

**ONWASA BOARD OF DIRECTORS'
REGULAR MEETING
THURSDAY, NOVEMBER 17, 2017
JACKSONVILLE CITY HALL
JACKSONVILLE NC**

PRESENT FOR THE MEETING: Gregory Hines, Holly Ridge (ONWASA Chairman)
Jerry Bitter, Jacksonville (ONWASA Vice Chairman)
Paul Conner, Richlands (ONWASA Secretary/Treasurer)
Royce Bennett, Onslow County (ONWASA Director)
Fred Burns, North Topsail Beach (ONWASA Director)
John Lister, Swansboro (ONWASA Director)
Jack Bright, Onslow County (ONWASA Director)

Absent from meeting:
Michael Lazzara, Jacksonville (ONWASA Director)

CALL TO ORDER - The meeting was called to order by Chairman Gregory Hines at 6:00 PM.

INVOCATION – Pastor Derrick Arnold Crosspoint of Mission Church provided the invocation.

PLEDGE OF ALLEGIANCE - Mr. Royce Bennett, Director, led the Board and audience in the Pledge of Allegiance.

A motion was made by Director Royce Bennett to approve the agenda as submitted. Motion was seconded by Secretary/Treasurer Paul Conner. All were in favor, the motion carried unanimously.

Director Jack Bright made a motion to approve the consent agenda. Motion was seconded by Secretary/Treasurer Paul Conner. All were in favor, the motion carried unanimously.

Public Hearing to Amend the ONWASA Utility Ordinance Over 70 Payment Plan

Chairman Hines opened the Public Hearing.

Chairman Gregory Hines asked Mr. Jeffrey Hudson to present information on the proposed change to the Utility Ordinance. Mr. Hudson stated the change would allow customers over the age of 70 to make payments over a period of time rather than all at once.

Ms. Stephanie Hayes spoke during the public hearing. She shared that her mother has a lot of issues with water service and would like to have public water. Ms. Hayes shared that she would not be able to pay the fee in one lump sum.

Chairman Hines closed the Public Hearing.

Director Bright added he believed more people could be helped if the age was lowered. Director Royce Bennett stated he believed the age should be lowered to 65.

Vice Chairman Jerry Bittner made a motion to adopt the amended utility ordinance with amended age of 65 but otherwise as written in the published declaration of intent. Motion was seconded by Vice Chairman Royce Bennett. All were in favor, the motion carried unanimously.

Director Royce Bennett made a motion to adopt the deferred payment agreement with the amended age of 65. The motion was seconded by Paul Conner. All were in favor, the motion carried unanimously.

Public Hearing Landlord Agreement and Transfer Fee Public Hearing

Chairman Hines opened the Public Hearing. There were no citizens signed up to speak and Chairman Hines closed the Public Hearing.

Chairman Gregory Hines asked Mr. Jeffrey Hudson to present information on the Landlord Agreement and Transfer Fee proposal. Mr. Hudson shared that recently ONWASA has become aware of difficulties some landlords face during the transition of leased properties from one tenant to another. He explained that ONWASA will actually save trips to the property and the landlord will save money. Vice Chairman Bittner asked if all of the water used would be billable. Mr. Hudson replied all of the water used is billable. Mr. Hudson went on to say that in addition a \$20.00 Landlord transfer fee would be added to the Amended FY17-18 Rate & Fee Schedule.

Vice Chairman Jerry Bittner made a motion to adopt the Landlord Agreement and Amended FY17-18 Rate & Fee Schedule. The motion was seconded by Director John Lister. All were in favor, the motion carried unanimously.

Settlement Agreement and Release

Mr. Jeffrey Hudson shared that ONWASA owns and operates the Northwest Regional Water Reclamation Facility. He went on to say ONWASA was forced to replace equipment and make repairs to the facility due to damage from the introduction of leachate into the waste stream of the system. He said there were many parties both inside and outside the organization that were involved in the decision to attempt to treat leachate. One of the parties was W.K. Dickson & Company consulting engineers. As a result of direct negotiations W.K. Dickson has agreed to pay for 50% of the verified costs associated with taking the leachate into the plant. Mr. Hudson said in return for the consideration, the Board of Directors is requested to approve the settlement agreement.

Vice Chairman Jerry Bittner said he would like to first compliment Mr. Hudson for exhibiting the type of leadership he was hired to perform. It was handled with good results as opposed to both parties entering into litigation. Vice Chairman Bittner said his question was he remembered reading about a problem still existing at the plant and wondered if it was related to this issue. Mr. Hudson replied that everything they are experiencing at the Northwest Plant now is not a result of leachate.

Vice Chairman Jerry Bittner made a motion to approve the settlement agreement and release between ONWASA and W.K. Dickson & Company. The motion was seconded by Director Paul Connor. Director John Lister asked if the settlement amount included half of the fines ONWASA was charged. Mr. Hudson replied yes. All were in favor, the motion carried unanimously.

Construction Contract for the North Topsail Water Main Replacement Project

Mr. David Mohr, Engineering Director, provided the following

Director John Lister made a motion to adopt the project ordinance and budget amendment. A second was made by Director Royce Bennett. All were in favor, the motion carried unanimously.

Director Jack Bright made a motion to proceed with a construction contract for the North Topsail Water Main Replacement Project with State Utility Contractors, Inc. In the amount of \$799,095.00, and to authorize Mr. Jeffrey L. Hudson, CEO to execute this contract plus other documents as may be required in connect to this action. A second was made by Director Royce Bennett. All were in favor, the motion carried unanimously.

Public Comment

No citizens signed up for public comment.

Special Presentations

Director Gregory Hines presented Director John Lister with a plaque

Chief Executive Officer's Comments

Mr. Hudson stated that it has been an exciting year. Working on a lot of initiatives to improve the customer experience at ONWASA.

Mr. Jeffrey Hudson publicly thanked the staff he works with and leadership team at ONWASA. He would also like to thank the directors once again for the opportunity to work at ONWASA.

Board of Director's Comments

Jack Bright stated that Jeff does a good job. He said every time he calls the staff they are friendly.

Jerry Bittner stated he was just glad to be there.

Paul Conner shared he would miss John Lister and was also glad to be there.

Director Royce Bennett stated that the CEO and staff have been very helpful during his time on the ONWASA Board.

Director John Lister said he is appreciative of being appointed by Swansboro to the ONWASA board.

Chairman Gregory Hines congratulated Jerry Bittner and Paul Conner on their reelection.

Secretary/Treasurer Paul Conner made a motion to enter into closed session pursuant to NCGS 143-318.11 (a)(6) to discuss the performance of a public officer or employee. A second was made by Director John Lister.

Chairman Gregory Hines announced the Board of Directors were out of closed session at 7:13 PM and asked if there was any action to be taken on the matters discussed in closed session.

Paul Conner made a motion to give Mr. Jeffrey Hudson a \$5,000 annual increase in salary retroactive to 7/1/17 and a onetime bonus of \$2500.00. A second was made by Director Royce Bennett. All were in favor, the motion carried unanimously.

Vice Chairman Jerry Bitter stated he would like for the public to recognize that the board has recognized what we think has been exceptional management by Mr. Hudson and we are fully in accord with the directions he has taken the organization. He stated ONWASA has made significant progress and there is every reason to believe that progress will continue.

Director Royce Bennett said he hopes he speaks for all of the directors when he says they want ONWASA to be the utility people want to call and he believes Jeff is heading them in that direction.

Mr. Hudson said he would like to thank them for the opportunity. He stated there was nothing he could do without a great team. He said he would like to attribute a great deal of the success to the team. Mr. Hudson thanked the Board for their support. All were in favor, the motion carried unanimously.

A motion to adjourn was made by Vice Chairman Jerry Bittner. A second was made by Secretary/Treasurer Paul Conner.

Adjourned 7:15 PM

Minutes were approved on January 18, 2018.

Onslow Water & Sewer Authority Board of Directors



Gregory Hines, Chairman

ATTEST:

Heather Norris, Clerk