



AGENDA

Board of Directors' Meeting - Jacksonville City Hall Thursday, May 20, 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

March 2021 Financial Reports

March 2021 Operations Reports

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

B. Approval of Minutes

April 15, 2021 Meeting Minutes

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

C. Interlocal Agreement for Water Purchase with the Town of Surf City

ONWASA Staff is in the process of securing alternative sources of water due to the current shut-down of Dixon wells 10 and 11. The Town of Surf City has agreed to sell ONWASA up to 300,000 gallons of water per day as needed by ONWASA. There is no minimum purchase amount or gallonage. The purchase will take place only if ONWASA deems it necessary. The price per 1,000 gallons is \$4.00, which is a reasonable bulk water rate for the area.

Both the Town of Surf City Attorney and the Authority Attorney have approved the contract terms.

Action Requested: Consider a “Motion to approve the Interlocal Agreement with the Town of Surf City for the purchase of water on an as-needed basis.”

D. Audit Contract Fiscal Year 2020-2021

PBMares, LLP has submitted a contract and arrangement letter in the amount of \$51,500 for the annual audit for Fiscal Year 2020-2021. Staff has emphasized the importance of a timely report with this firm.

Action Requested: Consider a “Motion to approve the contract for the Fiscal Year 2020-2021 audit in the amount of \$51,500, and authorize the CEO to sign any necessary documents.”

3. PUBLIC HEARING

A. Public Hearing for FY21-22 ONWASA Budget



In accordance with North Carolina General Statutes §159-12 and 162-9, the ONWASA Board of Directors shall hold a public hearing on the proposed budget prior to its adoption. All required notices have been given. Citizens have an opportunity to address the Board for no more than three minutes per speaker on the topic of the proposed FY21-22 ONWASA budget.

Action Requested: It is requested that the Chairman conduct the required Public Hearing. Each member of the public is granted a 3-minute time to address the Board

- a) Chief Financial Officer, Tiffany Riggs, will outline the changes in the proposed budget since it was presented to the Board on April 15, 2021.
- b) Chairman Bittner will open the public hearing.
- c) Public comments are received on the topic of the budget
- d) Chairman Bittner will close the public hearing once all members of the public that wish to do so have addressed the board.

4. BUSINESS



A. Discussion of the FY21-22 Proposed ONWASA Budget

Presenting: Jeffrey Hudson, CEO and ONWASA Leadership Team (As Requested)

The proposed FY21-22 budget has been produced in accordance with all NC laws. The Board of Directors have received the proposed FY21-22 ONWASA budget and have received comments from the public. If satisfied with the amended budget proposal, the Board may consider adopting the budget at this time. If the Board wishes to change any item, the Board may consider that at any time and may call any additional special meetings or workshops it desires.

There have been six changes to the budget since its first presentation to the Board on April 15, 2021. The budget remains balanced. Changes to the proposed budget include:

1. Moved \$55,000 sewer project out of operations budget into capital budget
2. Added \$55,000 from fund balance into capital budget to cover sewer project
3. Increased water system development fees by \$142,416 based on updated actual revenues
4. Added \$39,757 to pay for mandated NC State retirement increase
5. Added \$78,830 to pay for a 1% COLA for all employees
6. Increased budget to purchase water from other governments to \$228,830*

*NOTE: Water will only be purchased if necessary, since Wells Dixon-10 and Dixon-11 are currently down due to the release of PFAS aboard Marine Corps Outlying Landing Field Camp Davis South. The Authority will keep a record of water purchase expenses during this time.

Action Requested: Consider a "Motion to approve the ONWASA budget ordinance for fiscal year 2021-2022 along with the proposed rate schedule as presented."



B. Disaster Response Emergency Construction Services 2021 Contracts

Presenting: Mr. David Mohr, COO

This item consists of a pair of single prime construction contracts that will be used for the completion of emergency repairs to ONWASA's water and wastewater utility infrastructure in the aftermath of a natural disaster or other catastrophic event. Each contract will establish unit or lump sum pricing for multiple items of work that are often necessary immediately following a major storm event, including repair of water or sewer mains; placement of temporary fill at road washouts; installation of isolation valves, and operating bypass pumping equipment at manholes or sewage pumping stations. Work is to be performed on an as-needed basis, determined solely by ONWASA, with payments to each contractor based on the actual work assigned and the pricing established in the contract.

Two contracts are proposed, one designated as the "Primary" contractor and one designated as the "Secondary" contractor. The Primary contractor shall be on a first contact basis for all disasters and emergencies that require a response. The Secondary contractor will serve as a backup to the Primary, if they are unable to respond within the stipulated 24 hours following a request, or in the event the disaster is of a scale that is larger than one firm can address adequately. ONWASA reserves the right to decide when and if either contract will be used and the work assigned to it. Both contracts have a maximum duration of two years and a maximum value of \$500,000.

These contracts were advertised for formal bid on March 10, 2021, and a total of three (3) bids were received and opened on April 9, 2021. The apparent low bidder was A. C. Schultes of Carolina, Incorporated of Rocky Point, NC, and the second low bidder was State Utility Contractors of Monroe, NC.

Action Requested: Consider a “Motion to proceed with two (2) Disaster Response Emergency Construction Services Contracts, in the amount of \$500,000 per contract, with A.C. Schultes of Carolina, Incorporated as Primary Contractor and State Utility Contractors, Incorporated as Secondary Contractor, and to authorize the Chief Executive Officer to execute these contracts and any additional documents as required in connection with this action.”

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