

**BRUNSWICK REGIONAL WATER & SEWER H2GO
REGULAR BOARD MEETING
TUESDAY OCTOBER 16, 2018**

OFFICIAL MINUTES

CALL TO ORDER:

Chairman Jeff Gerken called the meeting, located at Leland Town Hall, to order at 6:00 pm; a quorum was present. The assembly was lead in the Pledge of Allegiance.

MEMBERS PRESENT:

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

Chairman Gerken took a moment to congratulate staff in their preparedness ahead of the hurricane and their diligent work during and after the hurricane.

DISCUSSION/ADJUSTMENT OF AGENDA:

Chairman Gerken opened the floor for any adjustments to the agenda. Commissioner McCoy requested that discussion on updating and reviewing the Emergency Response Plan be added to New Business. Chairman Gerken requested to add discussion on the board's policy on expanding services beyond the current jurisdiction and boundaries of the district to New Business. Mr. Walker requested to add a Deed of Dedication for Compass Pointe to his report. **Commissioner Beer made the motion to approve the agenda as amended; Commissioner Trombley seconded and the motion carried unanimously.**

CONSENT AGENDA:

Approval of Minutes August 27, 2018 Regular Board Meeting: Chairman Gerken opened the floor for any corrections to the August 27, 2018 Regular Board Meeting Minutes. Commissioner McCoy explained that he wanted to correct a statement he made during informal discussion; he said he read about the law suit in the Port City Daily. Commissioner McCoy said he may have said "State Port Pilot" during the meeting; however, he wanted to clarify that he meant to say "Port City Daily." **Commissioner McCoy made the motion to approve the August 27, 2018 Regular Board Meeting Minutes; Commissioner Jenkins seconded and the motion carried unanimously.**

COMMISSIONERS REPORT:

Commissioner Jenkins reported that he weathered the storm. Commissioner Beer explained that he and his wife volunteered with Brunswick Family Assistance and helped distribute food; he said it was a humbling experience and that his thoughts and prayers were with all those affected by the storm. Commissioner Gerken stated that this was his first hurricane and that he stayed home during the storm; he said his house was ok. Commissioner Trombley stated that even though she left town that she stayed in touch with people who stayed; she said it was gratifying seeing community coming together helping each other. Commissioner McCoy stated he had nothing to report.

PUBLIC COMMENTS:

Chairman Gerken opened the floor for public comments; he informed everyone that given the number of people who has signed up, that they would be given 3 minutes each to speak.

Paula Clarity, 2422 Sugargrove Trail: “After last month’s meeting, I heard was quite contentious and I agree that we all need to come to a understanding about how things should go forward. First of all, I agree with your statement that just calling someone a liar is counterproductive. So, what I would like to do instead, is focus on statements that were made instead of having personal attacks against people. Imagine a commissioner stated during an interview, ‘dissolving H2GO would eliminate the middle man’ and that same person fails to state that if the RO Plant was built that would also eliminate the middle man, also. My question is how do we take that comment? Is it misleading, is it a misstatement, is it a lie? Imagine, another pointe, another commissioner being asked a question by a customer and that commissioner actually not knowing what the answer is and actually making up an answer. I don’t know how to begin, how to classify such a statement. I don’t want to call anyone a liar. Imagine a commissioner actually stating that the wholesale water rate would be only 25% if it was bought from Brunswick County; when the Brunswick County website states it’s 42%. I’m having difficulty trying to figure out what to call the statement when the website actually says 42%. Is it a lie, is it misleading, is it an ultimate fact? I don’t know. Lastly imagine another commissioner who disputes a financial projection by Raftelis and then simply confusing basic information in the business projections regarding H2GO. I don’t know if by that lack of understanding of the report that any further discussion by that commissioner can actually be taken seriously, because; they didn’t understand the report. I guess we could pretend the commissioners are misinformed or failed to confirm facts or something like that. I just wanted to say that we want to get together and we want to try to hash this out and classify it in a special way. Then we could move forward and have a better H2GO. Thank You.”

Joy Cranidiotis, 1038 Garden Club Way: “Seven years ago, when H2GO first considered tapping the aquifers as the water source for its customers, one of the reasons for doing so was, and I quote, “A source of water other than the Cape Fear River to shield itself against a single source, when there are concerns with pipe breaks, contamination, drought, etc.” That means protecting the customers during severe storms and hurricanes when “unusual” and excessive contamination occurs. When flooding occurs, all kinds of nasty things get into our water. We are warned to avoid contact with flood waters. Here is a very partial list of what those flood waters could contain from this storm or some future storm:

- Coal Ash which contains mercury, arsenic, dioxanes and toxic heavy metals

- Partially treated municipal waste effluents from flooding and overflows of upstream waste water treatment facilities.
- Oil, fuel and other chemicals from flooded mechanic shops, other businesses and even home garages that creates oil plumes in our raw water supplies.
- Animal fecal matter which contains pathogens, antibiotics and dangerous chemicals.

Now, here is the kicker. While the Brunswick County Water Treatment Plant treats a lot of these things, it does NOT treat half of those things. So, as we have continued to drink that same tap water that you've been drinking and now been drinking for weeks after this storm, we have been drinking excessive amounts of:

- Dioxanes
- Oil
- Fuel
- And other chemicals

Yes, we probably were drinking diluted amounts of oil and gasoline after the hurricane. So this storm was 350 miles across, Hurricane Florence was the most massive and the slowest moving storm in Wilmington's history. This only two years after Hurricane Matthew and is our second 1000 year storm in just two years and third 500 year storm in 21 years. The National Weather Service tells us that storms and hurricanes will continue to increase in frequency and severity. You realize, don't you, that the commissioners who, have the power to spare your 25,000 resident customers from exposure to these untreated post hurricane contaminants from the next hurricane, and the next, and the next. OR, by your outright refusal to support and encourage the completion of the RO project and your continued determination to dissolve H2GO, you can force 25,000 people to be unnecessarily exposed to all these contaminants everyday unless we buy bottled water. Thank You."

Lee Kent, 825 Aqua Lane: "Ever since Brunswick County announced they were moving forward with a new, surface-water reverse osmosis water treatment facility, there has been an elephant in the room. What elephant you ask. The plant's discharge of concentrated chemical contaminants back into the Cape Fear River. Brunswick County could not have been happy this summer when, at the EPA's PFAS community meeting in Fayetteville, EPA officials called reverse osmosis treatment of contaminated river water "problematic" because the river water RO process would put chemicals back into a waterway at a highly concentrated level. They stated that getting a discharge permit for that would be difficult, at best. The very next day, in front of Chairman Gerken and Commissioner Beer, CFPUA clearly stated that they never even considered a river water reverse osmosis solution because the discharge permit process would be too difficult. This past Friday, the Port City Daily reported exactly what everyone in water knows. The Brunswick County \$100 million solution will put concentrated PFAS and GenX back into the Cape Fear River. The county has not even submitted its discharge permit application to the DEQ yet. Imagine the challenges to their application. Why, Commissioners Gerken and Trombley challenged H2GO's application because they incorrectly said the discharge would be too salty as it goes into a salt water. Too salty? Did they actually say too salty? Well then, the Brunswick County plant discharge will be too GENX-Y. And at the turns of the tides, local GenX concentrations will rise dramatically around the discharge area. If the DEQ doesn't approve the permit, the county will have to start almost from scratch, pushing the completion date still further back. The elephant in the room is now visible to everyone. Even if the DEQ for some reason wants to approve the discharge permit, there would be a need for public hearings along with trouble with the EPA. Imagine the public reaction to finding out that Brunswick County wants to put concentrated GenX back into the river. And for a 25% rate

increase. As Bill Beer would say, the price tag could be much, much higher. What does this mean to you, Commissioners? What does it mean to your customers? Meanwhile, you are sitting on a solution that will bring safe, clean, contaminant-free water without a rate increase in a year. Stop rolling the dice with the safety of your customers. Build the plant.”

Joann Shanley, 8244 Compass Pointe E Wynd: “How close did we come to losing our source of water entirely and what other potential catastrophes did we manage or just manage to avoid this time? Here is how we could have lost our single water source entirely. We came to within 48 hours of running out of diesel fuel for the pumps at lock and dam #1. Lock and Dam #1 intake pump controls could have been flooded shutting down the pumps. Pressure fluctuations caused by the storm put additional stress on a supply pipe that already had a failure during Hurricane Matthew two years ago. This same pipe could have failed again. The flooding set a new record stage at Lock and Dam #1, over-topping the dam. Had the dam failed, water levels would have dropped below the intake and our single water source would have failed completely with a recovery period measured in weeks or months, not days. Imagine months without running water. One of the River Road Rte 421 washouts exposed the primary feed pipe to the Sweeney water treatment plant at CFPUA. That pipe was suspended in the air and could have collapsed at any moment. Emergency crews from CFPUA just barely prevented the total collapse of that section of pipe which would have shut down the water supply to over 2/3rds of New Hanover County. The same could have happened to Brunswick County. A washout due to flooding on the supply pipe to the Northwest Water Treatment Plant would have shut down the water supply to all H2GO customer and ¾ths of Brunswick County customers. Does it matter what is driving these rain intense mega storm events? For whatever reason, the trend is to more frequent, larger, more intense storms and that means higher risk to infrastructure, like our water systems. Commissioners, I ask you. How can you put yourselves and 25,000 other people including 4000 children at risk in future storms by denying them an alternate water supply? Especially when we are so close to completion on the RO plant. Imagine weeks or months without running water. Then ask yourselves, is denying your customers a clean, safe, alternate source of water smart, or is that dumb. And I do not believe any of you are actually dumb. So stop acting as if you are dumb or you just could care less. Do the smart thing. The right thing. Protect your customers and yourselves from future system failures. Build the RO plant.”

Sue Rutledge, 2413 King Bird Bend: “As former director of emergency operations for a county in New York and a FEMA instructor, one of the basic rules of emergency planning I’ve learned is that it is critical to have two sources for your primary requirements in an emergency. Water, especially drinking water, is a primary requirement. What is the first item to leave the shelves in disaster preparation and one of the first items brought in by the truck load after a disaster? Safe Drinking Water. For the sake of emergency planning, we should have two viable and local sources of water. And we can. Right now we have one source of water, the Cape Fear River. And with that comes unnecessary exposure to GenX, to 1,4 Dioxane and to other contaminants. If you don’t think people care, just look at the focus of most of the political ads right now. It’s on the condition of our water. Completing the RO plant would give us two sources of water and, with excess capacity, could provide a significant portion of the county with a second source of water as well in an emergency. We have just had our second 1,000 year storm in just two years. What does that tell you? Frank Tursi, Mayor Pro-tem of Swansboro, said ‘I fully expect that Florence is our wake up call. . . [and that like us] other communities are going to have to start realizing that these kinds of storms are our future.’ Yes, these kinds of storms are our future here in North Carolina and you would be hard pressed to find someone that would disagree. So, when

the water flow from the Cape Fear River through the Northwest water treatment plant to H2GO customers stops, due to some problem in a future storm, will H2GO customers be saying, 'Look how smart those commissioners were. They anticipated this would happen and built the RO plant so we could have two sources of water.' OR, will H2GO customers be saying, 'The commissioners could have had two sources of water by now but instead we have none.' Get out any emergency planning manual and see that we are correct. Ask the county emergency preparedness team. Ask any emergency preparedness team. And then act. Stop risking the health, lives and well-being of your customers and the over 4,000 children that are served by H2GO. Storms are getting bigger, more severe and more frequent. The damage they cause is massive and long lasting. Please build the RO plant. Give us that safe second source of water, protecting us from that future emergency which is inevitably. Thank You."

Dennis Sender, 8663 Hammocks Cove Trail: "Last year, Houston was ravaged by a slow-moving Hurricane Harvey, another 1000 year storm. That hurricane dumped a whopping 40 inches of rain onto the area causing severe flooding and flood water contamination. Seven months after Hurricane Harvey, the Houston Chronicle said this about unreported and under-reported contamination. And I quote '...the extent of the environmental assault from the nation's petrochemical hub is just beginning to surface, while questions about the long-term consequences for human health remain unanswered.' County, state and federal records pieced together by the Associated Press and the Houston Chronicle reveal a far more widespread toxic impact than authorities publicly reported after the storm slammed into the Texas coast in late August, then stalled over the Houston area. Benzene, vinyl chloride, butadiene and other known human carcinogens were among the dozens of tons of industrial toxins released following Harvey's torrential rains. Reporters cataloged more than 100 Harvey-related toxic releases — on land, in water and air. Most were never publicized, and in the case of two of the biggest releases, the extent or potential toxicity was initially understated. Only a handful of the industrial spills have been investigated by Texas and federal regulators. Well what about our own slow moving Hurricane Florence? Seven months from now, what parallels to Houston will we draw from our experience. What will we read in our local media? Will we hear about failures of North Carolina and the federal governments to properly manage, monitor and report on these toxins and carcinogens? And, most importantly, how will we plan for future mega hurricanes in our area. Well, one OBVIOUS answer, of course, is to develop an alternate and reliable water source protected from all of the surface water contamination that these storms bring on. Gee! What could that water source be? How about aquifer water that is always free of human and animal waste and free of man-made contaminants, free of toxins and free of human carcinogens? What an idea! If you even half care about your customers, commissioners, what can you do to be part of the solution instead of part of the problem, when the next 1000 year hurricane arrives one or two years from now? Get with the program that safely provides protected, healthy, reliable water all the time to your customers at lowest cost. Build the RO plant. Complete the project. With what we all know now, your failure to do so is unethical, wrong and repugnant."

Jane Crowder, 131 Lee Drive: "Before my 3 minutes start I want to make sure.." *Chairman Gerken stated "three minutes."* "No Sir, I want to make sure that you know, I didn't ever receive my request for what constitutes a public comment, do you have it for me tonight?" *Chairman Gerken stated "I do."* "Ok can I have it?" *Chairman Gerken stated "No, I will tell you when you finish with your 3 minutes."* "I would like to have it if I could please. Mr. Coble could I have it please?" *Chairman Gerken stated "I will quote for you from the Rules of Procedures..."* "No Sir, I would like it in writing, please. I will quote to you also." *Chairman Gerken stated "Will you allow me to speak?"* "No sir I would like it in writing. This is my time, I asked for it, I asked

for 7 days, it's been 2 meetings. I would like to have it right now and then I will proceed with my comments." *Chairman Gerken stated "I will read it, then I will hand it to you. Rule 5 of the Rules and Procedure for meetings at North Brunswick Sanitary District, 'The Chairman shall preside at all meetings of the board and may vote in all cases. In order to address the board, a member must be recognized by the Chairman. The Chairman or other presiding officer shall have the following powers:*

(a) *To rule motions in or out of order, including any motion patently offered for obstructive or dilatory purposes;*

(b) *To determine whether a speaker has gone beyond reasonable standards of courtesy in his or her remarks and to entertain and rule on objections from other members on this ground' That is the clause that governs my ability to tell people they are out of order; that was signed by Perry Davis, Chairman and Poe Butler, Secretary in the rules that were adopted 23rd day of October 2007."* "So you don't go by the School of Government Rules which say, 'the statues require public hearing for comment periods create constitutionally protected rights of expression for members of the public. Governing boards must be careful when regulating conduct to avoid restricting speakers based on the opinion or point of view they are expressing.' This is from Frayda Bluestein, who is from the School of Government. You probably have met her before if you ever been to any of the government meetings; she is somebody you do not want to recon with the School of Government. 'Also citizens have the right to assert a public comment concerning negligence of public officials and to petition the government through regress of grievances. The United States Supreme Court has repeatedly held that the first amendment guarantees the right to criticize officials. It should also be noted that once the government has opened a forum such as a public meeting to allow direct citizen involvement it may not discriminate between speakers based upon the comment of their speech.' So now we will start if you like with my comment." *Hearing the timer, Chairman Gerken stated "your time has expired."* "No Sir..." *Mr. Steve Coble chimes in, "The comments that were made on the actions that she proposes are not appropriate during the public comment section of the meeting, now it's time for public comments, you set the rules as the chairman, as meetings in the past, with previous chairmen, relayed backed to Rule 5 that you're the chairman, that your responsibility is to keep control of the meeting, make sure that they progress with regard to the agenda and we are currently in the public comment time. You made it absolutely clear at every meeting they have 3 minutes to make their public comments, we are still currently in that public comment time; you've provided the speaker with her 3 minutes; if she would like to make her complaints or other actions that she suggested she has the legal right to do, this is not the time nor the place for those actions."* "So I can't make my comments?" *Chairman Gerken stated "No you have made your comments."* "No, that was asking you for my paper..." *Mr. Coble stated "Mr. Chairman we are still in the public comments, it is appropriate to make comments, to hear comments from the public at that time, again you clearly make it to everyone here they get 3 minutes to make their public comments, if she wants to file a complaint or otherwise, there are appropriate channels for those, it's not during public comments."* "So I can't make my comments because he has not given me my papers, I requested my papers and he took up half of my time." *Mr. Coble stated " he said it, three minutes."* "Even though he took up half of my time?" *Mr. Coble stated " I think he made it clear that it was public comments."* "I will file a grievance then."

James Smith, 2399 Sugargrove Trail: "I believe that student health issues are even more important than money issues. At the six local schools with 4,000 students who are H2GO customers, many students have to get their drinking water from the fountains because their parents can't afford to pay for bottled water. These fountains are serving these children GenX

along with amounts of 1,4 dioxane elevated up to 20 times above the current EPA health advisory. And be sure to add in PFOS at twice the health advisory level and flood related trace chemicals that the county cannot currently remove. Meanwhile, commissioners, you've made yourselves a crutch and a bludgeon out of ridiculously outdated regulations from the DEQ and the EPA in order to continue providing unconscionable amounts of 1,4 dioxane and PFOSs our drinking water while you still defiantly claim it's safe. So for your worse achievement thus far, you are making these school children, who should have a longer lifetime ahead of them, drink contaminants that shorten lifetimes . . . persistent contaminants, contaminants that don't leave the body and that are known carcinogens. And you are making these same children live with the inevitable adverse health effects of those contaminants beginning at far too young an age. It's unbelievable. Shame on you. The decisions that Commissioners Gerken, Beer and Trombley are making effectively cause customers of H2GO pay more for water that is more contaminated and from a less reliable source that is even more subject to failure during severe weather events. Florence has made it clear to all of us, or have you conveniently forgotten Florence already. It's time for you commissioners to change. For health, for safety, and for reliability of our water supply. For your customers. What should we call commissioners that further their own agendas at the expense of the health of children they serve? Go ahead, commissioners. Be heroes instead of villains. Try it. See how much better it feels. Save these and the other 4,000 children served by H2GO. Give them the gift of the best health possible. Save these children commissioners. You can, but will you? Will you harden your hearts towards these children or will you be heroes in the lives of these children? Will you help save them from premature cancers and other diseases? Which will you be? Heartless . . . or heroes? Commissioners I consider myself to have an open mind. I listen to you speak before the last election, some of your decisions even made sense to me; but things have changed. If nothing else why not at the very least let us know why you now feel this plant should not be built. Thank You."

Commissioner McCoy wanted to make one correction; he said if you counted school aged kids and under, there was more like 4500 kids in the district. Commissioner McCoy said Mr. Smith understated the problem.

Barry Laub, 8190 Ibis Pointe: "Obviously if what you've heard this evening doesn't sway you, there isn't much logic I can bring at this junction. What I will say is this, you truly believe that the waters are at a safe level. What if they are not? What if those levels aren't safe? Just like the air in 911; where all the first responders were told the air is safe, have no fears. What's happening now? Every single one of those first responders are dying with cancer, but the air was safe. You are people with conscience; you and you. You, what you are doing now will leave a legacy. That legacy will state, that possibly you encouraged sickness and death of family members, of friends, five to ten years from now. You're in a position right to be able to prevent. What if over-caution actually worked and you found out a few years from now you actually did something. So I appeal to your conscience, your idea of legacy, of how you will be remembered down the road. I believe that a prudent person is going to say, 'Why am I still fighting the potential health and service that we can rely on here.'"

John Vernon, 2407 Compass Pointe S Wynd: "What I have to say is really formulated listening to the other speakers and from my brief experiences dealing with things. There are appearances at times that reflex use of power is not attractive; when rules don't seem to be fair or don't allow free expression, that isn't attractive either. What I wanted to say is I was reflecting on something most of us are familiar with, marriage. Marriage brings together, two different

people, a sacred task. I come at this as a layman who knows nothing about this but having taught political science, I'm reminded about stability, responsibility, and something we don't like to talk about, and is supposed to be the key to government, compromise. In marriage you learn to compromise. It's not just your identity that's being threatened, or your integrity, you have to listen to someone else who has a different perspective. What I look for here is a regional approach for a national problem. This is an opportunity for us; we've been handed from the national and state levels an environmental problem we couldn't avoid. Florence for one, but these others look the other way. So to a certain extent I should be saying we all need to hold politicians' feet to the fire; but we can also set an example for trust, for dissolving the view of insider vs outsider. No one here is a babe in the woods, Everybody has been around the park. So what I'm urging is what I hope not to be a "Pollyanna" approach but let's show what can be done on a local level. Let's jettison our pride and show North Carolina the way it should be done. That requires a reasoned, intelligent, collective approach. We need to stay in this. Respect others and stay on point."

Steve Hosmer, 8452 Forest Crest Court: "Way back in 2010, when the current commissioners of H2GO began to discuss aquifer based water, there were three primary reasons for that discussion. The first reason was to have a back-up or alternate water source in the event of a serious problem or catastrophe with the Cape Fear River water. The second reason was to have a cleaner, healthier water source. You don't need to be a scientist to understand that aquifer water is cleaner. The third reason was to have a less expensive, cost stable water source. Brunswick County's price increases make that too a reality. So here we sit with a cost effective, clean, alternate water supply permitted and available to be completed in just about one year. You, however, refuse to give your customers or yourselves the peace of mind that comes with a second source for a critical human need like clean water. Between Hurricanes Matthew and Florence, the likelihood of needing a reliable and a back-up source for water has gone way up. You commissioners have ignored your responsibility for emergency planning. When you continue to object to building the RO Plant it seems you stick your heads in the sand and pretend that there are no more possible water disasters in our future? Will you continue to put the health and even the lives of your customers and 4,000 school children on the line without caring about the possible outcome to them? I just don't get it. As a new North Carolina resident, this last storm was an eye opener for me personally. And quite frankly, after that storm, your actions scare the hell out of me. Will you stop using EPA and DEQ regulatory foot dragging and your lawsuit as a crutch and a pathetic excuse to do the wrong and possibly illegal thing for your customers? You now have three compelling reasons for completing the RO project: less expensive cost stable water, cleaner healthier water, and now a reliable primary and an alternate water source for your customers in the event of a disaster. What is the problem? How many compelling reasons do you need to do the right thing. Things have changed since you were elected and we all know and understand. So for the 4500 young people and the other 20,500 customers of H2GO caring should be compelling reasons enough to change your mind. Shame, Shame, Shame. Is there not even one of you that knows better? Is there not just one of you that cares about the 4500 children in our schools that these children represent? You have been by your actions just plain cruel and heartless in opinion."

OLD BUSINESS:

Commissioner Jenkins stated that at the last meeting he had asked a question; he said he asked who got copied as soon as the judge issued a ruling? Commissioner Jenkins explained that at the meeting he was given different answers, one answer was that someone received an email and another said they didn't know. Commissioner Jenkins said he felt like a lone ranger because he didn't get copied on an email; he said it has been 45 days and he has yet to see a copy. Commissioner Jenkins said he was told during the meeting that the item would be discussed in closed session and then there was no discussion on it when they went into closed session. Commissioner Jenkins said this concerned him. Chairman Gerken stated he wasn't sure what Commissioner Jenkins was referring to; he suggested they discuss it in closed session. Commissioner Jenkins expressed that he felt this was not an item for closed session; he asked Mr. Coble for his opinion. Mr. Coble asked if Commissioner Jenkins was referring to a public record filed at the court house; Commissioner Jenkins stated yes. Mr. Coble stated that he was sure he had seen a copy. Commissioner Jenkins said he was concerned that he didn't receive a copy when it came out. Mr. Edes chimed in; he said the original transmission sent was an unsigned copy. Mr. Edes said that at some point that unsigned copy was published through the media; he said this happened before he received a signed copy. Mr. Edes said he thought the copy had already been dissimulated; he said he would be happy to get Commissioner Jenkins a copy. Commissioner McCoy stated that he hadn't received a copy either. Mr. Edes stated he didn't recall anyone specifically asking for copies; he said he will be more than glad to get copies. Commissioner Jenkins expressed that he thought it was a given that Mr. Edes would send out copies once it was received; he said as the attorney litigating this case that it was his responsibility to send these things out.

EXECUTIVE DIRECTOR'S REPORT:

Compass Pointe Phase 18 Section 1 Lots 1-12, 49-99 Deed of Dedication: Mr. Walker reported that everything with the deed of dedication had been reviewed and approved. **Commissioner McCoy made the motion to accept the Deed of Dedication for Compass Pointe Phase 18 Section 1 Lots 1-12, 49-99 as presented; Commissioner Jenkins seconded and the motion carried unanimously.**

Recap of Staff Efforts during Hurricane Florence: Mr. Walker reported that he had written a six page report; he said he wouldn't read the whole thing, however; he would give the highlights. Mr. Walker mention power outages; he said as soon as power was lost, all the generators kicked on providing power to the office, all 52 lift stations, the boost pumps station, and the waste water treatment plant. Mr. Walker said he was able to secure diesel fuel supply during the storm from a vendor in Raleigh; he said we received 4 deliveries totally about 2800 gallons of diesel fuel. Mr. Walker mentioned a couple of untimely equipment failures; he said there was 2 John Deere engines on our standby generators caused a couple of pumps to go out. Mr. Walker explained that staff was able to use a small trash pump as an alternative at one location and used a submersible pump at the other location. Mr. Walker stated staff was directed not to go out in the storm when wind gusts were above 58 MPH and sustained winds at 40 MPH; he said staff was directed not to drive through standing or moving water. It was said staff complied with these directions. Mr. Walker said that when staff was able to get out, they spent a good amount of time clearing road ways and cutting trees; he said this was just so they could access our facilities for

any needed repairs. Mr. Walker stated staff always has their safety gear with them when they are out in the field. Mr. Walker explained the biggest problem we had was with the Stoney Creek Lift Station; he said there was record flooding at that location. Mr. Walker said the elevation at our wet well was set at the 100 year flood elevation, which is at 10; he said the flood waters reached at approximately elevation 17. Mr. Walker said the only visible evidence of our lift station during the flood was the top of the generator exhaust flapper. Mr. Walker said staff stayed with the lift station as long as possible; he said when the water reached to the bottom of the operating components of the generator, staff had to shut it down. Mr. Walker explained that it wasn't that we had a sanitary overflow event; he explained the residents that weren't flooded continued to use their sewer systems which in turned mixed with the flood waters when it reached the lift station. Mr. Walker explained that as soon as the water receded staff went to work immediately trying to get the lift station in operation. Mr. Walker said a normal rebuild for a lift station generally takes 6 weeks; he said staff did it in 9 days. Mr. Walker said the only thing missing right now is the permanent generator; he said we have rented one for the time being. Mr. Walker stated that there was a couple of other Sanitary Sewer Overflow events; one being at the South Lanvale Lift Station and one being at the North Lanvale Lift Station. Mr. Walker explained that that they have found that residents in these areas will remove the lids to their clean outs to drain their flooded yards. Mr. Walker stated that staff worked to restore any equipment failure as quickly as possible. Mr. Walker explained that staff was able to get the old Stoney Creek generator working; he said the controls on it is no good; however it does generate power. Mr. Walker explained that it was left running down at Stoney Creek for residents to plug into to run dehumidifiers, fans, etc. Mr. Walker thanked Brenda for coming in to process billing; Tyler was tasked with putting out public advisories regarding water quality; scammers, and potential sewer in flood waters. Mr. Walker went back to Stoney Creek; he said that any resident whose house was currently unlivable that we would suspend their account until they received their Certificate of Occupancy. Mr. Walker said the office here did have a backup generator; he said the office provided shelter for 6 of our H2GO families during and after the storm. Mr. Walker said the damage from the storm was less than \$200,000; he said \$100,000 went to the Stoney Creek Lift Station. Mr. Walker said there was a lot of tree cutting and a lot of fences were down. Mr. Walker ended his summary by giving staff accolades for their diligent work during and after the storm. Commissioner Jenkins commended Mr. Walker for the decision on not charging those customer who lost their homes; he asked how much sewer was reported lost. Mr. Walker explained that he had to report a worse case scenario. Mr. Walker said 75% of Stoney Creek was not flooded; he explained that if you take that and multiply it by the average use daily plus the wet well volume at capacity for 4 days; at worst case scenario, 228,000 gallons. Mr. Walker said that speaking with residents that many residents had evacuated and the more realistic number was significantly less. Discussion ensued on generators and the need for them. Mr. Edes wanted to clarify that the damage cost report was at best estimated; he was concerned with the fact that the insurance claims were on going. Mr. Walker stated yes, these numbers were just estimates at this time.

Resolution to adopt Water Shortage Response Plan Mr. Walker presented to the board the resolution to adopt the Water Shortage Response Plan; he explained that this is required by the State. Mr. Walker said it had been submitted to the State, approved by the State, and needs to be formally accepted by our board. Chairman Gerken pointed out the provision for the 30 day comment period; he suggested we table this until the next board meeting to allow for the 30 day public comment period. Commissioner Trombley asked about the section regarding reclaimed water. It was said this section is required to be included; it was said this section was forward looking in case it came available. Mr. Walker explained that we were capable of serving

reclaimed water from our Waste Water Treatment Plant, however; it would require additional treatment and installation of transmission lines. **Commissioner Trombley made the motion to table the Resolution to adopt the Water Shortage Response Plan until the next regular board meeting; Commissioner McCoy seconded and the motion carried unanimously.**

US17 Interceptor Sewer Force Main re-route Project Bid Result: Mr. Walker stated that this item was only for the Board's information; he reported that the final contract for the US17 Interceptor Sewer Force Main was put out for bid. Mr. Walker said the apparent low bidder was from T&H Construction at \$275,779.35; he explained that the engineer has to review the documents before the bid can be awarded. Commissioner Trombley questioned why T&H Construction had such a low bid compared to the others. Mr. Walker said he was unsure at this time; he mentioned that the other contractor was out of Monroe. Mr. Walker said that T&H Construction has done several projects in our district; he said they are a reliable contractor.

Proposed purchase of Vactor Truck Mr. Walker reported that our current Vac Truck was 12 years old; he said our current truck is really too small for the size of our sewer system. Mr. Walker said purchasing a new Vac Truck has been discussed for the past 2 years now; he said this item was put into the capital improvement budget for this year. Mr. Walker explained that they were wanting to purchase this new truck through a cooperative purchasing co-op; he said it is an acceptable method to purchase equipment through the state of North Carolina. Mr. Walker said that this particular Vac Truck was bid through the North Carolina Sherriff Association so it does meet the cooperative bid program. Mr. Walker stated that Mr. Coble has reviewed this information. Mr. Coble stated that he found this to be an acceptable purchase alternative to the traditional three bid method. Mr. Walker said the truck they are looking at is a Vactor 2112 Combination Truck at \$396,718.02. **Commissioner Trombley made the motion to approve the purchase of the Vactor 2112 Combination Truck at \$396,718.02 as presented; Commissioner Beer seconded and the motion carried unanimously.**

ASSISTANT DIRECTOR'S REPORT:

Nothing to report.

FINANCE OFFICER'S REPORT:

Check Register: Commissioner Trombley asked if there were several checks written to Ace Hardware. Mr. Hook stated there was one check written to Ace Hardware to cover several purchase tickets.

PUBLIC INFORMATION OFFICER'S REPORT:

Mr. Walker stated that Mr. Wittkofsky was out sick. Commissioner Trombley wanted to know what was going on with "Monthly Newsletter"; she said there hasn't been a new one since October 2017.

ATTORNEY'S REPORT:

The attorneys stated they had nothing to report. Commissioner Jenkins wanted to know about the process for record requests. Commissioner Jenkins said he was approached by a gentleman who had asked for a record request and has not received an answer; he said the gentleman told him it has been over 100 days since the request was sent. Commissioner Jenkins expressed his concern on why the public requests was not being addressed in a timely fashion. Mr. Coble said he will need to know who the gentleman was and he could look into this. Commissioner McCoy asked if there were any outstanding invoices from Mr. Edes; he also asked why his invoices did not show a detail account of his work. Mr. Edes stated that he would be happy to go over this in executive session.

NEW BUSINESS:

Discussion on the board's policy on expanding services beyond the current jurisdiction and boundaries of the district: Chairman Gerken began his speech; "During the budget meeting of either late April or early May of this year, a majority of the board made Mr. Walker and Hook aware of our opposition to the expansion of the area served by the Sanitary District outside of the areas of the current existing boundaries. We have recently become aware of discussions with developers that would require expansion outside of the current service area. As a result of the actions of the previous board on November 28, 2017, all of the assets that were previously owned by H2GO are now titled to the Town of Belville. The operating agreement that was executed as the result of the November 28th actions vest control and governance of the H2GO system with the Town of Belville, including the ability to set rates. Any new customers added to the system outside the boarders of Belville would, like the 91% of customers who reside outside of Belville, have absolutely no say in the control and governance of their water and sewer provider, including the rates charged. At a recent court hearing, an attorney for the Town of Belville stated that the date after expiration of the aforementioned operating agreement, employees of H2GO would become employees of the Town of Belville, would show up wearing Belville shirts, etc. He made no mention of what would happen if H2GO employees chose not to become Belville employees. In my opinion, the current employees of the Town of Belville are utterly incompetent to operate the water and sewer systems without the expertise of the current H2GO staff. We do not want to put our customers in harm's way by exposing them to this possibility. At this time, extending services to areas outside the current jurisdiction of H2GO would result in using funds which have been provided by H2GO customers over the last several decades, most of whom do not reside in Belville, to improve the financial position of the Town of Belville. Therefore, in my capacity as Chairman of the Board, I am directing Mr.'s Coble and Edes to prepare an analysis of the implications of the preliminary injunction issued by Judge Locke and the ongoing litigation between H2GO and the Town of Belville on the issue of expanding H2GO operations outside of the district and to report their findings at the next meeting. In the meantime, I propose the following resolution:

'Any expansion by the areas where H2GO provides services and the areas which are not within the current boundaries of the district without prior approval of the Board of Commissioners, are prohibited. In exceptional circumstances, such expansions may be allowed, but the process must be brought to the attention of the Board of Commissioners prior to any negotiations or discussions of the provisions of such services.'

I move that that proposal be adopted by this Board." Commissioner Beer stated that he **seconded the motion.** Chairman Gerken asked for discussion. Rodney McCoy asked, "So you just want to plan to shut down any potential for new development in water and sewer, is that

what you're saying?" Chairman Gerken answered, "I did not say that. I said 'In exceptional circumstances, such expansions may be allowed, but the process must be brought to the attention of the Board of Commissioners prior to any negotiations or discussions of the provisions of such services.' In other words, what I am saying is this board is to be the determinant body as to what actions are taken by employees including the Executive Director of H2GO." Commissioner McCoy asked hadn't it always been that way? Chairman Gerken answered that in the past, I believe that there were cases where the procedures for adding areas outside the boundaries of H2GO were not necessarily followed under previous boards Commissioner McCoy asked if Chairman Gerken was saying that Bob couldn't even talk to developers? Chairman Gerken answered with "No, I didn't say that. I said if he wants to talk to developers outside the existing boundaries of the district, he can do so if he gets prior approval of the Board of Commissioners." Mr. Walker asked if the Chairman was stripping the Executive Director of his administrative duties to implement and administer rules and regulations of the sewer system. Chairman Gerken answered with "you may implement the rules and regulations of the district subject to the wishes of the Board, and in this particular case the Board has said that they do not wish to expand the services beyond the service area." Commissioner Jenkins asked what the rationale was for the board not wanting to expand beyond the present boundaries. Chairman Gerken answered with "during this litigation, I have gone through a number of things. Currently, this Board has no assets. This Board has no ability, except that which was created by Judge Locke, to govern or control the district. And under the existing situation, where all of the assets are owned by the Town of Belville, 91% of the customers of H2GO have no say or would have no say in how their system is governed, including how rates are set. Those are the reasons why, at least until this litigation is completed, I do not see that we should be expanding beyond the current service area of the district. I made that clear in the comments that I made." Commissioner Jenkins mentioned the comments made about the employees working for Bellville; he said he has heard these comments over and over again. Commissioner Jenkins said that we didn't need to go into all the details about who was going to what and where. Commissioner Trombley stated that she didn't know where it came from that H2GO would just turn everything over to Leland; she said it was a statement made over and over and it was something that is just not going to happen. Commissioner McCoy expressed that in order to expand, in order for developers to work, that they needed to be able to work long term; he said they can't come in one day and expect to wait 30 days. Commissioner McCoy said there is a process; he said wanting to shut things down like this is just insane. Chairman Gerken asked if Commissioner McCoy was calling him insane. Commissioner McCoy said this motion is insane. Commissioner Trombley stated that the only way to solve this problem was for Bellville to pull out of the court case, give H2GO their assets back; she said then H2GO could expand as needed and run the district as needed. **Chairman Gerken called for a vote on the motion. The motion passed with a vote of 3 yeas from Chairman Gerken, Commissioner Beer, Commissioner Trombley and 2 nays from Commissioner Jenkins and Commissioner McCoy.**

Emergency Response Plan: **Commissioner McCoy explained that in light of the recent hurricane, the risk of future storms, and the fact that the current emergency response plan was written in 2008, that he made a motion to create a committee that would be responsible for reviewing the plan and bringing back suggested changes to the board for consideration; he also moved that he be placed on the committee along with Mr. Walker and any other volunteer who was willing.** Commissioner Jenkins stated that he volunteered. Commissioner McCoy said he felt strongly about the need of this being done before another disaster occurs; he said it is common practice for many organizations to apply lessons learned. Commissioner McCoy said it's been 8 years since the current plan has been advise; he said that was before

we've had Hurricane Florence. Commissioner McCoy said it's time to review it and bring it up to date. **Commissioner Trombley made a second to the motion.** Discussion ensues. Mr. Walker stated that our current Emergency Response Plan was dated. It was said that because there was only 2 board members listed on the committee that it would not violate the Open Meetings Law. It was clarified that the litigation committee consist of three board members and because of that it is subject to the Open Meetings Law and is posted accordingly. **A vote was called and the motion passed unanimously.**

INFORMAL DISCUSSION:

The board discussed changing the meeting date for the November meeting. After much discussion on possible dates and the availability of the Town Hall, the board decided to hold the November meeting on November 15, 2018 at H2GO.

Commissioner Jenkins asked if it was necessary to have both Mr. Edes and Mr. Coble present for every meeting. It was said this could be discussed further in Closed Session.

Commissioner McCoy asked what the issue was with allowing the public to give visual aids. Commissioner Trombley said her opinion was that if they allowed it then it would open the door to more things; she said she felt it was unnecessary. Chairman Gerken said the public comment section is time for the public to give comments to the board directly; he said the person in question was given the opportunity to give the board printed handouts and they failed to do so.

Commissioner Trombley pointed out that many of the people who gave speeches did not stay for the remainder of the meeting; she said they won't stay and wait to hear what they have to say. Commissioner Jenkins stated that this is something that has been going to even before Commissioner Trombley was elected.

EXECUTIVE SESSION TO DISCUSS CONTRACT ISSUES PURSUANT TO NC GS 143-318.11 (a) (5) and LITIGATION ISSUES PURSUANT TO NC GS 143-318-11 (a) (3):

Commissioner McCoy motioned to enter into closed session, Commissioner Jenkins seconded, the motion carried unanimously.

Commissioner Beer motioned to return to open session, Commissioner Jenkins seconded and the motion carried unanimously.

There was nothing to report out of Closed Session.

ANNOUNCEMENT OF NEXT MEETING:

November 15, 2018 Regular Board Meeting at H2GO

ADJOURNMENT:

Commissioner Jenkins made the motion to adjourn the meeting at 8:33 pm, it was seconded by Commissioner Trombley, and the motion carried unanimously.

Jeff Gerken, Chairman

Bill Beer, Secretary

Deana Greiner, CMC
Deputy Clerk to the Board

Date of Approval

**These Minutes Approved at the
November 15th, 2018 H2G0 Board
meeting**

EXHIBIT A

BRUNSWICK REGIONAL WATER & SEWER H2GO

AN ORDINANCE OF BRUNSWICK REGIONAL WATER & SEWER H2GO, PROHIBITING THE OBSTRUCTION OF ANY FIRE HYDRANTS OR OTHER FIRE PROTECTION EQUIPMENT WITH PLANTS, FENCING, LANDSCAPING MATERIALS OR OTHER OBJECTS, AND PROVIDING PENALTIES, AND OTHER REMEDIES FOR VIOLATIONS THEREOF.

WHEREAS, the Brunswick Regional Water & Sewer H2GO water distribution system is provided for two primary purposes: (1) drinking water supply and (2) fire protection; and

WHEREAS, pursuant to Article 1, Part 2, Section 55 of the North Carolina G.S. 130A, the Board of Commissioners (the “BOARD”) is empowered to adopt ordinances to protect the health, safety, and welfare of persons or property within the Brunswick Regional Water & Sewer H2GO district; and

WHEREAS, the H2GO Board of Commissioners believes that the obstruction of fire hydrants and other fire protection equipment by plants, trees, landscaping or fencing materials, or other objects or structures, inhibits the maintenance of such fire hydrants and impedes first responders’ ability to quickly locate and gain unfettered access to critical fire hydrants during emergencies and thus poses an obvious and substantial danger and unreasonable risk to the health, safety, and welfare of persons and property within the Brunswick Regional Water & Sewer H2GO district; and

WHEREAS, the H2GO Board of Directors, pursuant to above authority and consistent with applicable sections of the North Carolina Fire Prevention Code, seeks hereby to prevent the obvious dangers caused by the obstruction of fire hydrants with plants, trees, landscaping materials, fencing, or other obstructing objects or structures, and to provide appropriate penalties and remedies for violations of this Ordinance.

Section 1: Title. This Ordinance shall be known and designated as the “Fire Hydrant Obstruction Ordinance of Brunswick Regional Water & Sewer H2GO”.

Section 2: Obstructions to Fire Hydrants and Other Fire Protection Equipment Prohibited. Posts, fences, vehicles, plants, trees, growth, trash, landscaping materials, rock materials, storage and other materials, structures or objects shall not be placed or kept near fire hydrants, fire department inlet connections or fire protection system control valves (collectively referred to as “fire hydrants” or “fire protection equipment”) in a manner that would prevent fire hydrants or other fire protection equipment from being immediately discernible or readily accessible. H2GO employees and the fire department shall not be deterred nor hindered from gaining immediate and safe access to any such fire hydrants or other fire protection equipment.

EXHIBIT A

Section 3: Buffer Area around Fire Hydrants and Other Fire Protection Equipment. A three (3) foot clear space shall be maintained around the circumference of fire hydrants and other fire protection equipment except as otherwise required or approved by the Board of Commissioners upon the recommendation of the Executive Director. No grass, plants or other objects within this three (3) foot radius shall exceed six (6) inches in height. No loose rocks or any other objects which may pose a tripping hazard shall be permitted within the foregoing radius. In conjunction with the three (3) foot radius, all fire hydrants and other fire protection equipment must have an unimpeded view range of at least two (2) feet to each side along the roadway.

Section 4: Violations and Penalties. Any person violating any provision of this Ordinance shall, upon conviction thereof, be sentenced to pay a fine of not more than ONE THOUSAND (\$1,000.00) DOLLARS, plus costs, and, in default of payment of said fine and costs, to a term of imprisonment not to exceed thirty (30) days. Each violation of any provision of this Ordinance shall constitute a separate offense. In addition, in any civil enforcement action brought by H2GO to collect unpaid fines or penalties imposed pursuant to this Ordinance, H2GO shall also be entitled to collect all costs, expenses, and attorney fees associated with such action.

Section 5: Right to Enter and Remove Obstructions; Liens. In addition to any other penalties and remedies provided herein or otherwise available under law, upon the failure of the owner or person in charge of or in possession of the property to remove any offending obstruction in violation of this Ordinance after receiving a notice of violation, any duly authorized employee or contractor of H2GO, or other entity having jurisdiction or control over the fire hydrant or the premises upon which the fire hydrant is located may, without further notice to the owner or persons in charge or possession of such property, enter upon the premise and cause the removal of all offending obstructions to the fire hydrant or other fire protection equipment. The costs of such action to remove offending obstruction shall be charged against the owner(s) or other person(s) in charge of said premises and shall also be charged against the real estate upon which the fire hydrant and the offending obstructions are located and shall be in lien upon such real estate.

Section 6: H2GO Reservation of Right to Enter Upon Lands to Maintain Fire Hydrants. Nothing in this Ordinance shall be interpreted as limiting in any manner the right of H2GO, or any other entity having jurisdiction or control over any fire hydrant to entering upon any right-of-way, easement or other premises upon which any fire hydrant or other fire protection equipment is located to cause the removal of any and all obstructions or other objects or structures whose presence is inconsistent with the right to gain unfettered access to and to maintain such fire hydrant or other fire protection equipment and/or appurtenant rights-of-way, easements or other premises upon which such fire protection equipment is located. Nor shall any person be entitled to the return of, or to any compensation for, any offending obstructions removed or for any damages caused to any such obstructions or to the premises by or as a result of the entry and removal of such obstructions.

Section 7: Severability. In the event that any section or sections of this Ordinance, or parts of the same, shall be declared to be invalid by any Court of competent authority, the remaining provisions of this Ordinance shall continue in full force and effect notwithstanding.

EXHIBIT A

Section 8: Repealer. Any other Ordinance or part(s) of any Ordinance(s) which conflicts with the terms and provisions of this Ordinance are hereby repealed insofar as the same affects this Ordinance.

Section 9: Effective Date: This Ordinance shall take effect immediately as provided under law.

ORDAINED AND ENACTED this _____ day of _____, 2018

ATTEST:

Brunswick Regional Water & Sewer H2GO

Teresa Long, Clerk to the Board

Jeff Gerken, Chairman