



## AGENDA

Board of Directors' Meeting - Jacksonville City Hall  
Thursday, June 20, 2024 - 6:00 PM

- CALL TO ORDER -** Chairman Royce Bennett will call the meeting to order.
- PLEDGE OF ALLEGIANCE -** Chairman Bennett will lead the board and audience in the Pledge of Allegiance.
- INVOCATION -** Pastor Brian Young, Senior Pastor, of Love Grace & Mercy Church will provide the invocation.

**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

*Any Director may request that any Consent Agenda item(s) be moved to the Business portion of the agenda. An item moved to Business will be considered separately. Items remaining on the Consent Agenda may then be considered as a whole.*

#### A. Acceptance of Monthly Departmental Reports

April and May 2024 Financial Reports  
April and May 2024 Operations Reports

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

#### B. Approval of Minutes

May 16, 2024 Proposed Regular Meeting Minutes

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

#### C. Administrative Service Agreements

For the convenience of Authority customers located in or near the general vicinity of the Towns it was provided in the Water and Sewer Agreement with the Towns that the Authority shall maintain

facilities in the Towns for the purpose of bill payment and telephone communication from customers. ONWASA currently has agreements with the Towns of Holly Ridge, Richlands, and Swansboro.

**Action Requested:** Consider a “Motion to approve the Administrative Service Agreement and authorize the Chairman of the Board to execute the agreement and any other document as may be required by this action.”

**D. Resolution Providing for the Use of Facsimile Signatures**

ONWASA's current policy requires one of the dual signatures for disbursements to be a wet signature. This resolution will allow the use of facsimile signatures for both signatures on checks and drafts, pre-audit certificates on contracts, and purchase orders. Internal controls are deemed sufficient to accommodate this change.

**Action Requested:** Consider a “Motion to adopt the Resolution Providing for the Use of Facsimile Signatures.”

**E. Records Retention Policy**

The Records Retention and Disposition Schedule Policy, issued by the North Carolina State Archives, is a tool for the employees of water & sewer authorities and sanitary districts across North Carolina to use when managing records. The Record Retention Policy for Documents Created or Maintained Pursuant to the ARP/CSLFRF Award is a policy required due to ARPA Grant Awards. Adoption of both policies by the Board is requested for compliance.

**Action Requested:** Consider a “Motion to approve the Records Retention and Disposition Schedule for Water & Sewer Authorities and Sanitary Districts issued by North Carolina State Archives dated May 1, 2016 and the Record Retention Policy for Documents Created or Maintained Pursuant to the ARP/CSLFRF Award and authorize the Chairman of the Board to execute the agreements and any other documents as may be required by this action.”

**3. BUSINESS**



**A. Discussion of the FY24-25 Proposed ONWASA Budget**

**Presenting:** Mr. Franky J. Howard, CEO



The Proposed FY23-24 budget has been produced in accordance with all NC laws. The Board of Directors have received the proposed FY24-25 ONWASA budget. If the Board wishes to change any item, staff is prepared to take action as directed.



**Action Requested:** Receive the presentation.



**B. Public Hearing – System Development Fee**

On April 23, 2024 the System Development Fee Analysis was posted on the website along with a Notice of Public Hearing to solicit public comment.

**Actions Requested:**

1. **Open Public Hearing:** Chairman Bennett is asked to open the public hearing.
2. **Conduct the Public Hearing:** Members of the public are invited to address the Board of Directors regarding the System Development Fee Analysis. A sign-up sheet is being maintained at the door for those who desire to speak. The CEO shall call the names of all persons signed up to speak. Each speaker shall be given five (5) minutes to address the board during the public hearing.
3. **Close the Public Hearing:** Chairman Bennett is asked to close the public hearing.



**C. Public Hearing – FY 2024-2025 Budget**

On Thursday, May 16, 2024, the Board held a meeting and set the date, time, and location of the public hearing on the Proposed 2024-2025 ONWASA Budget. The public hearing has been advertised as required by state law. A full copy of the budget with all supporting documents has been posted on the ONWASA website.

**Actions Requested:**

1. **Open Public Hearing:** Chairman Bennett is asked to open the public hearing.
2. **Conduct the Public Hearing:** Members of the public are invited to address the Board of Directors on any aspect of the Proposed 2024-2025 budget. A sign-up sheet is being maintained at the door for those who desire to speak. The CEO shall call the names of all persons signed up to speak on the proposed budget. Each speaker shall be given five (5) minutes to address the board during the public hearing.
3. **Close the Public Hearing:** Chairman Bennett is asked to close the public hearing.



**D. Consideration of the Proposed 2024-2025 Budget**

**Presenting:** Mr. Franky J. Howard, CEO

The Board of Directors have received and reviewed the proposed budget. The public hearing has been held as required by state law. The budget is now available for action by the Board. Members of the ONWASA leadership team are available to answer any questions board members may have.

**Actions Requested:**

Consider a “Motion to adopt the 2024 Updated CIP.”

Consider a “Motion to approve the Proposed System Development Fee calculations as of July 1, 2024.”



Consider a “Motion to approve the ONWASA budget ordinance for fiscal year 2024-2025 along with the proposed rate schedule as presented.”



#### E. Adoption of Project Ordinances and Amended Project Ordinances

**Presenting:** Mr. Eric Adams, CFO



Many capital improvement projects require multiple fiscal years to complete, therefore ONWASA utilizes Project Ordinances to establish budgets for these types of projects. Based on review of current project priorities, schedules and cost estimates it has been determined the following existing Project Ordinances must be amended in order to have sufficient funding in place to complete the anticipated work:

CIP-006A - Swansboro WWTP Renovation Project - Amended to reflect the cost of the recent bids received as well as to add the anticipated revenue from future financing.

CIP-028 – Southeast Regional WWTP Capacity Improvements – Created to reflect anticipated future financing and awarded ARPA Funds.

CIP-038 - Dixon Water Treatment Plant Expansion Project - Amended to reflect additional design work that will not be funded through the ARPA grant for this project.

**Action Requested:** Consider a “Motion to adopt Amended Project Ordinances and corresponding Budget Amendments for Capital Improvement Project CIP-006A, CIP-028, and CIP-038.



#### F. State Water Infrastructure Grant Southeast WWTP Project

**Presenting:** Mr. Eric Adams, CFO

ONWASA received notification in October 2022 that the NCDEQ Division of Water Infrastructure (DWI) had awarded an ARPA earmark grant in the amount of \$10,000,000 for a new wastewater treatment plant in the Southeast area. However, the scope was changed to construct the transmission lines to bypass the Holly Ridge WWTP and go directly to the Summerhouse WWTP. This grant, derived from the Federal American Rescue Plan Act, will cover 100% of eligible expenses up to the total award amount and all work must be completed by December 31, 2026.

After an extended review and approval of a proposed scope of work and timeline for completion, DWI has requested the execution of a Funding Offer and Acceptance document along with a Resolution stating acceptance of this grant and compliance with the requirements of this grant. This grant supports ongoing efforts to increase treated wastewater capacity. It can be completed by the requested deadline. Staff recommends acceptance of the grant and execution of the requested documents.

**Action Requested:** Consider a “Motion to adopt the Resolution to accept the American Rescue Plan Grant Offer and authorize the CEO to execute the Funding Offer and Acceptance Document and any additional documents necessary to complete this action.



## G. 2023 Dixon WTP Filter and Softener Tank Rehab

**Presenting:** Mr. Eric Adams, CFO

The 2023 Dixon WTP Filter and Softener Rehab RFB was issued on July 19, 2023. The contract was awarded to the lowest, responsive bidder Utilitech, Inc. in the amount of \$412,500. Previously unknown internal wear and damages has resulted in the need for an addendum to the contract which have increased the cost by \$156,000 bringing the contract to a total of \$568,500. The additional funds requested are to replace internal components that were thought to be reusable when we put out the RFB but were not. Inside the vessel there are threaded studs welded to the side wall of the tank that are used to hold the gravel screen in place. Several of these were damaged due to age and stripping and needed to be replaced. Parts of the gravel screen itself were damaged. The steel hangers for the air inlet distributors that are welded to the side wall of the tank had rusted and broken. The metal piping that makes up the air inlet distributors is designed with fine slots and holes to allow the proper air flow during the backwash. These slots and holes had rusted and corroded causing them to become enlarged and impeding proper air flow. Some connections had broken off.

The train undergoing the rehabilitation has been in service since the plant went online in 1995. These internal components have never been replaced to our knowledge. We were unaware of the poor condition of these parts when we put together the RFB for the project so they were not scoped for replacement when we requested the bids. The five (5) previous vessels that have been rehabilitated were installed during the expansion in 2006 and these same components on those vessels were not in this condition.

Therefore, we are requesting Board approval to proceed with Utilitech, Inc. to complete the necessary repairs.

**Action Requested:** Consider a “Motion to approve a construction contract for the 2023-24 Dixon Water Treatment Plant Filter and Softner Rehabilitation Project with addendum in the amount of \$568,500 and authorize the CEO to execute this contract and any additional documents as required in connection with this action.”



## H. Sale of Timber

**Presenting:** Mr. Franky J. Howard, CEO

The Authority's Timber Consultant, Pine State Forestry, is recommending ONWASA consider conducting a selective thinning on the Parkertown Tract. The thinning would reduce overstocked natural Loblolly Pine stands while improving the forest health and growth. The thinning also brings the opportunity to a final harvest in select small areas containing mature Loblolly Pine trees.

Pine State Forestry is recommending this go to sale in the fall of 2024 or early 2025 and estimate the potential timber revenue to be in the \$20,000 to \$25,000 range for the thinning and final harvest sites.

The Board of Director's are authorized to proceed with selling timber pursuant to NC Gen. Stat. § 162A-6(10). While there is no particular process the Authority is required to follow, the price for timber must be the fair market value. With this in mind, the timber will be bid. Due to time constraints with bidding, it is recommended that the Authority take the highest bid so long as it is reasonable. The approval would properly be delegated to the Chairman of the Authority, and he should additionally be delegated the authority to sign the resulting timber deeds.

**Actions Requested:** Consider a "Motion to approve the sale of timber by bid as recommended by the Timber consultant. Delegate to the Chairman the authority to accept the high bid as long as it is reasonable in his judgment, and further authorize the Chairman to execute a timber deed for the timber sold."

#### I. Highway 24 Utility Corridor Improvements, Phase 1A

**Presenting:** Mr. Jeffrey T. Lohr, Chief of Engineering

This item consists of a single prime contract to construct a new 18" and 16" force main including but not limited to, the following major work items:

- Installation of approximately 7,645 linear feet of 16" force main and 20,675 linear feet of 18" force main and associated appurtenances via open cut.
- Installation of approximately 1,860 linear feet of 16" force main and 4,615 linear feet of 18" force main via horizontal directional drill.
- Installation of approximately 700 linear feet of 30" steel encasement and 18" force main via bore and jack.
- Replacement of approximately 19 AR Vs along the existing 12" force main from the Swansboro PS to the connection point of the new 16" force main.
- Replacement of approximately 10 2-inch AR Vs with 3-inch combination ARVs along the existing 24" force main from Piney Green PS to the French Creek WWTP.

This contract was originally advertised for formal bid on the ONWASA website beginning April 29, 2024, and five bids were received by the June 4, 2024 due date. A total of 5 bids were subsequently received and opened on June 4, 2024. The apparent low bidder for this project was Jymco Construction Co., Inc. in the amount of \$ 9,555,118.00. This bid submittal has been reviewed by the Design Engineer (Wooten) and determined responsive and responsible, so I recommend execution of the contract with this firm.

**Action Requested:** Consider a "Motion to award the bid to Jymco Construction Co., Inc. in the amount of \$9,555,118.00 for the Phase 1A Force Main Project and authorize the CEO to execute this contract and any additional documents as required in connection with this action."

#### J. Highway 24 Utility Corridor Improvements, Phase 1B

**Presenting:** Mr. Jeffrey T. Lohr, Chief of Engineering



This item consists of a single prime contract to construct three new wastewater pump stations and expand one existing pump station including but not limited to, the following major work items. Project construction will be under one Contract with construction including, but not limited to, the following major work items:

- Modify Existing Piney Green Pump Station. Work to include addition of new wet well, new submersible pumps, two (2) new comminutors, back-up diesel pump, emergency generator, modifications of existing pump station building with electrical and telemetry equipment, and associated piping, appurtenances, roads, and site work.
- Construct new Hubert Pump Station at the existing Hubert Water Treatment Plant site. New pump station to include submersible wet well with submersible pumps (and room for a fourth), valve vault, odor control system, monorail pump lift crane under roof, back-up diesel pump, emergency generator, electrical building with electrical and telemetry equipment, and associated piping, appurtenances, roads, and site work.
- Construct new Swansboro Pump Station at the existing Swansboro Wastewater Treatment Plant Site. New pump station to include headworks structure with mechanical bar screen/compactor and grit removal system, submersible wet well with submersible pumps, valve vault, odor control system, pump lift crane, back-up diesel pump, emergency generator, electrical building with electrical and telemetry equipment, and associated piping, appurtenances, roads, and site work.
- Modify Existing Hall Creek Pump Station. Work to include addition of new wet well, new valve vault, new submersible pumps, lift davit crane, back-up diesel pump, emergency generator, electrical building with electrical and telemetry equipment, and associated piping, appurtenances, roads, and site work. Site work includes raising the existing site elevation approximately two feet to be above flood elevation. Demolish existing wet well and valve vault and associated equipment, piping, rails, and other items.
- Influent and effluent pipe connection work at all four lift stations including installation of valves as indicated and coordination on pump station start up and pipe connections with the Contractor selected for the Highway 24 Utility Corridor Improvements, Phase 1A – Wastewater Force Main project work.
- Telemetry System and associated electrical work.

The project was originally advertised for formal bid on the ONWASA website beginning April 29, 2024, and no bids were received by the June 4, 2024 due date. The project was subsequently rebid on June 5, 2024 and subsequently a total of 2 bids were received on June 12, 2024. The apparent low bidder for this project was TA Loving Company in the amount of \$17,639,800.00. This bid submittal has been reviewed by the Design Engineer (Wooten) and determined responsive and responsible, so I recommend execution of the contract with this firm.

**Action Requested:** Consider a “Motion to award the bid to T A Loving Company in the amount of \$17,639,800 for Phase 1B Wastewater Pump Stations Project and authorize the CEO to execute this contract and any additional documents as required in connection with this action.”



#### **K. Ocean Road Water Extension Holly Ridge Construction Contract**

**Presenting:** Mr. Jeffrey T. Lohr, PE Chief of Engineering

This item consists of a single prime contract to construct a new potable waterline and supporting infrastructure down Ocean Road (Route 50). Once completed, this work will bring an 8" potable waterline from Azalea Drive to the Onslow/Pender County line.

Work Includes:

- Installation of approximately 2,170 linear feet of 8 inch water main.
- Installation of approximately 65 linear feet of 16 inch steel encasement located at the intersection of Ocean Road and Azalea Drive.

The contract was originally advertised for formal bid on the ONWASA website beginning May 7, 2024. A total of five bids were subsequently received and opened on June 6, 2024. The apparent low bidder for this project was CM Mitchell Construction Company in the amount of \$295,250.51. This bid submittal has been reviewed by the Design Engineer (Highfill) and determined responsive and responsible, so I recommend execution of the contract with this firm.

**Action Requested:** Consider a "Motion to award the bid to CM Mitchell Construction Company in the amount of \$295,250.51 for the Ocean Road Waterline Extension Project and authorize the CEO to execute the contract and any additional documents as required in connection with this action."

#### 4. PUBLIC COMMENT



Citizens are invited to address any comments or concerns to the Board of Directors. Each speaker is granted three (3) minutes during this period of public comment.

#### 5. CHIEF EXECUTIVE OFFICER'S COMMENTS

#### 6. BOARD OF DIRECTOR'S COMMENTS

#### 7. 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*