

**BRUNSWICK REGIONAL WATER & SEWER H2GO
REGULAR BOARD MEETING
ORGANIZATIONAL MEETING
TUESDAY, DECEMBER 19, 2017**

OFFICIAL MINUTES

CALL TO ORDER:

Chairman Bill Browning called the meeting to order at 6:00 pm, the location was at Leland Middle School; a quorum was present. Commissioner Gerken stated for the record that Commissioner Beer is seated in the audience and he will be voting during the meeting. Chairman Browning said Commissioner Elect Beer is in the audience and also Commissioner Elect McCoy is in the audience. Commissioner Gerken stated that Mr. Beer is not a Commissioner Elect and is in fact a Commissioner, having been sworn in on December 4th. Chairman Browning thanked Commissioner Gerken and told him that he would continue to run the meeting now. The assembly was lead in the Pledge of Allegiance.

MEMBERS PRESENT:

Present from the Board of Commissioners were members Bill Browning, Chairman, Ronnie Jenkins, Vice Chairman, Carl Antos, Secretary, Jeff Gerken, Trudy Trombley and William Beer, present from H2GO was Bob Walker, Executive Director, Scott Hook, Finance Officer, Brenda Thurman, Customer Service Supervisor, Teresa Long, Clerk to the Board and Deana Greiner, Deputy Clerk to the Board.

DISCUSSION/ADJUSTMENT OF AGENDA:

Chairman Browning opened the floor for any adjustments to the agenda. Chairman Browning said he would like to add under Old Business, a discussion on the Executive Director. Commissioner Jenkins said that he would like a copy of the email that Commissioner Gerken read in the meeting of November 28, 2017, from Ms. Edmonson with the Local Government Commission, Commissioner Gerken said that he could provide that. Attorney, Mr. Coble addressed Chairman Browning, he said that "if there was anything that was going to be voted on that may change the position of the board or otherwise, he is prepared to provide a legal opinion regarding who may be allowed to vote or not based on counsel that he provided today and that Mr. Walker provided to the clerk, he said this was information that we received from the school of Government with regards to Mr. Beer being a duly sworn in member of the board, if for procedural purposes, if the agenda goes as it was without any specific votes or otherwise that may have bearing on his vote which we believe would be accurate then it's not an issue, but if it is an issue then we need to go on record with that." Chairman Browning said that they will be satisfied with however the vote turns out, whether you have five, six, seven commissioners it makes no difference. Mr. Coble said that we have received counsel from the School of Government and we have researched this issue and they believe that the two commissioners that are still seated that did not run for re-election do have valid votes, he said further we have received information from the School of Government that Mr. Beer would also be a third valid vote, the additional two votes is the question. Chairman Browning said therefore if Mr. McCoy

had been sworn earlier in the day, he too would have a valid vote. Mr. Coble said that the School of Government who provides us with information and guidance on this type of issues says this is a five member board and can't be more than a five member board. Chairman Brown asked Mr. Coble to explain the five members, Mr. Coble said that all he could suggest based on tonight's presentation is that Mr. Gerken and Ms. Trombley who were not up for re-election are still valid voting members, he suggested that based on the information we received from the School of Government and opinions provided by himself, and Mr. Eades, council for the District, that Mr. Beer also has a third vote, the remaining two votes, not sure, he said he would presume that Mr. Jenkins who ran and won re-election would potentially be the fourth vote, Mr. Coble said his suggestion would further be that there probably hasn't been a ruling on a 130A decision like this, it probably never happened before, don't know if the judge is going have to make that determination, he said all he can give is the advice that he has tonight based on the information we received from the School of Government. Mr. Coble said he was just putting on record what council's belief is. Chairman Browning thanked Mr. Coble and said the vote will be whatever it is. **Commissioner Gerken motioned that the agenda as published be approved without any amendments that have been suggested; Commissioner Trombley seconded, Commissioner Gerken pointed out that Commissioner Beer voted yes on the motion and there are therefore three votes in favor of the motion, Chairman said the vote was three ayes and three nays, therefore the motion did not pass.**

CONSENT AGENDA:

Approval of Minutes: November 28 2017 Regular Board Meeting: Commissioner Gerken said that the minutes of November 28, 2017 were already approved at the special meeting on December 11th and therefore there is no need to re-approve those minutes. Chairman Browning asked if Commissioner Gerken had a copy that he had signed, Chairman Browning said he had not seen a copy of those minutes and the chairman normally signs the minutes, Chairman Browning said that Commissioner Gerken's minutes were approved at a meeting that he had, Chairman Browning said he would like to have a motion to approve the November 28, 2017 minutes tonight, **Commissioner Jenkins motioned to approve the Consent Agenda consisting of the November 28, 2017 Regular Board Meeting Minutes as presented; Commissioner Antos seconded, hearing none opposed, the motion carried unanimously.**

COMMISSIONERS REPORT:

Commissioner Antos said he was going to give his farewell address at this time, he said he had never worked in an organization that has worked together better than H2GO, he said we were lucky enough that Mr. Walker flew down from Indiana and he blew us away and has continued to do so, he said Mr. Walker is one of the key players in the entire town, he said the other staff also do an outstanding job, he said if you call up H2GO someone will be willing to help you, outstanding organization, outstanding leadership and he said he was sorry he would not be here.

PUBLIC COMMENTS:

Commissioner Trombley suggested that public comments be limited because of the number of people in attendance. Chairman Browning said that he was thinking of letting each one speak about 15 minutes but he will probably hold it to about three minutes.

Poe Butler, of 9369 Willie Road; Mr. Butler stated that he had been on the H2GO board for 12 years in the past, he said “ the election before he was defeated by lying Gerken and Mrs. Trudy, they have done nothing but spread lies for the past three or four years” Mr. Butler said that all of this has originated because of where the RO Plant was to be built. Mr. Butler said the plant was not supposed to be built there, it was supposed to be built beside the waste treatment plant, he said we had the opportunity to buy a piece of property that adjoined the waste treatment plant, however he said the property needed to be rezoned. Mr. Butler said that he went to lunch with Town of Leland Mayor, Brenda Bozeman and she assured Mr. Butler that there would be no problem rezoning the property, he said the planning board reviewed and approved it unanimously, he said when it came before the town council there was a tied vote, he said Mayor Bozeman broke the tie and voted not to rezone the property. Mr. Butler said after that the Town of Belville offered H2GO a piece of property to build the plant on where there would be no problems building the plant there, he said for about six years we have had hearings multiple times and there was never anyone that came to our meetings and objected to building the reverse osmosis plant. Mr. Butler said the plant is now being built and we need this plant, he said the river is contaminated and if we build the RO plant we will have clean water, he said there has been “millions of dollars spent on this plant and we really need this thing to go forward” he said there has been a lot of hard work and time gone into the plant. Mr. Butler said there were no objections to the plant until we decided to put the plant in the location that is now.

Mike Rush, 1060 Stonebridge Lane, Mr. Rush wished everyone a Merry Christmas and a Happy New Year, he congratulated Bill Beer on his victory in November, he said you cannot deny Bill’s 35 years in the water treatment business and his integrity. Mr. Rush said although some may not like the outcome of last month’s election, by moving H2GO’s assets to Belville, he said those who participated in the transfer have circumvented one of the pillars of our democracy, elections, he said he hoped that elections mean something here in North Carolina, and the will of the people will prevail.

Greg McEvoy, 8534 Salt Bush Court, Compass Point, he said “ These comments are addressed to Commissioners Beer, Gerken and Trombley. When I moved here only eight months ago, I had never heard of GenX, 1,4 Dioxane, Nafion, Perfluorocarbon or emerging pollutants. I had no idea that the EPA had frozen its list of controlled substances way back in the year 2000 while chemical companies continued to roll out more new and sometimes toxic chemicals. The last six months has brought an awakening to Brunswick County, New Hanover County and to Pender County residents. We have begun to learn that there are potential threats to the health of the residents of these counties from the water we use. There is also the very real financial impact as news of contaminated water goes outside our borders to companies and people who may wish to move or retire here. The impact to corporate and home sales, resales and tax revenues could be significant. We learned that with the exception of water from the Cape Fear Public Utility Authority Ogden plant, the EPA, the DHHS, the North Carolina DEQ, the Cape Fear Public Utility Authority, and the Brunswick County Public Utilities and even H2GO have been unable to bring us what we consider safe drinking water. None of these organizations even knew what contaminants are in our drinking water and no one knows yet the full list. Based on recent press coverage, we have been forced to consider this question: ‘Has our drinking water become unsafe to drink?’ An ever-increasing number of us are now saying, ‘Yes’ Increased sales of bottled water in grocery and big box stores are saying, ‘Yes’ That the CFPUA is providing uncontaminated groundwater from the nano-filtration plant at Ogden free of charge to residents is saying ‘Yes’ North Carolina State University investigators are saying, ‘Yes’ That the EPA

has announced this month a new cross-agency effort to address PFAS contamination is saying 'Yes'. 'Yes', our drinking water has become unsafe and no one knows all the how and whys of it."

Susan Rutledge of Compass Pointe, said "When H2GO offers to provide uncontaminated ground water to its customers, three commissioners say 'no', even while the Cape Fear Public Utility Authority is already providing the same thing from one of its water processing plants-aquifer sourced water. How do we know our water is becoming unsafe to drink? Let's look at some facts. Wilmington Mayor Saffo quoted in The Seahawk.org publication July 11, said 'Until I have the EPA here to tell you that it is safe to drink, I would buy water.' That's the mayor of Wilmington recommending that we don't drink the water. What industrial contaminants do we already know of in the Cape Fear River that make our water unsafe?

- C8, the predecessor to GenX a known carcinogen continues to be found in the Cape Fear River Water
- GenX continues to be found in the Cape Fear River water
- 1,4 Dioxane, a known carcinogen is found in the Cape Fear River water
- Nafion, a known carcinogen, is found in the Cape Fear River water
- Other perfluoroalkyl ether carboxylic acids are still being discovered in the Cape Fear River water

As for unknown pollutants, Dr. Knappe of North Carolina State University has assured us that additional unknown emerging chemical contaminants are in our water and we will continue to discover them over time. Some have asked if there is proof of health risks from drinking Cape Fear River Water? Absolutely there is proof! Rates of thyroid cancer in Pender, New Hanover and Brunswick Counties are approximately double the thyroid cancer rates in all of North Carolina and in all of the US as a whole, and what pollutant is known to cause thyroid cancer? 1,4 Dioxane. Perhaps by focusing on GenX we have been focusing on the wrong pollutant. While the Cape Fear River is overall the 47th most polluted river out of 250,000 rivers in the United States, it is in the top ten most polluted rivers in 1,4 Dioxane pollution."

Steve Hosmer, Compass Pointe, said, "Commissioner Beer, you recently suggested that H2GO could possibly fund reverse osmosis units in every home to process just the drinking water instead of H2GO processing all the water used in the home. Well when we thought GenX was our only pollutant, that made some sense, but now it doesn't. We have now learned that we are top US performers in delivering 1,4 Dioxane into each home served thanks to our polluted water source, the Cape Fear River. So what's absolutely wrong with this suggestion is that in-home reverse osmosis units have not been shown to remove 1,4 dioxane. In fact, there are currently no systems available for home use to remove 1,4 Dioxane, believed to be a much worse carcinogen than GenX, and if a system to remove 1,4 Dioxane becomes available, will the cost of those in-home systems go up by 50T, by 100%? Who knows? At some point, the cost-offset logic offered by Commissioner Beer goes away. And no one has addressed the issue of trans-epidermal absorption of contaminants through bathing, showering and swimming in Cape Fear River filled swimming pools. So the problem in a nutshell is, we have too much and too many industrial chemicals contaminating our river and being delivered to us in our drinking water. How many years will it take the state of North Carolina and the federal EPA to find a way to identify, remove and prevent pollutants from entering our water stream. We cannot wait for them to act. We must act locally to protect our community. Is there any good news for us in all of this? Sure there is. Fortunately for all of us, eight years ago, a progressive and forward

thinking board at H2GO discovered an alternate water source that is free of literally all of these industrial chemical contaminants. The same board planned and put into motion a project to provide practically contamination free water from aquifers directly underneath us then finishing the water using RO. Unimpeded, this project would have been completed sometime early in 2019.”

Rick Schock, Compass Pointe, said “Commissioner Beer and Commissioner Gerken and Commissioner Trombley, if you fight and stop this project, you unnecessarily would condemn us all to at least six to ten more years of unnecessarily polluted and dangerous water in our taps. For it will undoubtedly take Brunswick County and the CFPWA and even H2GO which buys raw river water at least that six to ten years to figure out how to process out as much of the pollutants as possible. And the costs will be huge as our ever increasing water bills will show us in the years to come. And even then, trace levels of those contaminants will most likely still be in our drinking water. And what will have to be done to treat these emerging contaminants? Just imagine, for a moment, the problems and associated costs of creating large-scale water purification systems with multiple, stepped processes sufficient to remove nearly all of the known and still unknown contaminants in the Cape Fear River. We will need carbon filtration then Reverse Osmosis (for GenX and others) then advanced oxidation, ion exchange or other more esoteric processes for 1,4 Dioxane, then who knows what or how many additional steps on top of these to handle all of the pollutants we will find. Could our water purification plants ultimately become as large as the Queen Mary? Well, not really but you get our point. One New York County with a population of 1.5 million estimates a plant cost of 155 million dollars to manufacture a plant just to treat 1,4 Dioxane. By your stated intent, prior to the November election, to stop the well water and RO project, it is you three members of this board who have forced the previous board to transfer H2GO assets to The Town of Belville in order to preserve the possibility of water free of industrial pollution for H2GO customers. We offer this board a challenge inconceivable prior to tonight. We challenge this board to do the right thing for H2GO customers and fellow Brunswick County residents in light of what we know now, not what we knew before. This board needs to vote in favor of supporting the Town of Belville in any way possible to succeed in the mission of providing water free of industrial contaminants to H2GO customers. The goal of that clean water mission is within our reach. We can taste it. Will you provide it? What could possibly be a reasonable, objective reason you would not provide it?”

Laura McGann, Compass Pointe, she said “Let us finish by posing a hypothetical question to each of you on the board. If someone flew an airplane just 50 feet above your house every day, three times a day and released a toxic chemical spray into your air that you and your family and neighbors had to breath, and if you knew this chemical was cancer causing, and if this happened every day 365 days a year, and if I personally had the power to ground that airplane permanently so you could always breathe clean air, would you want me to? I would do that for you. We would do that for you. Now what will you do for us? What’s the right thing, what’s the ethical thing, in light of what we know now? All we want...all we ask...is clean water, free of industrial contaminants and we want it sooner, not later, not in six to ten years. Won’t you find it in your hearts and minds to actively help us make this a reality for H2GO customers? Won’t you join with us in guaranteeing industrial contaminant free water to H2GO customers? With what you know now, what we all know now, how can you ethically refuse?”

Breyton Willis, 1177 Willow Pond Lane, he thanked all the people who voted for Bill Beer, Don Yousey and himself, he said “unfortunately the actions taken by Commissioners Bill Browning,

Antos and Jenkins and the elected officials of town of Belville have tragically stole your votes and your voice, as they ran H2GO on the rocks of an expensive legal mess, I'd like to fight for clean affordable water, we will long remember that it was their gross disrespect for the electoral process that has deeply divided a community and burdens all of us as rate payers with significant additional costs."

Nancy Schiffman, 1069 Golden Sands Way, she said " The care of human life and happiness, and not their destruction, is the first and only legitimate object of good government." (Thomas Jefferson, March 31, 1809) "I am here this evening in support of the transfer of H2GO assets to Belville and to further state that I fully support the construction of the reverse osmosis plant. I believe that it is in the public interest to provide the means for pure safe drinking water and the actions taken by the previous board does just that. It is inconceivable to me that we have some members of the board who are trying to stop this from going forward. I have heard their suggestions and arguments against the RO project. Unfortunately, nothing they have proposed will alter the fact that the Cape Fear River will continue to be the source for water. Although current technology may be effective in removing some pollutants, still other unsafe pollutants such as GenX will remain. Therefore, I urge everyone here this evening to support the building the RO plant."

Roy Lattieri, 1102 Magenta Ct., he said he lived in Leland for 20 years, he said he has been on planning boards and active in social activities, he said "I think what the last board of commissioners did, excluding Jeff and Trudy, did at their final meeting is a disgrace to our community. Ever since I can remember I was always taught that loyalty to your neighbors and community was as normal as apple pie. I'm dumbfounded to think they could just give away our assets that the previous boards worked so hard to keep in Leland, and to work for the betterment of all its customers. I hope it's not too late to rectify this!"

Charles Trull of 725 Brunswick Place, Olde Towne, he said he wanted to speak about something that many may not have thought about, he said "this whole situation for the last year or two has all the fingerprints of councilwoman Pat Battleman and Mayor Brenda Bozeman all over it, Pat Battleman is pulling the strings, Brenda Bozeman is dancing to it and these three now that are up here are dancing to it also" he said they are trying to control all of northern Brunswick County, they have the law enforcement agency, they have taken control of the fire department and now they think they can get control of the water and sewer department, he said they are interested in the \$13 million bank account that comes with it, he said more importantly if they can get control of the water and sewer, they will have control of all the services, he said if they get control of these services, we can say goodbye to Belville, Phoenix, Navassa, Hawkeswater, Compass Pointe and all of the unincorporated areas in this end of the county, he said that is a backdoor way to get in to annex all of these areas, he said we need to be aware of what is happening and if these people on the board continue with this they are going to be sued for malfeasance because they are wasting money for the RO plant, he said he does not usually speak in public but he felt we had had enough and we need to get it straight now."

OLD BUSINESS:

None Discussed.

EXECUTIVE DIRECTOR'S REPORT:

Mr. Walker had nothing to report.

ASSISTANT DIRECTOR'S REPORT:

Mr. Lane had nothing to report.

FINANCE OFFICER'S REPORT:

Mr. Hook had nothing to report.

PUBLIC INFORMATION OFFICER'S REPORT:

Mr. Wittkofsky was not present.

ATTORNEY'S REPORT:

Mr. Coble had nothing to report.

NEW BUSINESS:

Recognition and Appreciation of Outgoing Commissioners by Bob Walker; Mr. Walker asked Chairman Browning and Commissioner Antos to come to the podium. Mr. Walker said he would like to say that these two gentleman are first and foremost his friends, he said they came onto this board with open minds and open minds create possibilities, and there is a possibility of clean safe water and both of these gentlemen have fought for years for clean safe water, he said Commissioner Antos was talking about 1,4 dioxane before anybody knew what that was, he went to seminars and conferences, he learned and he brought back that information, Mr. Walker said that unfortunately a lot that information fell on deaf ears, then Chairman Browning came back on the board with an open mind about clean safe water and reverse osmosis, and after hearing what we had accomplished over the last several years, he came to understand the need for clean safe water. Mr. Walker said both of these gentlemen have been involved with bringing about the system that we have today, we have a water storage tank that we didn't have eight years ago, a new wastewater treatment plant that we didn't have six years ago, we have a boost pump station, line extensions, we have an excellent group that have always given the staff the tools and equipment needed to perform our jobs adequately. Mr. Walker said "From the bottom of my heart, I'm going to miss you and thank you and on behalf of all the staff, we all thank you."

Chairman Browning said that he would like to say a few words, he said "back years ago I was actually on the Brunswick County Utility Operations Board for ten years and I got off and I said I don't need to do that anymore, then I got involved with the Town of Belville when they built that first wastewater treatment plant, Belville had no resources to do it, they worked with developers, they did build a wastewater plant and somehow I got involved in it, that's what brought the growth, probably a lot of people in this room are here because of things like that which happened years and years ago" he said "my mom was one of the original people that went around and knocked on doors to get the Leland Sanitary District started, because we had terrible water, we had rusty water, we had sulfur in our water we really had a mess" he said "who knew the Cape Fear would be as contaminated as it is but that was the only avenue that we had". Chairman Browning said that is what brought a lot of the people that are here in this room today because the developments could not suffice without water and sewer, he said he had worked at

what he thought was the right thing to do and the best thing for the Leland neighbors. Chairman Browning thanked all the staff who had been very supportive, he said he really enjoyed most of his term here, except the last little bit had been a bit challenging but he said he hoped the best for everybody.

Commissioner Antos said that he thanked everyone for showing up on both sides, he said he does believe in reverse osmosis, not for him but for everyone, he said "continue what you are doing".

Swearing in of New Commissioners by Teresa Long, Clerk to the Board: First, Ronnie Jenkins took his oath as Commissioner of the Board of Brunswick Regional Water & Sewer H2GO for his second term.

Commissioner Elect Rodney McCoy took his oath next and was sworn in as Commissioner of the Board of Brunswick Regional Water & Sewer H2GO.

Election of Chairman by Teresa Long, Clerk to the Board: **Commissioner Jenkins motioned to elect Commissioner Beer as Chairman, Commissioner McCoy seconded. Commissioner Trombley motioned to elect Jeff Gerken as Chairman, Commissioner Beer seconded. The vote for Commissioner Beer as Chairman was two ayes and three nays, the motion failed. The vote for Commissioner Gerken as Chairman was three ayes and two nays, the motioned passed.** Ms. Long announced that Commissioner Gerken was voted in as the new chairman and the meeting was turned over to Chairman Gerken.

Election of Vice Chairman by Chairman Gerken: Chairman Gerken called for a nomination for the position of vice chairman, **Commissioner Beer nominated Commissioner Trombley for the position of vice chairman, Chairman Gerken seconded. Commissioner Jenkins nominated Commissioner McCoy for the position of vice chairman, Commissioner McCoy seconded the motion. The vote for Commissioner Trombley for vice chairman was three ayes and two nays, the motion carried in favor of Commissioner Trombley as vice chairman.**

Election of Secretary by Chairman Gerken: **Commissioner Trombley nominated Commissioner Beer as Secretary of the Board, Chairman Gerken seconded the motion. Commissioner Jenkins nominated Rodney McCoy as Secretary of the Board, Commissioner McCoy seconded the motion. Chairman Gerken called for a vote for Commissioner Beer as Secretary of the Board, the vote was three ayes and two nays, Commissioner Beer was voted in as Secretary of the Board.**

2018 Regular Board Meeting Schedule Approval: Commissioner Trombley asked to adjust the January and February meeting. **Chairman Gerken motioned to amend the suggested Regular Meeting Schedule for 2018, the January meeting was moved to Thursday the 25th and the February meeting was moved to Thursday the 22nd, the motion carried unanimously.**

"Discussion of Reverse Osmosis Plant project, with possible motions" (Jeff Gerken): Chairman Gerken said that in view of the fact that the judge has issued a temporary restraining order that all work on any aspect of the plant be halted, he said that Mr. Walker has of yesterday complied with that order and directed all the vendors and contractors to halt any work they were doing for

a period of 30 days, he said he did not see any reason to discuss the reverse osmosis plant project.

Employee Bonuses (Trudy Trombley): Commissioner Trombley suggested that the H2GO employees be given a \$100 gift card in light of the fact that there was no Christmas Party this year, she said in the past the employees were given a \$50 gift card. **Commissioner Trombley motioned to give the employees a \$100 bonus this year, Chairman Gerken seconded.** Commissioner Jenkins said that he would like to up the amount to \$150. Commissioner Trombley said she took the cost of the party in the past and divided it by the number of employees and that is how she came up with \$100. Commissioner Jenkins said he thought \$150 would be better since the employees missed having a party this year. Commissioner Gerken said that would include the officers of the company. **Chairman Gerken called for a vote in favor of the motion to give the employees and officers of the company a \$150 bonus, the vote was 5 ayes, the motion carried unanimously.**

INFORMAL DISCUSSION:

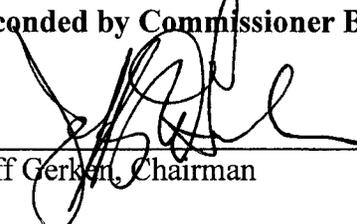
Chairman Gerken said that in the past Chairman Browning stated that in order for any informal discussion to occur, it had to be put on the agenda at the beginning of the meeting or prior to the meeting. Chairman Gerken said from now on any commissioner can discuss anything they want during informal discussion. Commissioner Jenkins said we need to know what we will be discussing so that everyone will be informed and ready to discuss the subject. Chairman Gerken said that would make it a non-informal discussion he said he had to rule against that. **Commissioner Beer motioned to let informal discussion be exactly that, a discussion which can arise out of something that was said during the meeting or something that has been said during a previous portion of informal discussion, Commissioner Trombley seconded, the motion carried unanimously.**

ANNOUNCEMENT OF NEXT MEETING:

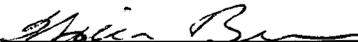
Chairman Browning announced that next regular board meeting will be January 25, 2018 at 6:00 p.m.

ADJOURNMENT:

Commissioner Jenkins made the motion to adjourn the meeting at 7:00 pm, it was seconded by Commissioner Beer, and the motion carried unanimously.



Jeff Gerken, Chairman



William Beer, Secretary



Teresa Long, CMC
Clerk to the Board

1-25-2018

Date of Approval