



AGENDA

Board of Directors' Meeting - Jacksonville City Hall
Thursday, April 15, 2021 - 6:00 PM

- CALL TO ORDER -** Chairman Jerry Bittner will call the meeting to order.
- INVOCATION -** Mr. Jeffrey Hudson will offer the invocation.
- PLEDGE OF ALLEGIANCE -** Chairman Bittner will lead the board and audience in the Pledge of Allegiance.

CHAIRMAN'S REMARKS: Please turn cell phones to "off" or "vibrate". Individuals making presentations or public comments are asked to adjust the microphones as necessary and to speak directly into the microphone. This meeting is being recorded.

1. APPROVAL OF AGENDA

Action Requested: Consider a "Motion to approve agenda as amended/submitted."

- 2. APPROVAL OF ITEMS ON CONSENT AGENDA:** The consent agenda includes items that may be acted upon in a single vote with the minutes reflecting the motion and vote on each item. Any ONWASA Director may remove items from the consent agenda for separate discussion and consideration during the business portion of the meeting.

Action Requested: Consider a "Motion to approve the consent agenda."

CONSENT AGENDA ITEMS

Any Director may request that any Consent Agenda item(s) be moved to the Business portion of the agenda. An item moved to Business will be considered separately. Items remaining on the Consent Agenda may then be considered as a whole.

A. Acceptance of Monthly Departmental Reports

January & February 2021 Financial Reports
December 2020, January & February 2021 Operations Reports

Action Requested: Consider a "Motion to accept the monthly departmental reports."

B. Approval of Minutes

January 21, 2021 Meeting Minutes

Action Requested: Consider a "Motion to approve the minutes as presented."

C. Uncollectable Water and Sewer Accounts Write-Offs

Each year inactive water and sewer accounts that are deemed uncollectable must be written off of the accounts receivable against the allowance for doubtful accounts. The amount of this year's uncollectible water and sewer accounts is \$25,204.43. This amount is less than ¼ of one percent (0.025) of the total water and sewer fees billed in the last twelve months. Prior to deeming an inactive account uncollectable, we attempt to collect the outstanding account balances through Online Utility Exchange and the North Carolina Debt Setoff Program.

Action Requested: Consider a “Motion to write-off uncollectable accounts in the amount of \$25,204.43.”

D. City of Jacksonville and ONWASA Dark Fiber Service Interlocal Agreement

This item represents a good partnership between ONWASA, the City of Jacksonville, Coastal Carolina Community College, and the County of Onslow.

ONWASA currently uses a wireless point-to-point data telemetry system to connect our main office Supervisory Control and Data Acquisition (SCADA) system to the telemetry hub at the base of the large communication tower at the EOC. This allows Operations staff to remotely monitor and control our water and wastewater facilities located throughout Onslow County.

Access to the City of Jacksonville's fiber optic network would ensure a more reliable connection for the SCADA system and provide redundant connection during weather events and other technical outages. ONWASA seeks to partner with CCCC, Onslow County, and the City of Jacksonville to improve data connections for the government properties on Georgetown Road at the lowest possible cost.

The cost to ONWASA for the construction cost of the fiber-optic connection between our main office and existing City of Jacksonville fiber connection point near the McDonalds/Taco Bell on Highway 17 is (\$17,306). This is 1/3 the cost of the project, with CCCC and Onslow County Government paying the other two-thirds of the cost. CCCC and the County are connecting their properties on Georgetown Road to the same fiber optic connection point on Highway 17. The monthly access fee payable to the City of Jacksonville by ONWASA for use of two of their dark fiber connections is \$301.65 per month. Both these expenses are covered in this year's current budget (FY21).

The Authority Attorney, Mr. Chuck Kitchen, has reviewed these agreements and his recommended changes have been incorporated.

Action Requested: Consider a “Motion to approve the Dark Fiber Service Agreement between the City of Jacksonville and Onslow Water and Sewer Authority and the Fiber Optic Cable Installation Interlocal Agreement between the City of Jacksonville, Coastal Carolina Community College, Onslow County, and Onslow Water and Sewer Authority and authorize the CEO to execute these agreements and any additional documents as required in connection with this action.”

E. Request to Grant Non-exclusive Ingress/Egress Easement

Clay and David Trott are owners of property next to the Richlands Northwest Sewer Plant “Site Two” which are the infiltration basins – not the plant itself. They have requested to purchase an easement from ONWASA so that they can access their otherwise landlocked piece of adjacent property. The size of the easement requested is 15’ wide by approximately 257’ long (0.09 acres) and lies outside the fence line of the plant in an area that is unused property. The easement is a non-exclusive easement, which means that ONWASA would still be able to cross the easement as necessary. In addition, the requesting party has agreed to pay for all upkeep and maintenance of the easement as well as legal and recording costs. They have offered \$1,200 for the use of the ingress/egress easement. Staff has determined that there is no impact to operations. The reported use of the adjacent property is for one residence.

Attached is a survey of the proposed easement, a picture of the easement, and their offer to purchase.

Action Requested: Consider a “Motion to approve the sale of a non-exclusive ingress/egress easement for the amount of \$1,200.00 and authorize the Chief Executive Officer to sign the necessary paperwork.”

F. Request to Ratify 3-Day Extension to Laboratory Construction Schedule

ONWASA’s existing Operations Building sits next to where the Laboratory is being built. There are 7 gutter downspouts on the existing Operations Building. These downspouts currently dump on the ground. When the new laboratory is built, they will dump onto the sidewalk between the existing Operations Building and the new Laboratory. It would be better to tie the downspouts into the stormwater system. At ONWASA’s request, the contractor on the project has given us a price to do this work. The price is \$4,902.66 (of which \$2,567 is material cost). This would be paid for out of the existing contingency funds already inside the project. No additional money is needed. There would be \$156,888 remaining inside the project’s contingency after this work is done. This item is coming before the board due to the time extension requested by the contractor. They have asked for a contract extension of 3 days to perform the additional work of laying stormwater line to the Operations Building and tying in the 7 downspouts. A copy of their proposal is provided as backup information. Engineering and Operations staff agrees that the stormwater system should be connected to the downspouts of the Operations Building to carry away rainwater. The project architect has confirmed that the price for the work is reasonable.

Because site work is currently ongoing, and due to the minor change in the schedule of only 3 days with no additional money required, the CEO advised the contractor to proceed with the work to avoid delay. The Board is respectfully asked to ratify the decision.

Action Requested: Consider a “Motion to ratify the Laboratory Addition Downspout Extension request, adding 3 days to the project schedule for the work.”

3. BUSINESS



A. Comprehensive Annual Financial Report Fiscal Year 2019-2020

Presenting: Mr. Robert Bittner, III, CPA

The annual audit for the fiscal year ended June 30, 2020 has been completed. Mr. Robert Bittner, III, CPA and Partner, with the independent accounting firm of PB Mares will be in attendance to make a presentation to the Board of Directors.

Action Requested: Consider a “Motion to accept the Comprehensive Annual Financial Report.”



B. Capital Projects Update

Presenting: Mr. David Mohr, COO

ONWASA has several construction projects underway at this time, with more to come. Each quarter, Mr. David Mohr will give the Board of Directors and the public a report consisting of updates of major projects. Mr. Mohr will provide pictures of the progress when possible.

Action Requested: No action requested.



C. Presentation of the Fiscal Year 2021-2022 Proposed Budget

Presenting: Mr. Jeffrey Hudson, CEO and Ms. Tiffany Riggs, CFO

The Fiscal Year 22 (FY22) budget is a conservative budget which is balanced at \$31.1 million. The utility maintains an unreserved fund balance of \$25 million. User fees are the primary revenue at \$25.3 million. This year, the utility has once again budgeted a \$1 million disaster contingency fund. The budget has been constructed in accordance with the board’s adopted Capital Improvement Program and Raftelis Financials’ recommendations for rates and charges necessary to pay for ongoing infrastructure improvements. The budget message provides the Board and the public with important information about the financial health of the Utility, future capital construction, as well as progress toward the goals of the strategic plan.

The Board of Directors received the FY22 budget books with this agenda on April 9th. The action requested is to set a public hearing on the FY22 budget.

Action Requested: Consider a “Motion to set the public hearing on the proposed FY22 budget at the Board of Directors meeting in the Jacksonville City Hall Council Chambers on May 20, 2021 at 6pm or as soon thereafter as is practicable.”

4. PUBLIC COMMENT



Citizens are invited to address any comments or concerns to the Board of Directors. Each speaker is granted three (3) minutes during this period of public comment.

5. CHIEF EXECUTIVE OFFICER'S COMMENTS

6. BOARD OF DIRECTOR'S COMMENTS

7. ADJOURN

For Reference: ONWASA Strategic Plan Goals

Business Items and Major Budget Initiatives are all tied to the goals that are part of ONWASA's adopted strategic plan. Icons indicate which goals the item(s) support.



Communication and Partnerships

Fostering an environment that encourages open communication and supports partnerships



Enhanced Customer Experience

Creating a culture that delivers an enhanced customer experience



Financial Stewardship

Generating revenues sufficient to support operations and growth, while maintaining reasonable rates



Reliable and Sufficient Infrastructure

Planning, delivering, and maintaining dependable infrastructure necessary to address the changing needs of the service area



Workforce Development

Attracting, developing, and retaining a professional highly skilled, engaged, and versatile team