



NOTICE OF SPECIAL BOARD MEETING

POSTED: July 30, 2024

The Chairman of the ONWASA Board of Directors has called for a Special Board Meeting to take place at 6pm on Thursday, August 1, 2024, at the Main Office of ONWASA, 228 Georgetown Road, Jacksonville. Action is expected to be taken. The agenda follows:

**AGENDA
SPECIAL MEETING OF THE BOARD OF DIRECTORS
228 Georgetown Road Jacksonville
Thursday, August 1, 2024
6:00 PM**

CALL TO ORDER - Chairman Royce Bennett

1. APPROVAL OF AGENDA

Action Requested: Motion to approve agenda as amended/submitted.

2. BUSINESS

A. Approval of Bond Documents

Presenting: Mr. Franky J. Howard, CEO and Mr. Chuck Kitchen, Authority Attorney

In order to proceed with the construction of the sewer line connecting the Swansboro system with the Base treatment plant, financing is necessary to fund the project. Two actions are required to proceed with the financing. First, the Board is required to make findings necessary to justify the issuance of the bonds. This resolution includes the appointment of persons to proceed with the issuance, and to request the Local Government Commission to issue the bonds.

The Board is also requested to adopt a bond order which is the legal document authorizing the issuance of the bonds. The bonds are \$35,000,000 which will be sold by private sale to an underwriter. The bonds are revenue bonds subject to the same general indenture as the other revenue bonds issued by the authority.

ACTIONS REQUESTED: Consider a "Motion to approve the Resolution Making Certain Findings and Determinations, Authorizing the Filing of an Application with the Local Government Commission for Approval of the Issuance by the Authority of Revenue Bonds

and Requesting the Local Government Commission to Sell Bonds at a Private Sale.”

And

Consider a “Motion to adopt the Order Authorizing the Sale and Issuance by Onslow Water and Sewer Authority of Not to Exceed \$35,000,000 S Combined Enterprise System Revenue Bonds, Series 2024 and Authorizing the Execution and Delivery of Certain Documents in Connection Therewith.”

B. Summerhouse WWTP Interim Improvements

Presenting: Mr. Jeffrey T. Lohr, P.E., Chief of Engineering

The Summerhouse WWTP Interim Improvements project was initially bid on April 23, 2024 and no bids were received, it was subsequently bid on May 31, 2024 and again no bids were received. The project was rebid again on July 18, 2024 and ONWASA received one bid from ELJ, Inc. The ELJ, Inc. bid has been certified and our Engineer has recommended Award to ELJ, Inc. This Bid process and Award recommendation is made in accordance with NC Public Contracting Statute Article 8 Public Contracts Section 143-132 (a).

This item consists of a single prime contract to construct Phase 1 Interim Improvements to the Summerhouse WWTP to improve the treatment efficiency and flow capacity to continue to serve the SE Area of Onslow County. Included are a new membrane system, safety and operational improvements including but not limited to, the following major work items:

High Efficiency Membrane System, a new UV system/equipment, new influent Screening, improved platforms, refurbishment of the Administration Building and new concrete foundations and groundworks to support future Phase 2 MBR and UV systems.

The Completion Date is expected to be 10 months after the Notice to Proceed is issued to the Contractor. Assuming the Notice to Proceed is approved and the contractor has provided his bonds and other paperwork by early September then approximate completion would be July-August 2025.

Summerhouse is permitted for approximately 400,000 gpd average daily flow treatment capacity. The current system has not treated more than 65,000 gpd due to its inefficiency and inability to utilize half of the four treatment trains. The new Kubota MBR System Phase 1 will have the capability to operate at an average flow of 200,000 gpd and peak flow of 400,000 gpd, and the Phase 2 Kubota MBR System, when constructed, will allow the Plant to operate with an additional 200,000 gpd average flow and the ability to meet the design peak capacity of 800,000 gpd.

ACTIONS REQUESTED: Consider a “Motion to adopt the Summerhouse WWTP Interim Capacity Improvements Amended Project Ordinance and Corresponding Budget amendment.”

And

Consider a “Motion to award RFB CIP-005 to ELJ, Inc. in the amount of \$2,995,000 and authorize the Chief Executive Officer to execute this contract and any additional documents as required in connection with this action.”

C. Advanced Metering Infrastructure – Equipment Acquisition & Installation

Presenting: Mr. Franky J. Howard, CEO and Mr. J. Eric Adams, CFO

ONWASA staff have met with numerous providers for advanced metering infrastructure equipment and installation, and we believe Sensus, and their authorized dealer Ferguson Enterprises, to be the best fit for our system as they are the only providers that can give us a meter that does all the functions we would like in one device. That is, they read pressure, temperature, and usage as well as has the ability to be turned on/off remotely.

ACTIONS REQUESTED:

Consider a “Motion to Adopt the Advanced Metering Infrastructure Project Ordinance and Corresponding Budget Amendment.”

And

Consider a “Motion to proceed with the contract with Sensus/Ferguson Enterprises for the acquisition and installation of the referenced equipment as a sole source vendor and authorize the Chief Executive Officer to execute the contract and any additional documents as required in connection with this action.”

D. FY24 Budget Rollover to FY25

Presenting: Mr. J. Eric Adams, CFO

Each year the Finance Department tracks purchases or projects that were ordered or procured in one fiscal year, but which will not be received or completed until the following fiscal year. Generally Accepted Accounting Principles state that expenses must be booked in the fiscal year in which they are received or completed. For the fiscal year just begun on July 1, 2024 there are 19 purchase orders which are carried over from the prior fiscal year. Of the 19 purchases, 6 are engineering/consultant projects, 4 equipment purchases, 2 computer equipment purchases and 7 vehicle or vehicle accessories purchases. The total is \$975,608.85. These funds were budgeted in FY 24 but not spent. Fund balance to match the expenditure would be budgeted in the current year, FY25 to cover all expenses.

ACTION REQUESTED: Consider a “Motion to approve the Purchase Order Rollover and Associated Budget Amendment to fully cover the Rollover Purchases.”

3. CLOSED SESSION

The ONWASA Board of Directors will enter closed session pursuant to NCGS 143-318.11(a)(3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which is hereby acknowledged and NCGS 143-318.11(a)(6) to discuss the performance of a public officer or employee.

PROPOSED MOTION: Consider a “Motion to go into closed session pursuant to NCGS 143-318.11(a)(6).”

4. CEO COMMENTS

5. DIRECTOR COMMENTS

6. ADJOURN