

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT  
MAY 18, 2005**

**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 PM, Wednesday, May 18, 2005. Chairman Aceto presided with the following members present: Bellamy, Bissette, Bryson, Gantt, Graham, Kelly, Pace, Sobol, VeHaun and Venable. Ms. Ball was absent.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill with McGill Associates, Leah Karpen with the League of Women Voters, Joseph Martin with Woodfin Sanitary Water & Sewer District, Stan Boyd, Martha Zeigler, John Kiviniemi, Ed Bradford, Peter Weed, Ken Stines, Mike Butler, Teresa Gilbert and Sondra Honeycutt, MSD.

Mr. Aceto welcomed Ms. Karpen and Mr. Martin.

**2. Approval of Minutes of the April 20, 2005 Meeting:**

Ms. Bellamy moved that the Minutes of the April 20, 2005 Meeting be approved as presented. Mr. Bissette 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:**

Ms. Karpen asked if a meeting has been scheduled to consider the items discussed at the Board Retreat. Mr. Aceto stated that a committee has been formed to handle Board Governance; however, a meeting has not been scheduled. Regarding the other items that fall under the Planning Committee, Mr. Aceto stated that he will address this under Old Business.

**5. Report of General Manager:**

Mr. Hartye presented information regarding Kudos, Reading and Board/Committee Meetings, Letter to Charles Taylor with regard to blending, and an update on meetings with member agencies.

Mr. Hartye presented a letter of appreciation regarding Steve Shoch of MSD's Construction Division from Ms. Nancy Stancil. Also, he presented an article from the Chamber of Commerce Report (Member News) regarding Peter Weed who recently passed the County Administration Course at the Institute of Government.

With regard to Reading, Mr. Hartye presented slides of a presentation given by the Knoxville Utility Board and an article from Trenchless Technology regarding Asset Management.

Mr. Hartye reported that the next ROW Committee meeting scheduled for May 25<sup>th</sup> has been cancelled. The next regular meeting of the Board and Public Hearing on the Budget and Rates will be held June 15, 2005 at 2PM.

Mr. Hartye presented a letter to Charles Taylor with regard to the blending issue. He stated that two options dealing with wet weather were addressed in the Master Plan; building a 30 million plus storage tank in the center of town for overflow sewerage or building a smaller tank and pump system that would convey wastewater flows directly to the plant, paralleling MSD's existing process, which would provide

treatment of excess rainwater in the system, while meeting the requirements of the discharge permit. He further stated that the letter urges Representative Taylor to oppose any amendments to the FY06 Interior and Environment Appropriation Bill that would prevent the U.S. Environmental Protection Agency (EPA) from issuing a final Clean Water Act blending policy or that would otherwise preclude the practice of blending. Mr. Hartye stated that blending protects public utility infrastructure and prevents sewer backups into homes and businesses. Mr. McGill stated that part of the concern EPA has with blending is that without it, blending would become a standard operating procedure and slow down the process of rehabilitating sewer systems. He further stated that it's argued that blending is in violation of the Clean Water Act because it essentially by-passes the treatment process. Mr. Venable asked what this would mean to the MSD. Mr. Hartye stated that there is no immediate impact, but it could cost the MSD approximately \$70 million dollars to build a storage tank to handle infiltration/inflow and peak wet weather flows. He explained that when MSD applied for its permit the main issue was the number of SSO's due to structural problems, not wet weather. He further stated that by rehabilitating the system, MSD will not only reduce the number of SSO's that are more critical, but also those that are a result of wet weather; thereby holding off the need to spend \$70 million dollars for wastewater storage in wet weather.

With regard to meeting with member agency's billing and collections staff, Mr. Hartye called on Peter Weed for an update. Mr. Weed introduced Teresa Gilbert who coordinates the billings and credits and worked on the budget. He stated that Ms. Gilbert went with him to the member agencies to discuss MSD's new rates and how they are broken down. He reported that the member agencies were very appreciative of the foreknowledge that there will be a rate increase and how that will work, especially with regard to billing charges. Also, they broached the subject of customer service in that MSD staff is available to answer questions. Mr. Aceto stated that he appreciated staff opening a line of communication between MSD and member agencies. Mr. Martin expressed his appreciation to MSD staff for visiting the Woodfin Sanitary Water & Sewer District; that it made a big difference.

## **6. Report of Committees:**

### **Construction Committee**

Mr. Sobol reported that the Construction Committee met May 10, 2005 to consider the contract time on the Belt Filter Presses/Thermal Converter Project. He stated that there were no problems with the Belt Filter Presses, but there was a problem with having to replace defective refractory brick in the Thermal Converter. He further reported that Mr. Bradford gave a presentation, reviewing the different aspects of the sludge process and the project lifecycle. Mr. Sobol stated that the Committee recommends approval of staff's recommendation to approve Change Order No. 4; to settle for \$12,925.00, which is one-half of the contractor's substantiated claim of \$25,850.00 to close out the thermal converter project. Mr. Pace stated that the brick manufacturer and subcontractor were very cooperative in making sure the project was completed in a timely manner. In other business, Mr. Sobol reported that a discussion was held regarding the proposal for a new grit and grease removal process. He stated that he feels it's important for the Board to understand what this will mean for the plant in the future. He suggested that the Construction Committee look at the long range plans regarding implementations made at the treatment plant and the Master Plan. Mr. Hartye stated that he will approach the District's Engineering Consultant regarding the preparation of a "Facilities Plan" for the treatment plant that will map out a more detailed plan for all processes at the plant.

**7. Consolidated Motion Agenda:**

**a. Consideration of Belt Filter Press/TC Project – Contract Time:**

Mr. Hartye reported that the Construction Committee recommends approval of staff's recommendation to approve Change Order No. 4 to settle with the contractor in the amount of \$12,925.00.

**b. Public Relations Information:**

Mr. Hartye reported that Peter Weed put together a general outline of what MSD does with regard to public relations information and provided examples of those items. He stated that staff will be happy to provide copies of any items displayed and that he would replay the TV and Radio spots that were aired last fall for anyone interested.

**c. Cash Commitment/Investment Report – Month ended March 31, 2005:**

With regard to the Note on page five of the report, "As long as the Cumulative Savings is zero or greater, then the actual cash flow savings of \$104,050 for Fiscal Year 2005 will be achieved," Mr. Venable asked if the savings is for the fiscal year or calendar year. Ms. Zeigler stated that she used the chart provided by the Bank of America, but would check to make sure.

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

**8. Old Business:**

Regarding the Planning Committee, Mr. Aceto went over the issues from the retreat with which the committee is charged. Ms. Graham requested that she be provided with a complete list of the issues and that she will schedule a meeting of the Committee after June 15<sup>th</sup>.

**9. New Business:**

Regarding the Water Environment Federation Technical Conference, Mr. Aceto stated that although there are benefits associated with attending this conference, he suggested the Board carefully consider the need to go. Mr. Pace stated that while attending this conference he has learned a lot in talking to Board Members from other regions.

Ms. Bellamy asked when the first meeting of the Board Governance Committee will be held. Mr. Gantt stated sometime next month.

**10. Adjournment:**

With no further business, Mr. VeHaun moved for adjournment at 2:35 PM. Mr. Venable seconded the motion. Voice vote in favor of the motion was unanimous.

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Jackie W. Bryson, Secretary/Treasurer

