



AGENDA

Board of Directors' Meeting - Jacksonville City Hall
Thursday, June 16, 2022 - 6:00 PM

- CALL TO ORDER -** Chairman Jerry Bittner will call the meeting to order.
- PLEDGE OF ALLEGIANCE -** Chairman Bittner will lead the board and audience in the Pledge of Allegiance.
- INVOCATION -** Pastor Brian Young of Love, Grace & Mercy Church will offer the invocation.

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

May 2022 Financial Reports
April 2022 Operations Reports

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

B. Approval of Minutes

May 19, 2022 Proposed Regular Meeting Minutes

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

C. Cancellation of July 21, 2022 Board of Directors Regular Meeting

Following the regular meeting of June 16, 2022, staff is unaware of any projects or actions that would be necessary for consideration on July 21, 2022. Therefore, staff recommends that the July 21, 2022

regular meeting of the board be cancelled. Staff will continue to provide weekly reports to the board on the business of ONWASA. Special meetings may be called at the will of the Board.

Action Requested: Consider a “Motion to cancel the July 21, 2022 meeting.”

3. BUSINESS



A. Discussion of the FY22-23 Proposed ONWASA Budget

Presenting: Mr. Franky J. Howard, CEO, Mr. David Mohr, COO, and Ms. Tiffany Riggs, CFO



The Proposed FY22-23 budget has been produced in accordance with all NC laws. The Board of Directors have received the proposed FY22-23 ONWASA budget. If the Board wishes to change any item, staff is prepared to take action as directed.

There have been two changes to the proposed budget since it was first presented to the Board on May 19, 2022. The budget remains balanced. Changes to the proposed budget include:

1. Increased Water System Development Fee \$350,000 and Sewer System Development \$150,000.
2. Increased Salary and Supply budget \$500,000.

Action Requested: Receive the presentation.



B. Public Hearing

On Thursday, May 19, 2022, the Board held a meeting and set the date, time, and location of the public hearing on the proposed 2022-2023 ONWASA Budget. The public hearing has been advertised as required by state law. A full copy of the budget with all supporting documents has been posted on the ONWASA website.

Actions Requested:

1. **Open Public Hearing:** Chairman Bittner is asked to open the public hearing.
2. **Conduct the Public Hearing:** Members of the public are invited to address the Board of Directors on any aspect of the Proposed 2022-2023 budget. A sign-up sheet is being maintained at the door for those who desire to speak. The CEO shall call the names of all persons signed up to speak on the proposed budget. Each speaker shall be given five (5) minutes to address the board during the public hearing.
3. **Close the Public Hearing:** Chairman Bittner is asked to close the public hearing.



C. Consideration of the Proposed 2022-2023 Budget

Presenting: Mr. Franky J. Howard, CEO

The Board of Directors have received and reviewed the proposed budget. The public hearing has been held as required by state law. The budget is now available for action by the Board. All members of the ONWASA leadership team are available to answer any questions board members may have.

Action Requested: Consider a “Motion to approve the ONWASA budget ordinance for fiscal year 2022-2023 along with the proposed rate schedule as presented.”



D. Adoption of Project Ordinances

Presenting: Mr. David M. Mohr, COO and Ms. Tiffany Riggs, CFO

Major capital projects often take multiple fiscal years to complete, therefore ONWASA uses Project Budget Ordinances to establish budgets for these types of projects. This agenda item includes 1 new project budget ordinance and 8 amended existing project budget ordinances. Mr. Mohr is available to answer any questions about the projects and Ms. Riggs is available to answer any questions about funding.

- New Project, Water and Sewer Operational Improvements Project in the amount of \$2,000,000.
- Amended Project, Northwest Regional Water Reclamation Facility Hurricane Florence Project amended amount to \$11,119,947.
- Amended Project, Summerhouse Wastewater Treatment Plant Interim Capacity Improvements Project amended scope of work and amount to \$1,132,000.
- Amended Project, Water Main Interconnections Phase 3 amended amount to \$300,000.
- Amended Project, Swansboro Wastewater Treatment Plant Renovation Project amended scope of work and amount to \$19,450,000.
- Amended Project, Holly Ridge Wastewater Treatment Plant and Summerhouse Water Reclamation Facility Capacity Assessment Project amended scope of work and amount to \$31,750,000.
- Amended Project, Southwest Service Area Upgrades Project III amended amount to \$3,500,000.
- Amended Project, Water Planning and Development Project amended scope of work.



- Amended Project, Kenwood/Bishop Ridge Sewer Service Extensions Project amended amount to \$2,325,000.

Action Requested: Consider a “Motion to adopt the Water and Sewer Operational Improvements Project ordinance and amend Project Ordinances Northwest Regional Water Reclamation Facility Hurricane Florence, Summerhouse Wastewater Treatment Interim Capacity Improvements, Water Main Interconnections Phase 3, Swansboro Wastewater Treatment Renovation, Holly Ridge Wastewater Treatment Plant and Summerhouse Water Reclamation Facility Capacity Assessment, Southwest Service Area Upgrades, Water Planning and Development and Kenwood/Bishop Ridge Sewer Service Extensions along with corresponding budget amendments.”



E. Timber Management Plan Sale of Timber

Presenting: Mr. Franky J. Howard, CEO

The Authority’s Timber consultant indicated last week, after the Board agreed to proceed with a timber management plan, that Weyerhaeuser had recently employed their own timber buyers which is bringing a new “player” to the market. They were top bidder on a track he took to market last week. With that, he said it would be advantageous of ONWASA to proceed with marketing a 75-100 acre track sooner rather than later. This sale of timber would be consistent with the timber management plan.

The Board of Director’s is authorized to proceed with selling the timber pursuant to N.C. Gen. Stat. § 162A-6(10). While there is no particular process the Authority is required to follow, the price for the timber must be the fair market value. With this in mind, the timber will be bid. Due to time constraints with bidding, it is recommended that the Authority take the highest bid so long as it is reasonable. The approval would properly be delegated to the Chairman of the Authority, and he should additionally be delegated the authority to sign the resulting timber deed.

Action Requested: Consider a “Motion to approve the sale of the timber by bid as recommended by the Timber consultant. Delegate to the Chairman the authority to accept the high bid as long as it is reasonable in his judgment, and further authorize the Chairman to execute a timber deed for the timber sold.”

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