

Minutes
MCRWASA Board of Directors Regular Meeting
January 28, 2021

The Martin County Regional Water and Sewer Authority (MCRWASA) Board of Directors met in a Regular Meeting on Thursday, January 28, 2021 at 3:00 p.m. in the in the MCRWASA Water Treatment Plant Building, 1001 Park Street, Williamston, NC.

ASSEMBLY

Members present: Vice Chairman Al Chesson, Board Director Dempsey Bond, Jr., and Board Director Stacy Stalls. Board Director Julius Patrick was virtually present via a conference call.

Others present: Martin County: Interim County Manager Cindy Ange, MCRWASA Deputy Secretary Jessica Godard, Martin County Water District Supervisor Ed Warren, and SUEZ Project Manager Joe Thaxton.

Absent: Secretary Christina Craft, Alternate Board Member William Coffield.

Vice Chairman Al Chesson called the meeting to order at 3:00 p.m.

AGENDA APPROVAL

Director Stalls made a MOTION to approve the agenda as presented, with a SECOND by Director Bond. The Board APPROVED the motion unanimously.

APPROVAL OF MINUTES – November 30, 2020, December 3, 2020, January 12, 2021 minutes.

DirectorBond made a MOTION to approve the minutes, with a SECOND by Director Bond. The Board APPROVED the motion unanimously.

PUBLIC COMMENTS – None

BUSINESS ITEMS

2019-2020 Audit Presentation

Ms. Madonna Stafford, of Carr, Riggs and Ingra, (CRI) was present via Cisco Webex to discuss the results of the 2019-2020 audit. An unmodified opinion was issued, meaning no findings of anything materially wrong with any statements. Next, Ms. Stafford pointed out some financial highlights, showing a normal financial trend with the authority (large decrease each year due to depreciation, a non-cash item). She then discussed the statement of cash flow, and the cash increased by approximately \$4,000 in 2019-2020. From a budgetary prospective, the revenues exceeded the expenditures for the year, the overall debt decreased due to scheduled debt payments being made. There were no new debts taken out. Overall, everything was in line with prior years and budgets, so no unexpected differences were seen. No noted internal control weaknesses or

deficiencies were reported. The audit process went smoothly, despite many obstacles due to the pandemic.

Vice Chair Chesson discussed concerns with continued depreciation and cash flow. Ms. Stafford stated she understood the concerns with the decreasing financial trend. Vice Chair thanked the Finance Officer and the Martin County finance staff for their hard work.

Board Director Bond made a MOTION to accept the audit report, with a SECOND from Board Director Patrick. The motion was APPROVED unanimously.

Budget Amendment #2

Budget Amendment #2 would transfer \$4,050 from the Fund Balance to cover legal expenses to review the contract and negotiate terms with Veolia. Chairman Chesson stated the fund balance appropriation was \$6,250.

Board Director Bond made a MOTION to approve Budget Amendment #2, with a SECOND from Board Director Stalls. The motion was APPROVED unanimously.

Draft 2021-22 Budget

The draft budget was presented to the Board for review. Finance Officer Ange stated the budget, as in past years, only covered expenditures and debt payments. There was no setting aside of funds to cover things in future years. This would be just to break even for the Town and the County to pay the contract and pay the debt. Finance Officer Ange stated the cost went down due to the new contract, but the usage also went down. There was nothing in the draft budget for capital outlay, so staff may need to amend the budget once the new contractors begin. The budget would need to be approved at the next MCRWASA meeting.

Finance Officer Ange stated the increases in the contract runs on the same fiscal year, but the contract was set to increase March 7th of the next year of the contract.

Vice Chair Chesson discussed the concerns about the water bills of customers being so high in our area. In normal times, Vice Chair Chesson stated rates would need to be discussed. However, he felt it would not be wise to raise rates during this time due to the financial hardships of the citizens. Board Director Patrick agreed with Vice Chair Chesson's comments. Board Member Patrick asked Finance Officer Ange for clarification on revenue the districts 1 and compared to the previous years, and Finance Officer Ange stated those numbers were based on usage from the prior year.

Any questions from the Board should be directed to Vice Chair Chesson or Finance Officer Ange. The consensus of the Board what agreement with the draft budget.

Monthly Report from SUEZ

Project Manager Thaxton reported the facility was in good shape. He had completed the last annual report for SUEZ, Tier II report, the local water supply plans, the CCR's were done and submitted, wastewater reports were completed and submitted, OSHA 300 reports were done.

The February monthly report would be his last monthly report to do. The MCAP was in good shape. There had been a couple of large purchases – SCADA and the switchover ATS. The last invoice would be in March 2021 after compiling the MCAP information.

Project Manager Thaxton recalled the last 6 years at the water treatment plant, and stated he had enjoyed his time in Martin County. He thanked the MCRWASA Board for the opportunity to be a part of the community. The Board thanked Project Manager Thaxton for his hard work over the past years. Board Director Bond thanked Mr. Thaxton on behalf of Martin County.

Vice Chair Chesson discussed a walk-through on Friday, March 5th, 2021 that would be held, as per protocol, prior to the changeover from SUEZ to Veolia. The walk-through would take place at 3:30 p.m.

ADJOURNMENT

With no further business to discuss, Vice Chairman Chesson adjourned the meeting around 3:28 p.m. The next regular MCRWASA Board of Directors meeting is scheduled for Thursday, March 25, 2021 at 3:00 pm.

Al Chesson, MCRWASA Vice Chairman

Jessica Godard, NCCCC
MCRWASA Deputy Secretary