followed regarding car washes and whether they are required to have a permit. Mr. Payne stated that permits are not required for car washes.

**9. Old Business:**

None

**10. New Business:**

Mr. Blackburn expressed his appreciation to Board Members for attending numerous meetings this month.

**11. Adjournment:**

With no further business, Mr. Aceto moved for adjournment at 2:35 p.m. Mr. Pace seconded the motion. Voice vote in favor of the motion was unanimous.

---

Jackie W. Bryson, Secretary/Treasurer