



## **NOTICE OF SPECIAL BOARD MEETING**

**POSTED: April 18, 2023**

**The Chairman of the ONWASA Board of Directors has called for a Special Board Meeting to take place at 3:00pm on Thursday, April 20, 2023, at the Main Office of ONWASA, 228 Georgetown Road, Jacksonville. Action is expected to be taken. The agenda follows:**

**AGENDA  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
BOARD ACTION ANTICIPATED  
228 Georgetown Road Jacksonville  
Thursday, April 20, 2023  
3:00 PM**

**CALL TO ORDER** - Chairman Royce Bennett

**1. APPROVAL OF AGENDA**

**Action Requested:** Motion to approve agenda as amended/submitted.

**2. BUSINESS**

**A. Jacksonville Onslow Economic Development Camp Davis Update and Request**

**Presenting:** Mr. Mark Southerland, Executive Director of JOED

The Town of Holly Ridge has been working with Jacksonville Onslow Economic Development (JOED) to develop the Camp Davis Industrial Park and is now working to expand that park into phase three. There is the potential to expand this park into a portion of what we refer to as the Wachovia Track. Their goal is to provide an alternative access to the park via Hwy 50 that will connect back to Hwy 17 through what is now called Racetrack Road. In order to do that they would need to have access to this portion of the Wachovia Tract. The CEO will be prepared to discuss the history of the Wachovia Tract and any future plans that ONWASA has for it. Currently the only thing we have used the track for are Wells D10 and D11, with active plans to drill additional test wells for future raw water supply to the Dixon Plant. With our focus shifting to using the property for drinking water supply, it would not be compatible to consider it for wastewater disposal as it was originally intended. In fact, the last review of the property by consultant engineers, pointed out the limitations that

exist due to the existing wetlands. Those same limitations will have to be dealt with for any economic development uses as well. There has been some preliminary review of the site and it was noted that these wetlands will need to be mitigated or avoided. It is anticipated that Mark with JOED will be requesting from ONWASA an option to purchase up to 300 acres out of the 1200-acre Wachovia track. If the Board agrees to proceed with entertaining this idea of allowing an option to purchase, the CEO will work with legal counsel to prepare the necessary documents for board consideration at the next meeting.

**ACTION REQUESTED:** No action requested.

## **B. Northwest Regional Water Reclamation Facility – Golden Leaf Foundation Grant**

**Presenting:** Mr. David M. Mohr, PE COO

In June 2019, ONWASA was awarded a grant (FY2019-325) from the Golden Leaf Foundation (GLF) to reimburse a portion of the costs associated with certain hazard mitigation features being constructed as part of Hurricane Florence recovery efforts at the Northwest Regional Water Reclamation Facility. Total amount of the grant was \$1,029,500.00 and this funding was intended to cover items of work that at the time were not anticipated to be fully reimbursed through a FEMA Hazard Mitigation Proposal grant and/or insurance coverage. To date, we have received a total of \$352,000 in reimbursements from GLF on the Northwest project.

Based on the final amount awarded by FEMA for hazard mitigation work associated with the elevated electrical structure, GLF subsequently de-obligated a total of \$260,427.10 from the original grant. After reviewing actual project costs and the original grant agreement, ONWASA requested in January of this year that the existing grant be modified to reinstate the majority of these funds (\$232,219.00) and include an additional item of work - elevating the existing plant-wide electrical transformer - that was not included within the original grant's scope of work and not covered by either FEMA funding or insurance. The GLF Board of Directors approved this request in early February, and after some internal review GLF has requested the execution of a new grant agreement with the same total grant amount and a revised scope of work. Once this is executed and the project budget revised, ONWASA will be able to request reimbursement for work completed on the plant-wide transformer.

**ACTION REQUESTED:** Consider a “Motion to approve the execution of the Revised Grant Agreement (FY2019-325) with Golden Leaf Foundation for hazard mitigation work at the Northwest Regional Water Reclamation Facility”.

## **C. State Water Infrastructure Grant – Dixon Water Treatment Plant Expansion Project**

**Presenting:** Mr. David M. Mohr, PE, COO

ONWASA received notification in August 2023 that the NCDEQ Division of Water

Infrastructure (DWI) had awarded a Pre-Construction Planning Grant in the amount of \$250,000 to a proposed project for the expansion of the Dixon Water Treatment Plant from 4.0 MGD to 6.0 MGD. Work to be performed under this grant includes evaluating the water quality of existing and proposed new raw water sources, assessing plant treatment systems (both conventional and reverse osmosis), determining suitable methods for the desired expansion, and investigating future plant modifications that may be necessary to comply with pending PFAS regulations. This grant, derived from the Federal American Rescue Plan Act, will cover 100% of eligible expenses up to the total award amount and all work must be completed by December 31, 2026.

After an extended review and approval of a proposed scope of work and timeline for completion, DWI has requested the execution of a Funding Offer and Acceptance document along with a Resolution stating acceptance of this grant and compliance with the requirements of this grant. As this grant supports ongoing efforts to increase treated water supplies, can be completed by the requested deadline and requires no matching funds from ONWASA, I am recommending acceptance of the grant and execution of the requested documents.

**ACTION REQUESTED:** Consider a “Motion to approve the Resolution to accept the American Rescue Plan grant offer, and authorize the Chief Executive Officer to execute the Funding Offer and Acceptance document and any addition documents necessary to complete this action.”

#### **D. Holly Ridge Sewer Capital Lease Extension**

**Presenting:** Mr. Chuck Kitchen, Authority Attorney

Due to an oversight the Capital Lease Agreement between the Town of Holly Ridge and ONWASA in which the Town leased its sewer system to ONWASA was not extended.

**ACTION REQUESTED:** Consider a “Motion to adopt the Resolution extending the Capital Lease Agreement with the Town of Holly Ridge for two additional successive terms of 15 years each”.

#### **E. System Development Fee Study**

**Presenting:** Mr. Franky J Howard, CEO

In the Spring of 2018, ONWASA along with Raftelis completed its first System Development Fee Analysis Study per Chapter 162A, Article 8 of the North Carolina General Statutes. This article sets forth the process for establishing and updating system development fees as well as who may calculate them.

The first System Development Fee Study was implemented with the FY 2018-2019 Rate and Fee Schedule in conjunction with the adoption of the FY 2018-2019 Operating Budget.

Article 8 states a local government unit shall update the system development analysis at least every five years.

At least 45 days prior to the adoption of the update, ONWASA must post the written analysis on the website and solicit written comments. After the expiration of the posting period, a public hearing shall be conducted by ONWASA to consider any revisions prior to the adoption of the updated System Development Fees Analysis.

During the March 16, 2023 ONWASA Board of Directors Regular Meeting Ms. Elaine Vastis Conti, Executive Vice President of Raftelis, presented an updated System Development Fee Study to the Board. At that time the Board decided to have staff gather more information before selecting a scenario and posting the analysis to solicit comments. Staff recommends proceeding with the baseline scenario that includes the larger maximum allowed system development fees for the next 5 years. This would allow the Board to flexibility to adjust the System Development Fees up to the maximum allowed anytime within the next five years.

**ACTION REQUESTED:** Consider a “Motion to publish the updated System Development Fee Analysis as presented on the website and begin soliciting public comment and to set a public hearing to receive comments on the System Development Fee Analysis for Thursday, June 15, 2023.”

### **3. CLOSED SESSION**

The ONWASA Board of Directors will enter closed session pursuant to NCGS 143-318.11(a)(3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which is hereby acknowledged. NCGS 143-318.11(a)(6) to discuss the performance of a public officer or employee.

**PROPOSED MOTION:** Consider a “Motion to go into closed session pursuant to NCGS 143-318.11(a)(3) and NCGS 143-318.11(a)(6)”.

### **4. CEO COMMENTS**

### **5. DIRECTOR COMMENTS**

### **6. ADJOURN**