

**Onslow Water & Sewer Authority**  
**Board of Directors' Regular Meeting Jacksonville City Hall**  
**Thursday, January 20, 2022**  
**APPROVED MINUTES**

**CALL TO ORDER:** Having a quorum, Chairman Jerry Bittner called the meeting to order at 6:00 pm. Board members present included Chairman Jerry Bittner, Secretary/Treasurer Royce Bennett, Directors Timothy Foster, Directors Joann McDermon, Pat Turner, Robert Warden, and Jeff Wenzel. Absent was Vice Chairman Paul Conner.

**INVOCATION:** Chairman Jerry Bittner requested that Jeff Hudson, CEO, provide the invocation. Mr. Hudson led the Board and audience in prayer.

**PLEDGE OF ALLEGIANCE:** Director Jeff Wenzel led the Board and audience in the Pledge of Allegiance.

**ELECTION OF OFFICERS:** Chairman Bittner called on Authority Attorney, Chuck Kitchen, to conduct the election of officers. Mr. Kitchen stated the election would be by voice vote. He added any member of the Board could nominate anyone and it does not require a second. Mr. Kitchen informed the Board that if more than one person is nominated for the same office the first one to receive five votes is elected.

Mr. Kitchen opened up the nominations for Chairman of the ONWASA Board of Directors. Director Robert Warden nominated Director Jerry Bittner for the office of Chairman. Director Royce Bennett made a motion to close the nominations with Mr. Bittner elected to the office of Chairman by acclamation. Director Tim Foster seconded the motion. All were in favor; Mr. Jerry Bittner was elected to the office of Chairman.

Mr. Kitchen opened up the nominations for Vice Chairman of the ONWASA Board of Directors. Director Timothy Foster nominated Director Royce Bennett for the office of Vice Chairman. Chairman Bittner made a motion to close the nominations with Director Bennett elected Vice Chairman by acclamation. Director Timothy Foster made a second. All were in favor, Director Royce Bennett was elected to the office of Vice Chairman.

Mr. Kitchen opened up the nominations for the office of Secretary/Treasurer. Chairman Jerry Bittner nominated Director Pat Turner for the office of Secretary/Treasurer. Director Tim Foster made a motion to close the nominations with Director Pat Turner elected as Secretary/Treasurer by acclamation. All were in favor; Ms. Pat Turner was elected to the office of Secretary/Treasurer.

**CHAIRMAN'S REMARKS** –Chairman Jerry Bittner provided general guidance to the audience regarding the meeting.

- 1. APPROVAL OF AGENDA** – Secretary/Treasurer Pat Turner made a motion to approve the agenda as presented. A second was made by Director Tim Foster. All were in favor. The agenda was approved as presented.
- 2. APPROVAL OF CONSENT AGENDA** – A motion was made by Director Timothy Foster to approve the consent agenda. A second was made by Vice Chairman Royce Bennett. The motion passed unanimously. Therefore, the December 2021 Finance Reports, November

2021 and December 2021 Operations Reports were accepted, the December 16, 2021, Meeting Minutes were approved as presented.

### 3. BUSINESS

#### A. Construction Contract Time Extension Request – Northwest Project

Chairman Jerry Bittner called on Mr. David Mohr, PE, COO, to present the item. Mr. Mohr began by providing background information on the construction underway to complete the electrical /control system replacements and flood hazard mitigation improvements at ONWASA's Northwest Regional Water Reclamation Facility. He stated this is the second of two projects to be completed at the site to repair damage caused by flooding during Hurricane Florence in 2018, as well as to better protect critical systems in future flood events. Mr. Mohr informed the Board that the Contractor [Muter Construction, LLC of Zebulon, NC] has made significant progress on certain aspects of the project including the installation of new electrical conduit, duct bank and elevated electrical panels, raising the existing emergency generator, and constructing the foundation for a new elevated electrical building. He added because of extremely long lead times for fabrication and delivery of certain building components as well as the need for the Engineer on the project [W.K. Dickson] to modify the design for the two flood-resistant buildings included in the project coupled with increased costs for materials the Contractor is formally requesting a change in contract price and time on the project. Mr. Mohr stated based on the evaluation of the Contractor's request and supporting documentation, the Project Engineer has recommended the Contractor receive a 230-day time extension and an increase in contract cost of \$318,947.47. Mr. Mohr shared that funding for the change order will come from fund balance and also added that the maximum amount reimbursement, \$5,050,000 has been received from insurance and to date FEMA and Golden Leaf have reimbursed \$138,310 and \$248,633 with the amount of funds remaining for reimbursement from FEMA being \$710,098 and Golden Leaf is \$780,867. Mr. Mohr said staff would continue to seek additional funds for reimbursement from both FEMA and Golden Leaf and any remaining local funds after the project is complete will be returned to fund balance.

Mr. Mohr said in the audience was Jason Boyd and Carter Huber with W K Dickson the Engineering Firm handling the project and they would be happy to answer any questions as would he.

Chairman Bittner asked if the \$318,947.47 increase affect the amount of money we receive from insurance or FEMA adding in other words have we received our maximum share from the feds and on the insurance. Mr. Mohr replied on the insurance that was correct they paid the maximum amount of \$5,000,000 with even an additional \$50,000 on that for some eligible expenses. Mr. Mohr said on the FEMA side they have indicated they are going to cover actual construction cost. He added we have a figure from them of how much they are willing to pay but we can also go back and tell them the amount originally granted is for example a half a million dollars but the cost was six hundred thousand and they have mechanisms to pay the actual as along as we can prove that it is for an eligible expense. Chairman Bittner said he understood and called for any other questions.

**Action:** A motion was made by Vice Chairman Royce Bennett to proceed with amending the construction contract with Muter Construction, LLC, and to authorize the Chief Executive officer to execute the Change Order and the Budget Amendment in the amount of \$318,947.00, and any additional documents as required in connection with

this action. A second was made by Secretary/Treasurer Pat Turner. All were in favor, the motion carried.

#### **4. CLOSED SESSION**

Chairman Bittner called for a motion for the Board of Directors to enter into closed session pursuant to NCGS 143-318.11 (a)(6) to discuss the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of a present or perspective public officer or employee.

A motion was made by Director Robert Warden to enter into closed session. A second was made by Vice Chairman Royce Bennett. The Board entered into Closed Session at 6:14 PM.

The Board entered back into Open Session at 6:39 PM. Chairman Jerry Bittner said the Board discussed candidates for the position of Chief Executive Officer and set a date for an interview of January 27, 2022, at 6 PM at City Hall.

#### **5. PUBLIC COMMENT**

There were no members of the public wishing to comment.

#### **6. CHIEF EXECUTIVE OFFICERS COMMENTS**

Chairman Bittner called on CEO, Jeffrey Hudson, to provide comments. Mr. Hudson expressed his appreciation to the employees who were completing preparations for the expected ice storm including pre-positioning around the County at various ONWASA plants to be ready to respond should they be needed. He added a lot of work t goes on behind the scenes that the public is not aware of and if we do our job they won't be aware of. He then thanked the Board for their faith and confidence over the last five years. He went on to thank staff for the hard work they have done and said he would like to recognize and thank the ONWASA Attorney, Mr. Chuck Kitchen, and added it has been an honor serving with him for five years. Mr. Hudson went on to share ONWASA faces many challenges in the future particularly in terms of infrastructure with growth and development. He said together our various communities are much stronger than apart and he thinks that over the last five years he has seen that repeatedly whether it has been in hurricanes or building for the future. He said he was pleased back when he was Deputy County Manager to be part of a team that wrote the Bylaws and Articles of Incorporation for ONWASA and it is very satisfying here at the end of my career to see things flourish. Mr. Hudson went on to say he and his wife grew up in Onslow County and it has been his family's home since the 1700s and they will continue to be part of the community and look forward to hearing about the completion of the many projects we begin together over the last two years.

#### **7. BOARD OF DIRECTOR'S COMMENTS**

Director Tim Foster thanked Mr. Hudson for his service not only at ONWASA but during his whole career from the Town of Holly Ridge to Onslow County Government, Onslow County Schools, back to Onslow County Government, and then to ONWASA. He said to Mr. Hudson thank you for your service to your home.

Vice Chairman Royce Bennett said Mr. Hudson has been the CEO since he joined the Board and he appreciates the progress ONWASA has made under his direction and it is his hope that they can find a suitable replacement. He added to the employees thank you for what you do and be safe out there.

Director McDermon thanked Mr. Hudson for his service and wished him the best and noted she would see him at the continued meeting.

Director Pat Turner said Mr. Hudson thank you so much. She added she has known him since they went to school together at Webster. She added she can't say enough good things about him and the way he treats his staff is very noticeable and very rare.

Director Jerry Bittner said he echoes everything that has been said so far and added in his short teaching career he was fortunate enough to have Mr. Hudson as a student and that at times he learned more from Mr. Hudson than he got from him. He said he later had the pleasure of working with him as City Manager and County Manager and he has only high praise for his service to the community, service to ONWASA, and to Onslow County so Godspeed.

Vice Chairman Royce Bennett made a motion to recess the meeting until January 27, 2022, 6:00 PM at Jacksonville City Hall. A second was made by Director Royce Bennett. All were in favor.

The meeting was recessed at 6:44 PM.

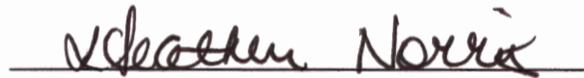
The minutes were approved on March 17, 2022.

Onslow Water & Sewer Authority Board of Directors



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Jerry Bittner, Chairman

ATTEST:



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Heather Norris, Clerk

