

**BRUNSWICK REGIONAL WATER & SEWER H2GO  
SPECIAL MEETING  
BUDGET WORKSHOP  
MONDAY, MAY 11, 2021**

**OFFICIAL MINUTES**

**CALL TO ORDER:**

Chairman Ronnie Jenkins called the meeting, located at H2GO and via Zoom to the public, to order at 9:00 am.; a quorum was present. The assembly was led in the Pledge of Allegiance.

**MEMBERS PRESENT:**

Present from the Board of Commissioners were members Ronnie Jenkins, Chairman, Steve Hosmer, Vice Chairman, Rodney McCoy, Secretary, Bill Beer, and Barry Laub, present from H2GO was Bob Walker, Executive Director, Scott Hook, Finance Officer, Russ Lane, Assistant Director, Tyler Wittkofsky, Public Information Officer, and Teresa Long, Clerk to the Board. Also, present was attorney Steve Coble.

**EXECUTIVE SESSION TO CONSULT WITH LEGAL COUNSEL, PURSUANT TO NCGS 143-318.11(a)(3) and DISCUSS CONTRACT NEGOTIATIONS PURSUANT TO NCGS 143-318.11(a)(5)**

Commissioner Hosmer made the motion at 9:03am for the board to enter into executive session to consult with legal counsel, pursuant to NCGS 143-318.11(a)(3) and to discuss contract negotiations, pursuant to NCGS 143-318.11(a)(5); a vote was called, and the motion carried unanimously.

Commissioner McCoy made the motion for the board to re-enter open session at 10:23am; a vote was called, and the motion carried unanimously.

Chairman Jenkins stated there was nothing to report out of executive session.

**2021-2022 GENERAL OPERATING BUDGET:**

Mr. Hook said that with adding Leland, all the numbers are going to be higher, he said he also broke out three new departments, 7115 is the work order guys which includes four people, a supervisor and three work order guys. Mr. Hook said department 7120 includes four locators, he said the RO Plant workers are in the 7131. Mr. Hook said he created the new departments to track expenditures better by setting up some managers for these departments instead of Russ Lane having to track all of this himself. Mr. Hook said department 7131 and 7141 include salaries for both the RO Plant and the Wastewater Plant.

Mr. Hook said that the Town of Leland will be paying off three of their loans now, he said the only debt that we will be taking on from Leland is the debt that they have for sewer capacity which is included in their local agreements with the county and then we get to use that capacity, he said that

debt can be paid by SDF's up to 75%. Chairman Jenkins said he wanted to let the public know that we were not taking on this exorbitant debt from the Town of Leland.

Mr. Hook said the Revenues include H2GO and Leland, he said we will end up with about \$27 million in Revenues. Mr. Hook said he projected 850 new customers in this budget, and that will probably be more.

Departmental Expenditures-Administration-7110; Mr. Hook said anticipated cost of this budget is \$17,781,958, which includes a large map printer of \$10,000, Office Supplies include \$16,000 gps for asset Protection and he is adding Archive Social for \$5,000 to keep up with what is on our website and social media. Mr. Hook said the Capital Outlay of \$250,000 includes the expansion of our office building. Mr. Hook said the 7130-water distribution budget includes one half of the year buying water from the county, anticipating the RO plant coming online in January. Mr. Hook said Capital Outlay here includes buying six new trucks and an equipment trailer. Next is the RO Plant 7131 budget, he said the salaries are split between the RO Plant and the WWT Plant, Mr. Hook said Bob is bringing on the employees for the RO plant now so that they can see what is underground at the RO Plant as well as above ground and that is why the salaries are projected for 12 months and not 6 months. Mr. Walker said the date for the RO Plant completion will probably be pushed to February. Mr. Walker said treatment materials will be for antiscalant and any chemical additions and that number is for six months.

Sewer Collections -7140 expenditures; Mr. Hook said we have 12 guys in the collections department now, nothing new here. Mr. Hook said the budgeted amount for the grinder pumps are mainly for Compass Pointe but there are 85 grinder pumps that we must repair that were installed under the grant.

WWTP-7141 Expenditures; Mr. Hook said the salaries are split between the RO Plant and the WWT Plant. Contract Services is for things like pump and haul, he said Capital Outlay is for Dewatering Cans \$64,000 and a Gator \$16,000.

Mr. Hook said the health insurance is looking good with no impact on budget, he said we are looking at getting long-term disability, he said we have been quoted \$650.00 per month for all employees. Mr. Hook said it will be added to the benefit package and will be reflected in the personnel policy.

Mr. Walker said last year the board gave the employees a 2.5% merit raise and a 2.5% COLA, he said he would like for the board to consider a 3% merit and 3% COLA raise for this budget, he said when you have competitive pay and benefits, employees tend to stay which is cost effective. The board is generally in support of the increase.

Mr. Hook said he does not anticipate any water and sewer rate increases this year or for the next five years. Mr. Hook said that at the next meeting we will set the date and time for the public to adopt the budget and the rates.

*(See Exhibit A, which has been incorporated and made a part of these minutes)*

Mr. Walker said our meeting next Tuesday will be at the Leland Town and will be open to the public, he said that Leland has agreed to let H2GO use that facility for the next six months.

Chairman Jenkins announced the next meeting to be May 18<sup>th</sup>, 2021.

**ADJOURNMENT:**

**Commissioner Beer made the motion to adjourn the meeting at 11:19a.m.; a vote was called, and the motion carried unanimously.**

\_\_\_\_\_  
Ronnie Jenkins, Chairman

\_\_\_\_\_  
Rodney McCoy, Secretary

\_\_\_\_\_  
Teresa Long, CMC  
Clerk to the Board

\_\_\_\_\_  
Date of Approval