

**Minutes**  
**MCRWASA Board of Directors Regular Meeting**  
**February 22, 2018**

The Martin County Regional Water and Sewer Authority (MCRWASA) Board of Directors met for its Regular Meeting on Thursday, February 22, 2018 at 3:00 p.m. in the MCRWASA Water Treatment Plant Building, 1001 Park Street, Williamston, NC.

**ASSEMBLY**

Members present: Chairman David Bone, Vice Chairman Al Chesson, Board Director Hilton Keel, Board Director Julius Patrick, Board Director Junious Horton (alternate), Secretary Marion Thompson and Treasurer/Deputy Secretary Cindy Ange.

Board Director Tommy Bowen (alternate) was not in attendance.

Others present: Martin County: Commissioner Dempsey Bond, Jr.; Town of Williamston: Administrator David Jaynes; and SUEZ: Project Manager Joe Thaxton and Senior O & M Technician Eddie Bristow.

Chairman Bone called the meeting to order at 3:00 p.m.

**AGENDA APPROVAL**

Chairman Bone suggested adding the following item to the agenda:

- SUEZ Change Order #15 – Security Cameras

Vice Chairman Chesson made a MOTION to approve the agenda as amended, with a SECOND by Director Keel. The Board APPROVED the motion unanimously.

**APPROVAL OF MINUTES – January 25, 2018 Regular Session**

Director Keel made a MOTION to approve the minutes as presented, with a SECOND by Director Patrick. The Board APPROVED the motion unanimously.

**PUBLIC COMMENTS** – Chairman Bone asked if there were public comments, and there were none.

**BUSINESS ITEMS**

**Review of Capital Requests by SUEZ**

As per the agreement with SUEZ, MCRWASA has an obligation to fund capital improvements. The agreement defines “capital improvements” as “all costs related to the construction, installation, repair or replacement of any component of the System in excess of \$5,000 per item.” SUEZ is responsible for recommending necessary capital improvements. MCRWASA may elect to contract with a third party engineer to evaluate SUEZ’s recommendations.

Project Manager Thaxton suggested updating the compressor to fix some of the short-falls to the operations of the air compressor, which provides air to all the values on the Super pulsator. Project Manager explained valve failure in mid-transfer would cause a large discharge of water and cause the piping to become overwhelmed. It would take up to 45 to 60 minutes for staff to get on site, if this happened late at night. Currently, in the event of a power failure or brown out, the compressors would not restart. During a compressor failure, the other compressor unit would not start, as well. There would be no compressor rotation to keep ware equal, nor an interface to SCADA to determine the status or health of the unit. The estimated cost would be \$10,000.

Project Manager Thaxton also suggested MCRWASA keep \$50,000 as the base amount for the MCRWASA 2018-2019 Capital plan because of the newness of the facility. After five years, Project Manager Thaxton suggested working toward the goal of maintaining \$300,000 in reserve for capital maintenance. Based on his experience, Project Manager Thaxton stated capital improvements become a major liability after eight to ten years use of the system.

**2018-19 Draft Budget**

The Board of Directors reviewed the 2018-19 Draft Budget for MCRWASA at the meeting. With the closure of Parkdale Mills, the major focus of the draft budget was the daily gallons of water usage decrease for the past year.

As per the inter-local agreement, each member is required to make a “Minimum Purchase”. The agreement reads as follows:

“For the purposes of this Agreement, ‘Minimum Purchase’ means the volume of water... which is equal to one hundred percent of the Full Water Requirements of each Member Entity based on actual consumption levels from the prior calendar year.”

The trend in daily gallons of water usage had been as follows:

|                     | 2014 (est.)    | 2015           | 2016           | 2017           |
|---------------------|----------------|----------------|----------------|----------------|
| Town of Williamston | 727,000        | 701,025        | 669,791        | 592,068        |
| Martin Co. WSD 1    | 124,000        | 133,997        | 126,746        | 136,898        |
| Martin Co. WSD 2    | 137,000        | 149,728        | 132,681        | 128,347        |
|                     |                |                |                |                |
| <b>TOTAL</b>        | <b>988,000</b> | <b>984,800</b> | <b>929,218</b> | <b>857,313</b> |

Based on the 8.3% decrease in usage, as well as contractual CPI increases in the agreement with SUEZ, Staff based the draft budget on a wholesale rate increase of 48-cents – taking the wholesale rate from the current level of \$5.15 per 1,000 gallons to a draft wholesale rate of \$5.63 per 1,000 gallons. This equates to a 9.3% increase in the wholesale rate.

The contract between MCRWASA and SUEZ allows for adjustments when the usage increases or decreases above or below five percent (5%), with a base amount of 900,000 gallons. Being the amount of decline in usage was so close to the contract percentage, Chairman Bone asked SUEZ for some monetary consideration now, rather than later. Project Manager Thaxton stated Regional Manager Gary Stainbeck was visiting SUEZ headquarters on other matters and would discuss MCRWASA’s request for consideration at that time.

The MCRWASA Board reviewed the draft budget. Staff would advertised the notice of the budget public hearing scheduled for the March 22, 2018 meeting.

MCRWASA Treasurer/Finance Director Cindy Ange stated insurance rates decreased by \$10,000 and may decline more. Additionally, she should know more after a meeting in March.

Project Manager Thaxton noted the necessity to establish procedures (Stages 1-5) should an event occur whereas MCRWASA could not draw water from the Roanoke River, for any reason. Even though historically the possibility is slim, the question was what MCRWASA would do, if the Roanoke River became unusable.

### **Change Order #15 – Security Cameras**

Project Manager Thaxton reported SUEZ received quotes for 2-180 degree panoramic cameras to cover the sludge processing, the clearwell, and the chlorine contact tank. SUEZ planned to move one camera to the base of the 400,000 elevated tank. Project Manager Thaxton added these cameras would comply with the American Water Works Association (AWWA) surveillance guidance document.

The cost to update the video surveillance system and installation by Custom Control would amount to \$11,011.00. This would be below the \$18,000 the Board approved for this capital needs item at its meeting on March 23, 2017.

Vice Chairman Chesson made the motion to Approval Change Order #15 for \$11,011.00, with a SECOND by Director Keel. The Board APPROVED the motion unanimously.

## **INFORMATIONAL UPDATES**

### **Monthly Report from SUEZ**

Project Manager Thaxton reported the following maintenance procedures:

- SUEZ went to 24 hours operation for 3 days, in January 2018. (Cold temperatures caused 9 days of allotment exceedance, due to equipment failure for the Town of Williamston in an amount of 3,240,073 gallons. The plant operated at 1.5 million gallons per day in a 24-hour period.)
- Completed the generator inspection (end of contract from build-out) and oil change.
- Completed the HACH annual maintenance on all analyzers.
- The freeze valve failure on the pulsator cost \$3,950.00 for labor, \$3,142.59 for new valves, and \$4,400.00 for insulate and heat tape.
- Completed Consumer Confidence Report, water supply plan, sludge land application and Tier II reports.

Additionally, Project Manager Thaxton commented one employee was out of work on short-term disability, due to a non-job related incident.

## **ADJOURNMENT**

With no further business to discuss, Chairman Bone adjourned the meeting around 3:55 p.m. The MCRWASA Board of Directors scheduled its next regular meeting for March 22, 2018.

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David Bone, Chairman

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Marion B. Thompson, NCCCC  
MCRWASA Secretary