



AGENDA

**Board of Directors' Special Meeting
Jacksonville City Hall
Thursday, July 30, 2020
6:00 PM**

CALL TO ORDER - Chairman Jerry Bittner will call the meeting to order.

INVOCATION – Mr. Jeffrey L. Hudson, CEO, will provide 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.

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

A. Acceptance of Monthly Departmental Reports

April 2020, May 2020, and June 2020 Financial Reports
April 2020 and May 2020 OPS Reports

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

B. Approval of Minutes

April 30, 2020 Special Meeting Minutes

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

C. Administrative Service Agreement (3)

For the convenience of Authority customers located in or near the general vicinity of the Towns it was provided in the Water and Sewer Agreement with the Towns that the Authority shall maintain facilities in the Towns for the purpose of bill payment and telephone communication from customers. ONWASA currently has agreements with the Towns of Holly Ridge, Richlands, and Swansboro.

Action Requested: Consider a “Motion to approve the Administrative Service Agreement and authorize the Chairman of the Board to execute the agreement and any other document as may be required by this action.”

D. County of Onslow and ONWASA Fiber Service Agreement

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 fiber optic connection would ensure a reliable data connection for the SCADA system and provide a redundant connection during weather events and other technical outages.

Authority Attorney, Mr. Chuck Kitchen, has reviewed this agreement and his recommended changes have been incorporated.

Action Requested: Consider a “Motion to the Fiber Service Agreement between the County of Onslow and Onslow Water and Sewer Authority and authorize the CEO to execute this agreement and any additional documents as required in connection with this action.”

E. Construction Contract Time Extensions Due to Pandemic Impacts

Construction is now underway on two separate ONWASA capital improvement projects:

Dixon Water Treatment Plant, Wells D10 & D11 - Installation of pumps, motors, and control systems at two new raw water production well sites (D-10 and D-11) located along Highway 50 northwest of the Town of Holly Ridge. The contractor is A.C. Schultes of Carolina, Inc. of Rocky Point, NC.

Northwest Regional Water Reclamation Facility, U/V and Filter Building Modifications - Repairs and modifications to ultraviolet disinfection, filtration and electrical distribution/controls equipment damaged by flooding at this facility during Hurricane Florence. The contractor is Enviro-Tech Unlimited Construction Services, LLC of Harbinger, NC.

While each contractor is making good progress and are currently approaching the point of substantial completion, both projects have experienced significant delays in the delivery of key equipment and the scheduling/completion of work by sub-contractors. This is due primarily to the impacts of the current pandemic situation on equipment manufacturers and supply lines, as well as additional work site restrictions mandated by Federal and State guidelines to help ensure worker safety (such as social distancing). Such delays are beyond the control of the contractor and both firms have requested additional time to complete their projects, at no additional cost to ONWASA. The amount of additional time requested (105 days for the Dixon Wells contract and 30 days for the Northwest

UV/Filter Building project) appears to be adequate for completion of the remaining items of work under their respective contracts and will not impact current ONWASA operations, so I am recommending approval of both of the attached change orders.

Action Requested: Consider a “Motion to proceed with execution of Change Orders for contract time extensions with A.C. Schultes of Carolina, Inc. and Enviro-Tech Unlimited Construction Services, LLC, and to authorize the Chief Executive Officer to execute these Change Orders and any additional documents as required in connection with this action.”

F. Declaration of Intent to Amend Utility Ordinance

The past practice of ONWASA has been to accept responsibility for sewer laterals (lines which lead from the sewer main to the property) from the sewer main up to the point of the cleanout which is on private property. This has created problems as blockages occur that are direct result of property owners (grease, etc.). Other water and sewer utilities do not do this, but rather accept responsibility for lines at the point of connection between the sewer lateral and the main, ensuring that the party responsible for the blockage is the one that must fix the problem.

ONWASA staff worked with Authority Attorney, Mr. Chuck Kitchen to craft recommended amendments to the existing utility ordinance that clarifies the physical point in the sewer system where Authority responsibility begins. This is done to protect ONWASA from unnecessary liability.

Action Requested: Consider a “Motion to approve the Declaration of Intent to Amend the Utility Ordinance”.

G. Cummings Family Cemetery

In 2008 ONWASA acquired large tracts of land in the Richlands area for the construction of the Northwest Regional Water Reclamation Facility. Among the hundreds of acres acquired was a 0.46-acre parcel which is the location of a family cemetery. ONWASA is not using the property for any public purpose and has no need for the property in the future.

ONWASA has received an offer to purchase the property from the family whose relatives are buried in the cemetery. Ms. Gwendolyn Cummings has paid the required 5% deposit on her offer of \$3,000 to purchase her family’s cemetery.

On March 19, 2020 the resolution authorizing the sale of the property in accordance with North Carolina’s general statutes was approved by the Board. A Notice of Sale by Upset Bid was published for the required 10 day period. No upset bids were received.

Action Requested: Consider a “Motion to approve the sale of the property to Gwendolyn Cummings in the amount of \$3,000. The property shall be conveyed by Special Warranty Deed to be executed by the Chairman.”

3. SPECIAL BUSINESS

This Special Business Section shall follow a prepared PowerPoint Presentation with several *hard-copy documents* included as backup information in the agenda package. The complete PowerPoint presentation is also provided as an agenda backup document. Board questions are welcome at any time during the presentations. The outline of the presentation is as follows:

1. Introduction, Overview of Capital Construction and Annual Rate Adjustments

- a. Jeff Hudson: Introductions of those present. Presentation Overview.
- b. Elaine Conti (Raftelis): Short Background and Overview of the Authority's Financial Position
- c. Tiffany Riggs: The Authority's Financial Position During COVID-19

2. Proposed Capital Improvement Program – The Foundational Layer of Proposed Future Construction

- a. Jeff Hudson: Introduction of the CIP. The proposed 2020 CIP is the “first or foundational layer” of future construction and does not include the Swansboro or Southeast Wastewater Options.
- b. David Mohr: Description of the Proposed 2020 “Foundational” Capital Improvement Program (CIP)
 - i. *See Hard Copy: Proposed 2020 CIP*
 - ii. Explain differences between the Adopted 2018 CIP and the Proposed 2020 CIP
- c. Elaine Conti: Necessary future investment to fund the Proposed CIP
 - i. Presentation on Key Rate Study Assumptions
 - ii. Description of the rate increases necessary for the “Foundational CIP”
 - iii. Description of the estimated future impact on customer bills
- d. Jeff Hudson: Request Board Consideration of the Proposed 2020 CIP
- e. Tiffany Riggs: Request that the Board Consider Approval of Two (2) Project Budget Ordinance Requests contingent upon Board approval of the Proposed 2020 CIP
 - i. *See Hard Copy: Topsail Booster Station Project Ordinance*
 - ii. *See Hard Copy: ORWRG Aquifer Study Monitoring Wells Project Ordinance*

3. Swansboro Wastewater Alternatives – Second Layer of Proposed Future Construction

- a. David Mohr and Representatives from The Wooten Company (consultant engineers)
 - i. Describe Future Need in the Swansboro Area (Why must ONWASA take action?)
 - ii. Presentation on the Study of Swansboro Wastewater Alternatives 1, 2, & 3
 1. *See Hard Copies: Swansboro Alternative 1 Sheet, Alternative 2 Sheet, Alternative 3 Sheet*
 2. *Three Posters of the Swansboro Alternatives identical to handouts will be displayed in the meeting room.*
- b. Elaine Conti: Necessary future investment to fund the Swansboro Wastewater Alternatives
 - i. Description of the rate increases necessary for the Swansboro Alternatives
 - ii. Description of the estimated future impact on customer bills
- c. Jeff Hudson: Request that the Board Select the future wastewater alternative for the Swansboro Service Area

4. Southeast Wastewater Alternatives – Third Layer of Proposed Future Construction (David Mohr, Wooten, Elaine, Tiffany, Doug & Andrew, Jeff)

- a. Jeff Hudson: Introduction to the Southeast Wastewater Alternatives Discussion
 - i. How this is different from Swansboro?
 - 1. Alternative 3 would involve a Public-Private Partnership.
 - 2. Alternative 4 is new and is allowed under the existing Intergovernmental Service Agreement with MCI-East/MCBCL
- b. David Mohr and Representatives from The Wooten Company (consultant engineers):
 - i. Describe Future Need in the Southeast Area (Why must ONWASA take action?)
 - ii. Presentation on the Study of Southeast Wastewater Alternatives 1, 2, & 3
 - 1. *See Hard Copies: Southeast Alternative 1 Sheet, Alternative 2 Sheet, Alternative 3 Sheet*
 - 2. *Three Posters of the Southeast Alternatives identical to handouts will be displayed in the meeting room.*
- c. David Mohr: Describe the NEW Southeast Wastewater Alternative 4 – Intergovernmental Service Agreement with the Base
 - i. *See Hard Copy: Map of existing WWTPs and possible connection points*
 - ii. Provide any further data The Wooten Company or Camp Lejeune Public Utilities has generated
- d. Doug Carter (DEC Associates, Inc.): Discussion of Southeast Alternative 3
 - i. Pluris Southeast Alternative 3
 - ii. Private Purchase of Public Utility Assets
- e. Elaine Conti: Necessary future investment to fund the Southeast Wastewater Alternatives
 - i. Description of the rate increases necessary for the Southeast Alternatives
 - ii. Description of the estimated future impact on customer bills
- f. Jeff Hudson: Request that the Board Select the future wastewater alternative for the Southeast Service Area
- g. Tiffany Riggs: Request that the Board Consider Approval of a Project Budget Ordinance contingent upon Board approval of a Southeast Wastewater Alternative
 - i. *See Hard Copy: Holly Ridge Wastewater Treatment Plant and Summerhouse Water Reclamation Facility Capacity Assessment Project Budget Ordinance (Amended CIP-011)*

5. Elaine Conti: Recap of Estimated Bills for Chosen Options

4. CHIEF EXECUTIVE OFFICER'S COMMENTS

5. BOARD OF DIRECTOR'S COMMENTS

6. 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