

BRUNSWICK REGIONAL WATER & SEWER H2GO
REGULAR BOARD MEETING
WEDNESDAY OCTOBER 16, 2024

OFFICIAL MINUTES

CALL TO ORDER:

Chairman Ronnie Jenkins called the meeting to order at 5:00 p.m.; a quorum was present. The assembly cited the Pledge of Allegiance.

MEMBERS PRESENT:

Present from the Board of Commissioners were members Ronnie Jenkins, Chairman, Barry Laub, Vice Chairman, Rodney McCoy, Secretary, Commissioners Steve Hosmer, and Bill Beer. Present from H2GO were Bob Walker, Executive Director, Russ Lane, Assistant Executive Director-Operations, Scott Hook, Assistant Executive Director-Administration, Ken Brown, Finance Director, Jennifer Philips, Deputy Finance Director, Sara Meyer, Human Resource Director, Brenda Thurman, Customer Service Manager, Adrianna Weber, Engineering Director, Lloyd Brown, IT Manager, Josh Meyer, Safety and Training Manager, and Deana Greiner, Clerk to the Board. Also present was Mr. Steve Coble with Coble Law Firm.

DISCUSSION/ADJUSTMENT OF AGENDA:

Chairman Jenkins asked if there were any adjustments to the agenda. Staff presented to the board an adjusted agenda which added discussion on the Tiered Irrigation Rates under Old Business, discussion on an amendment to the ILA to New Business, a budget ordinance amendment for Fund 24 under Finance, a purchase order for the RRA and ERP Task Order under Finance, and a purchase order for ASR Wellsite Task Order under Finance. Mr. Lane requested to add discussion on the Lead and Copper Inventory to his report. Mr. Walker requested a purchase order for well sites 6, 7, and 8 under finance. Commissioner Beer made the motion to approve the agenda as amended. A vote was called, and the motion was carried unanimously.

CONSENT AGENDA:

Commissioner Laub made the motion to approve the consent agenda which consisted of the September 11, 2024, Regular Board Meeting Minutes, the September 1-30, 2024, Check Register, the August and September Financial Statements, and Grand Park Phase 1 Deed of Dedication. A vote was called, and the motion was carried unanimously.

COMMISSIONERS REPORT:

Commissioner Beer mentioned that he has heard from several customers regarding the irrigation rates; he said this will be further discussed under Old Business.

PUBLIC COMMENTS:

Chairman Jenkins opened the floor for public comments.

David Chianese of 3037 Eno Lane: Mr. Chianese expressed his concerns with the newly adopted irrigation rates; he explained that he felt the fees were unfair to customers living in town homes that irrigate through common areas. Mr. Chianese asked that the board set a meeting time to meet with him and members of the HOA to discuss this further.

The board asked Mr. Chianese to give his information to the clerk and they will set up a meeting soon.

OLD BUSINESS:

Tiered Irrigation Rates: Commissioner Beer expressed his concerns with the irrigation rates; he said he felt they were unreasonable and that the rate schedule should go back to what it was before. **Commissioner Beer made the motion to rescind the current tiered rate schedule and set the rates back at what they were previously.** Discussion ensues. Mr. Walker explained that he has been approached by a few HOAs regarding town homes and common areas, he said that those areas had a meter size that was undersized for their irrigation needs. Mr. Walker explained that those rates has been adjusted to put them in a more favorable rate bracket. Mr. Walker presented to the board a chart that showed customer usage; he said that 65% of our customers were irrigating properly and 35% of our customers were irrigating in excess. Commissioner Beer stated that we cannot base this on average lot size because there was no average lot size in most areas. Mr. Walker explained that irrigation should be supplemental to rainfall. Commissioner Beer stated that we should not base our operations on the weather. Commissioner Hosmer suggested that we rescind the rates and readdress this issue with a different plan later. Commissioner McCoy stated that the idea behind the rate structure was to promote water conservation. Chairman Jenkins called for a vote to the motion. The motion was carried unanimously. Commissioner Hosmer made the motion to amend the previous motion; he added that a plan be developed to address the issue of excessive irrigation, whether by changing rates or not, and be presented to the board by the February Board Meeting. A vote was called, and the motion was carried unanimously.

NEW BUSINESS:

ILA First Amendment: Mr. Walker stated that this item should be discussed after the Executive Session.

Severe Weather Plan: Mr. Josh Meyer presented to the board the severe weather plan that staff will use in preparation for severe weather events; he explained the plan will help establish staff roles and responsibilities, and set timelines utilizing checklists. Mr. Meyer explained that integrated in the plan were the various tools and forms set by FEMA. Mr. Meyer explained that part of the preparation process was for teams to mean well in advance of severe weather to go over things like inventory and current system needs; he said the idea was to know what our current system needs would be by the time Hurricane

Season started; so, when a storm came, we would already know where to put our focus. Commissioner Hosmer pointed out that the plan did not have numbered quantities. Mr. Meyer explained that it was deliberate; he explained that staff would hold meetings throughout the year to set quantities; he said quantities can change year after year as our system grew. Mr. Meyer explained that the idea is not stockpile unnecessary items or stockpile items that would expire; he explained the idea is know what we will need and plan for how we will get it when we need it.

Mr. Meyer mentioned that he has had the opportunity to sit in on the round talk meeting with individuals across the State to evaluate Hurricane Helene; he mentioned the biggest issue that towns in Western North Carolina is having is money; they are having to exhaust their funds to meet payroll and do not have the reserves to pay for damaged infrastructure.

Members of the board said that we should offer help. It was said that we were fully engaged in this; it was said that Mr. Meyer would serve as contact for any help needed. It was said that the call center in Raleigh had asked for volunteers; it was said that Mr. Walker had volunteered to go on Saturday. It was said that towns in Western North Carolina were asking for people not to randomly show up; help was welcomed but it needed to be coordinated because they don't have the means to house everyone. It was said that if the opportunity arises, we will send a team.

Commissioner Hosmer mentioned the Southeastern North Carolina Regional Hazard Mitigation Plan; he mentioned that several counties and municipalities were included but there were no utilities. It was said that because Brunswick County has adopted this plan, that it encompassed us; it was said that individual towns were included because they had a part in developing the plan. Mr. Walker stated that we will have a part in the 2026 revisions. It was said that this plan did not address things like cyber attacks and acts of terrorism. Mr. Walker stated that we had suggested a couple of additions already; he said we could suggest more.

EXECUTIVE DIRECTOR'S REPORT:

Resolution 2024-10-01 To Adopt the Southeastern NC RHMP: Mr. Walker reported to the board that we were looking at applying for the 2024 BRIC FEMA Grant; he said that he found out that the ASR Well would qualify for this grant. Mr. Walker stated that to qualify that we must have a project linked to the hazard mitigation plan. Mr. Walker explained that building the ASR Well would qualify under drought mitigation; he explained that we were working with the state to add the ASR Well to the hazard mitigation plan as a solution to help alleviate drought conditions. Mr. Walker stated that part of this is for us to adopt the Southeastern NC RHMP; he presented to the board Resolution 2024-10-01. **Commissioner Beer made the motion to approve Resolution 2024-10-01 as presented; a vote was called, and the motion was carried unanimously.**

ASSISTANT EXECUTIVE DIRECTOR'S REPORT-OPERATIONS:

Lead and Copper Inventory Report: Mr. Lane reported that the Lead and Copper Inventory Report was submitted to the State; he said the state required us to inventory every connection to determine if there was a risk for lead or copper. Mr. Lane explained that 18,000 connections were included in the report; he said this will be an ongoing report as we add new connections each year.

ENGINEERING DIRECTOR'S REPORT

Grand Park Phase 1 Performance Guarantee Release Commissioner McCoy made the motion to release the performance guarantee for Grand Park Phase 1 as presented; a vote was called, and the motion was carried unanimously.

Grand Park Phase 1 Performance Guarantee

Del Webb Phase 1D, 1E, and 1F Performance Guarantee

Banton Village Performance Guarantee Commissioner Beer made the motion to accept the performance guarantees for Grand Park Phase 1, Del Webb Phase 1D, 1E, and 1F, and Banton Village as presented; a vote was called, and the motion was carried unanimously.

ASSISTANT EXECUTIVE DIRECTOR'S REPORT-ADMINISTRATION:

Mr. Hook stated that he had nothing to report.

HUMAN RESOURCE DIRECTOR'S REPORT:

Monthly Report: Mrs. Meyer stated that her monthly report was included in the agenda packet.

Sliding Pay Scale: Mrs. Meyer presented to the board a sliding pay scale for each job position within the organization; she said everyone's salary fell in the appropriate range. Commissioner McCoy made the motion to approve the sliding pay scale as presented; a vote was called, and the motion was carried unanimously. The question was asked how we compared with our neighbors. Mrs. Meyer stated that she researched our surrounding area and compared our salaries with those across the State as well; she said we fell in the mid to high range of those salaries to stay competitive and to attract top talent.

Revised Personnel Policy: Mrs. Meyer presented to the board the revised personnel policy; she stated the highlighted changes were presented during the August Meeting. Mrs. Meyer said that this policy will be made effective November 1, 2024. It was said that we have seen an upward of 25% growth in employees over the past year; the question was asked what is expected in the coming year. Mrs. Meyer explained that we were trying to keep up with growth and the aging of our employees; she explained that staff will be meeting the first of the year to discuss employee needs over the next 5 years. Mrs. Meyer stated that Mr. Coble has reviewed and approved this policy as well. Commissioner Hosmer made the motion to approve the revised personnel policy as presented; a vote was called, and the motion was carried unanimously.

FINANCE OFFICER'S REPORT:

Fund 48 Budget Ordinance Amendment Mr. Brown presented to the board a budget ordinance amendment for Fund 48; he explained that the change had to do with the condemnation of property; additional engineering cost, and additional contingency. Commissioner Beer made the motion to approve the budget ordinance amendment for Fund 48 as presented; a vote was called, and the motion was carried unanimously.

Fund 16 Budget Ordinance Amendment Mr. Brown presented to the board a budget ordinance amendment for Fund 16; he explained the additional money was being added from the SDF reserves. Commissioner Hosmer made the motion to approve the budget ordinance amendment for Fund 16 as presented; a vote was called, and the motion was carried unanimously.

Fund 24 Budget Ordinance Amendment Mr. Brown presented to the board a budget ordinance amendment for Fund 24; he explained that additional money was added to the engineering cost. Commissioner Beer made the motion to approve the budget ordinance amendment for Fund 24 as presented; a vote was called, and the motion was carried unanimously.

Project Purchase Orders:

PO 25-00622 The Wooten Company Fund 23 Malmo Loop Waterline Extension Amendment 2 \$104,560.27

PO 25-00623 The Wooten Company Fund 12 Grant AIA-D-ARP-0073 Water System-TO 46 \$54,246.00

PO 25-00624 The Wooten Company Fund 11 Grant AIA-W-ARP-0072 Wastewater-TO 47 \$75,000.00

PO 25-00625 T.A. Loving Company Fund 48 Construction Contract/CO 1 \$2,029,206.01

PO 25-00626 Wells Brothers Const. Fund 48 Construction Contract \$1,169,145.93

PO 25-00627 The Wooten Company Fund 48 Force Main & Pump Station TO 31 \$113,953.00

PO 25-00634 Hazen and Sawyer RRA & ERP TO \$64,900.00

PO 25-00637 McGill Associates-ASR Wellsite TO \$127,700.00

Commissioner Beer made the motion to approve all the purchase orders as presented; a vote was called, and the motion was carried unanimously.

PO 25-00639 T.A. Loving Construction of Well Sites 6, 7, & 8: It was explained that only one bid was received for this project from T.A. Loving Construction. It was said that within this bid there was an incentive to finish early at \$260,000. It was said that the contract is to not exceed \$20,535,750. Commissioner Laub made the motion to approve PO 25-00639 for T.A. Loving Construction as presented; a vote was called, and the motion was carried unanimously.

ATTORNEY'S REPORT:

Mr. Coble stated he had nothing to report.

INFORMAL DISCUSSION:

Commissioner Beer wanted to know where Mr. Walker was on the preliminary plans. Mr. Walker stated that this would be part of the discussion in the executive session.

Commissioner Laub mentioned public relations and public communications; he expressed that he felt it was important that we consider having someone dedicated to this. Mr. Walker informed the board that he has a meeting with Mrs. Meyer regarding this in the morning.

EXECUTIVE SESSION:

Commissioner Laub made the motion for the board to enter executive session for the purpose of Consultation with Legal Counsel, pursuant to NCGS 143-318.11(a)(3); to discuss Contract Negotiations, pursuant to NCGS 143-318.11 (a)(5); and to discuss Personnel, pursuant to NCGS 143-318.11 (6), a vote was called, and the motion carried unanimously.

Commissioner Beer motioned for the board to return to open session; a vote was called, and the motion was carried unanimously.

There was nothing to report out of the executive session.

Commissioner Hosmer made the motion to approve and accept the ILA Agreement First Amendment as presented; a vote was called, and the motion was carried unanimously.

ANNOUNCEMENT OF NEXT MEETING:

Chairman Jenkins announced the next Regular Board Meeting to be November 13, 2024, to be located at the Training Room of the Reverse Osmosis Water Treatment Plant, at 5 p.m. The board took a minute to look at their schedules for a possible special meeting to meet with Mr. Chianese. The board decided to hold a special meeting on November 4, 2024, at 5 p.m. at the Training Room of the Reverse Osmosis Water Treatment Plant.

ADJOURNMENT:

Commissioner McCoy made the motion to adjourn the meeting at 7:23 p.m., a vote was called, and the motion was carried unanimously.



Ronnie Jenkins, Chairman



Rodney McCoy, Secretary



Deana Greiner, CMC Clerk to Board



Date of Approval