



AGENDA
Board of Directors' Special Meeting
ONWASA Main Offices
Thursday, December 12, 2019
6:00 PM

CALL TO ORDER - Chairman Gregory Hines

INVOCATION - Chairman Hines will provide the invocation.

PLEDGE OF ALLEGIANCE - Chairman Hines 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

A. Acceptance of Monthly Departmental Reports

September, October, and November 2019 Financial Reports
August, September, and October 2019 Ops Reports

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

B. Approval of Minutes

September 19, 2019 Regular Meeting Minutes

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



C. Resolution for Approving the 2018 Local Water Supply Plan

As a part of our operational compliance ONWASA submits an annual Local Water Supply Plan (LWSP) to the Division of Water Resources Water Supply Planning Branch. The LWSP uses the previous years data to calculate projections of future years water supply and demand to help determine the long term sustainability of the public water system. The Water Supply Planning Branch has reviewed the information contained in the 2018 LWSP update submitted by ONWASA prior to the April 1, 2019 deadline. In a letter dated November 1, 2019 ONWASA was notified the plan was complete and met all minimum criteria established in NCGS 143-355 (1). The LWSP cannot be considered compliant with the requirements of NCGS 143-355(1) until a resolution adopted by the ONWASA Board of Directors is received by the Water Supply Planning Branch.

Action Requested: Consider a “Motion to adopt the Resolution for Approving the 2018 Local Water Supply Plan.”

3. BUSINESS



A. Declaration of Intent to Amend Utility Ordinance

ONWASA staff have worked with the Authority Attorney, Mr. Chuck Kitchen to craft recommended amendments to the existing utility ordinance. These amendments would either clarify or correct existing ordinance language, or would help provide a better customer experience. The purpose of each is explained in the proposed Declaration of Intent document.

Presenter: Jeffrey L. Hudson, CEO

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



B. Truck Mounted Combination Sewer Jet/Vacuum

ONWASA currently owns one 2009 Sterling-chassis Jet/Vacuum truck which it uses to maintain sewer mains, pump stations, and wastewater treatment plant components. This piece of heavy equipment is essential to maintaining sewer flow by removing blockages in underground lines. The current “jet/vac” truck has a history of breakdowns which has caused problems for the utility. In advance of Hurricane Florence staff had to drive to Monroe, NC to rent a jet/vac truck in preparation for the hurricane. We then rented a working jet/vac for several weeks thereafter.

This year staff explored renting, lease-to-own, or outright purchase of a new truck. After much review, it is the recommendation of Finance and Purchasing to purchase outright a new 2020 year-model jet/vac truck.

On October 7, 2019, a request for bids was posted on the ONWASA website for a Truck Mounted Combination Sewer Jet/Vacuum. On November 4, 2019, bids were opened. Vendors that submitted were Bruder/Sharpe Inc., Carolina Industrial Equipment, Jet-Vac Equipment Company, LLC, Public Works Equipment, Rodders & Jets Supply Company and Southern Vac.

The lowest bid (Carolina Industrial Equipment at \$373,358) was non-responsive based on the fact that the truck bid did not meet specifications. The second-lowest bid was \$376,980 from Rodders &

Jets Supply Company. The second-lowest bid was therefore the lowest, responsive and responsible bidder.

Staff recommends that the Board of Directors consider a motion to award the truck Mounted Combination Sewer Jet/Vacuum purchase in the amount of \$376,980 to the lowest responsive and responsive bidder, Rodders & Jet Supply Co. Delivery will be 180 to 240 days after the order is placed.

Presenter: Tiffany Riggs, CFO

Action Requested: Consider a "Motion to award RFB# 2019-20VAC Truck Mounted Combination Sewer Jet/Vacuum in the amount of \$376,980 to Rodders & Jets Supply Company and authorize the CEO to execute purchase contracts plus any other documents as may be required in connection with these purchase contracts."



C. Northwest Regional Water Reclamation Facility, UV System and Filter Building

This request represents the first of two competitive-bid construction contracts that will address recovery from flood damage caused by Hurricane Florence in 2018. Work was divided into separate contracts based on its location in the plant, the intended scope of work and a desired construction sequence. This project, which consists of repairs to equipment within the Filter Building, modification of the treatment process and improvements to reduce or prevent damage from future flood events, will be followed by a second contract to create a new elevated main electrical distribution structure, restore instrumentation and control systems, and replace wiring affected by flooding throughout the plant. Based on the design engineer's current schedule, the second project will begin bidding in January 2020 with the goal of having all work completed by the end of December 2020.

The scope of work for this project includes: demolition of the existing closed-vessel ultraviolet (UV) disinfection system and replacement using an open-channel configuration with elevated control panels; permanent removal of an existing tertiary treatment system (membrane filter columns, controls and cleaning equipment); installation of a new potable water backwash system for the existing disc filter assemblies; replacement of the building's ground-level electrical control room with an elevated structure; replacement of electrical wiring between equipment and the electrical control room; and, repairs to building components affected by flooding (doors, wall insulation, painted structural columns, etc.). All work is to be completed within 210 days from the issuance of a Notice To Proceed.

Presenter: Tiffany Riggs, CFO

Action Requested: Consider a "Motion for approval to proceed with a construction contract with Enviro-Tech Unlimited Construction Services in the amount of \$1,482,850.00 for the Northwest Regional Water Reclamation Facility, UV System and Filter Building Modifications project, and to authorize the Chief Executive Officer to execute this contract and any additional documents as required in connection with this action.."



D. MCI-East/MCBCL – ONWASA Intergovernmental Service Agreement for Wastewater

Since February 2004 ONWASA and MCI-East/MCBCL have partnered for the treatment of community wastewater at the base's sewer plant aboard Camp Lejeune. Not only does ONWASA send wastewater to the base, but the City of Jacksonville also sends wastewater to the base via ONWASA's system through a separate intergovernmental partnership. The Lejeune sewer plant has low flow relative to its sewer treatment capacity. As a result, the plant does not function as efficiently as possible. The partnership developed between the Authority and the Base creates a win-win for the community. The existing agreement between parties expired in February 2019. Since that time attorneys, federal contracting personnel, and staff from ONWASA have worked to craft an up-to-date agreement renewal.

The final draft of the renewal agreement was expected back from base personnel on the date of the printing of this agenda (December 5th). The draft was unavailable at time of printing. Therefore, the last version, dated November 15, 2019 has been included as background information within this package. It is anticipated that there will be few changes between the November 15th draft version and the final draft to be received from the base.

If the final draft is received from the base prior to the December 12th special meeting, ONWASA's attorney and staff will be ready to highlight changes between the drafts for the board. We will send you the final draft as soon as we receive it.

If the final draft HAS NOT BEEN RECEIVED from the base prior to the December 12th special meeting staff will recommend that this item be pulled from the agenda and added to a future meeting.

The material changes from the 2004 agreement to the 2019 agreement are highlighted in yellow within the agreement and are as follows:

- Section 4.2.7: If the base terminates the agreement, it will give ONWASA a 3-year notice so that ONWASA may design, permit, and build (IF NECESSARY) new wastewater treatment facilities.
- Section 4.3.3: The base will grant to ONWASA a 10-foot utility easement on base property along Highway 24 between Piney Green Road and Swansboro. ONWASA staff requested this to simplify the construction of any future wastewater trunk main along highway 24. ONWASA's main pump station to the base is located at Piney Green.
- Section 6.10: The agreement expires in ten (10) years. This term may be extended with further federal action at higher levels. ONWASA would seek an extension in the future from 10 to 20 years.
- Section 7.2.1: ONWASA will pay on a monthly basis based on actual sewer flows, measured by a meter or gauge. In the 2004 agreement, payments were based on estimates rather than actuals.

In addition to the above, important sections within the agreement's exhibits are highlighted in green. These are not changes to the agreement and current practice, but rather are simply items of great importance.

- Exhibit A, Section 2. This section sets out volumetric flow limits. ONWASA starts with 2 MGD of flow and can eventually expand to 5 MGD in “phase 3”.
- Exhibit B, Section 4. This section states that the treatment rate per 1,000 gallons is initially set at \$4.14. This is the price ONWASA is currently paying to the base as of December 2019.

Mr. Jeffrey Hudson and Mr. Chuck Kitchen will present on the important changes in the base agreement.

ACTION REQUESTED IF BASE AGREEMENT IS RECEIVED BY DECEMBER 12: Consider the terms of the 2019 Intergovernmental Service Agreement with MCI-East/MCBCL for the continued provision of wastewater treatment services by the base to ONWASA.



E. Wastewater Treatment Facility Capacity Evaluations

The Wooten Company is currently is currently under contract with ONWASA to evaluate three existing wastewater treatment facilities that support the Swansboro, Holly Ridge and Summerhouse service areas. This work includes an assessment of current facility operations, estimating future wastewater flow from their respective service areas over a twenty-year period, and then developing alternatives to address the additional capacity needed to meet this future demand. The goal of this work is to assist ONWASA in developing both long-term capital improvement plans and operational strategies for each facility that will meet the increasing demand for wastewater treatment in those areas.

In order to better reflect current operations, two separate studies are being performed; one for the Swansboro facility and associated service area, while the second combines the Holly Ridge and Summerhouse facilities and service areas into a single study.

The purpose of this agenda item is to present an overview of the work completed to date and preliminary information on alternatives recommended by the consultant to meet future wastewater flow demands, then seek guidance from the Board of Directors that will be used to reduce the number of alternatives to be considered and better focus efforts to develop a final recommendation that will be submitted to the Board for review and approval at a later date.

Presenters: Jeffrey L. Hudson, CEO, David M. Mohr, PE, and representatives from The Wooten Company

Action Requested: Provide direction that will reduce the number of alternatives considered in each study from five (5) to a maximum of three (3), and direct the Chief Executive Officer to proceed with completion of research into the short-listed options selected by the board and to bring the results of the studies back to the board as soon as possible for final review and direction from the board of directors.

4. CHIEF EXECUTIVE OFFICER’S COMMENTS

5. BOARD OF DIRECTORS’ 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