

BRUNSWICK REGIONAL WATER & SEWER H2GO
SPECIAL MEETING
THURSDAY MARCH 7, 2024

OFFICIAL MINUTES

CALL TO ORDER:

Chairman Ronnie Jenkins called the meeting, located at Brunswick Regional Water and Sewer Reverse Osmosis Water Treatment Plant Training Room, to order at 10 a.m.; a quorum was present. The assembly was led in the Pledge of Allegiance.

MEMBERS PRESENT:

Present from the Board of Commissioners were members Ronnie Jenkins, Chairman, Barry Laub, Vice Chairman, Rodney McCoy, Secretary, Bill Beer, and Steve Hosmer, present from H2GO was Bob Walker, Executive Director, Scott Hook, Assistant Executive Director, Administration, Ken Brown, Finance Officer, Jeniffer Philips, Lead Accountant, Stephanie Blair, Communications Director, Adrianna Weber, Engineering Director, and Deana Greiner, Clerk to the Board. Also present was the attorney, Steve Coble.

DEED OF DEDICATION: COMPASS POINT PH 22 SEC 1

Mr. Walker explained that at the last moment the developer for this project decided to revise their plat maps; he explained that this item will be on the March 20th agenda.

CROSS CREEK COMMONS, UNITS 22 & 23, 3-YEAR LEASE AGREEMENT

Mr. Walker explained that we needed a little extra space; he explained that another space has become available in Cross Creek Commons that would better accommodate what we need. Mr. Walker stated that we could end our lease with Waterford no problem; he explained that Waterford was costing us \$82,000 a year and the Cross Creek Commons lease would cost us \$62,000 a year. **Commissioner Laub made the motion to approve the Cross Creek Commons, Units 22 & 23, 3-Year Lease Agreement as presented; a vote was called, and the motion was carried unanimously.**

H2GO ADMINISTRATION AND FIELD OPERATIONS COMPLEX

Mr. John Thompson and Mr. Mark Willard were present to present to the board the concept design for a new administration and field operation complex; included in their presentation were findings from the space allocation study; which is hereby incorporated and made a part of these minutes as Exhibit A. The board was shown what would be needed currently, 10 years out, and 20 years out. It was said that logically in some cases it would make sense to follow the 20-year plan, for example bathrooms. It was said it would be harder to add more bathrooms later. It was said that in other areas the basic structure could be built and left unfinished. Mr. Willard presented to the board a cost estimated of the complex; he explained that he compared the estimate to a similar project they just finished and felt confident it was a good estimate. The cost estimated was presented to be around \$50 million. A tentative schedule was presented; it was said that if the board continued to move forward, the complex could be finished in 2027.

Discussion began on how we would plan to finance this project. Mr. Walker explained that Mr. Coble was looking into the possibility of us being able to use a portion of the System Development Fees to pay some of the cost. Mr. Walker said we would have to do another System Development Fee Analysis. There was mention of the possibility of a small rate increase. Mr. Hook explained that it would be inevitable regardless with expenses constantly increasing. Members of the staff informed the board that there was a need for more workshops to discuss planning; it was said that there needed to be a workshop to discuss the Capital Improvement Projects and Budgeting. Mr. Hook reminded the board that with the new Water Worth software we can easily calculate how any rate increase will impact everything. Members of the board expressed that they would be ok with a rate increase if it was done a little gradually. It was expressed that there was a need for balance between growth and being able to maintain our aging system. It was said that some areas have now been in the ground for 20 years.

EXECUTIVE SESSION TO DISCUSS CONTRACT NEGOCIATIONS, PURSUANT TO NCGS 143-318.11 (A)(5)

Commissioner McCoy made the motion for the board to enter executive session to discuss contract negotiations, pursuant to NCGS 143-318.11 (a)(5); a vote was called, and the motion was carried unanimously.

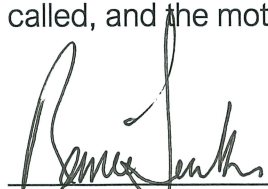
Commissioner Beer made the motion for the board to return to open session; a vote was called, and the motion was carried unanimously.

There was nothing to report from the Executive Session.

The board had a brief discussion on having another workshop; it was decided they would have another workshop on March 20, 2024, prior to the regular board meeting. It was collectively decided that the location for the meeting would be changed to the Reverse Osmosis Plant Training Room.

ADJOURNMENT:

Commissioner McCoy made the motion to adjourn the meeting at 11:44 a.m.; a vote was called, and the motion was carried unanimously.



Ronnie Jenkins, Chairman



Rodney McCoy, Secretary



Deana Greiner, CMC
Clerk to the Board



Date of Approval