

Minutes
MCRWASA Board of Directors Regular Meeting
April 27, 2017

The Martin County Regional Water and Sewer Authority (MCRWASA) Board of Directors met for its Regular Meeting on Thursday, April 27, 2017 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 Tommy Bowen (alternate), Board Director Junious Horton (alternate), Secretary Marion Thompson and Treasurer / Deputy Secretary Cindy Ange.

Others present: Martin County: Water District Supervisor Ed Warren and County Commissioner Dempsey Bond, Jr.; 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

Director Patrick made a MOTION to approve the agenda as presented, with a SECOND by Vice Chairman Chesson. The motion was APPROVED unanimously.

APPROVAL OF MINUTES – March 23, 2017, Regular Session

Vice Chairman Chesson made a MOTION to approve the minutes as submitted, with a SECOND by Director Keel. The motion was APPROVED unanimously.

PUBLIC COMMENTS – None

BUSINESS ITEMS

Request from the Town of Williamston Concerning Closing of Parkdale Mills

Inherent in the inter-local agreement approved in 2009 by the MCRWASA Board of Directors is a policy that a per thousand water wholesale unit cost is determined in consideration of the “Full Water” usage of each member from the prior year.

On April 12, 2017, Parkdale Mills announced it would shut down its Williamston facility on June 10, 2017. Parkdale Mills, the largest water customer for the Town of Williamston, reportedly, used 35.6 million gallons of water last year. The closing of Parkdale Mills and the

loss of its 35.6 million gallons of water usage will decrease the Town of Williamston usage in 2017, which will eventually impact the 2018-19 “Full Water Rate” and Budget.

In a letter from Williamston Interim Town Administrator Brent Kanipe, the Town of Williamston asked for consideration in the 2017-18 Budget. Based on this loss, Williamston Interim Town Administrator Kanipe stated the Town of Williamston would only be able to commit to 20,452,000 gallons or 209,452 units for the 2017-18 year. Providing this consideration would require an increase in the wholesale water rate.

Additionally in his letter, Williamston Interim Town Administrator Kanipe suggested Suez may be able to realize an operational cost savings that could be passed on to MCRWASA and incorporated into the wholesale water rate. MCRWASA Chairman David Bone shared the Williamston letter with Suez. Project Manager Joe Thaxton was asked to explore what operational savings could be generated by the decrease in water demand.

Project Manager Joe Thaxton reported while most costs are fixed, a decrease of \$16,583.58 was the estimated amount of cost savings to be realized, as a result of the reduction in chemicals used to treat the water. The formal document has been forwarded to SUEZ legal for final approval.

After a lengthy discussion, the Board of Directors consensually agreed to delay any action until the Governing Boards of member entities fully reviewed and discussed the ratification of the Parkdale Mill closing on rates for water customers, and options available, if any. The item would be added to the MCRWASA May 25, 2017 agenda for consideration, if necessary.

Public Hearing – MCRWASA 2017-18 Budget

Director Patrick made the MOTION to enter the public hearing for the MCRWASA 2017-18 Budget, with a SECOND by Vice Chairman Chesson. The motion was unanimously APPROVED.

Chairman Bone explained the NC General Statutes have multiple requirements in regards to adoption of a local government’s annual budget. A public hearing on the budget is required by NC General Statute 159-11 and had been duly advertised in accordance of said statute.

NCGS 159-13 specifies that no earlier than 10 days after the budget is presented to the governing body and not later than July 1st, the governing body shall adopt a budget ordinance. Otherwise, the MCRWASA Board may adopt an interim budget ordinance to be effective from July 1st to August 1st.

The draft 2017-18 MCRWASA Budget was discussed at the February 23, 2017 and March 23, 2017 meetings. The total estimated expenses had been listed as \$1,802,067. The budget presented had been based on a wholesale rate of \$5.15 per 1,000 gallons.

No further comments were made regarding the MCRWASA 2017-18 Budget.

Vice Chairman Chesson made the MOTION to end the public hearing for the MCRWASA 2017-18 Budget, with a SECOND by Director Keel. The motion was unanimously APPROVED.

Adoption of the 2017-18 MCRWASA Budget and Wholesale Water Rate of \$5.15 per 1,000 gallons

Historically, the MCRWASA Board of Directors had considered adoption of the 2017-18 Budget and Wholesale Water Rate, after the Budget Public Hearing. With the request from the Town of Williamston (Item #1) being deferred to later, the Board of Directors agreed to delay adoption of the MCRWASA 2017-18 annual budget.

Chairman Bone suggested being proactive and informing the public of the predicament MCRWASA, Martin County, and the Town of Williamston would be facing, with the loss of Parkdale Mills. County Manager David Bone and Williamston Interim Town Administrator Brent Kanipe were to create a news release for publication.

INFORMATIONAL UPDATES

Introduction of newly-hired Senior O & M Technician Eddie Bristow

Project Manager Joe Thaxton introduced Senior O & M Technician Eddie Bristow, named second in command, would be taking on the responsibilities of Project Manager Thaxton, in the his absence. Senior O & M Technician Bristow, originally from South Carolina, came on board with a wealth of experience in water (34 years) and wastewater (27 years).

Senior O & M Technician Bristow thanked SUEZ and MCRWASA for the opportunity to service the water customers for the Town of Williamston and Martin County Water Districts #1 and #2.

Reportedly, SUEZ upper management has other plans for Project Manager Thaxton, which would require more travel and time away from the MCRWASA Water Treatment Plant.

Update on MCRWASA Well #1

At the March 23, 2017 meeting, the MCRWASA Board of Directors approved maintenance on MCRWASA Well #1, to include replacement of the pump check valve. Originally, work on MCRWASA Well #1 had been scheduled for the week of April 24, 2017. Project Manager Thaxton stated plans were to install the pump check valve on Friday, April 28, 2017 or the coming week.

Monthly Report from SUEZ

Project Manager Joe Thaxton presented the SUEZ Operations and Maintenance monthly report for the Board of Directors review and comments.

ADJOURNMENT

With no further business to discuss, Chairman Bone adjourned the meeting around 4:03 p.m. The next regular meeting for the MCRWASA would be Thursday, May 25, 2017 at 3:00 p.m.

David Bone, Chairman

Marion B. Thompson, NCCCC
MCRWASA Secretary