

EASTOVER SANITARY DISTRICT
MINUTES
BOARD MEETING, JANUARY 26, 2010

Chairman, Morgan Johnson called the meeting to order at 7:05 p.m. and Marilyn Johnson opened the meeting with prayer.

Present: Morgan Johnson, Helen Crumpler, Liz Reeser, John Jackson, Kevin Lindsay, Adam Riggsbee, Bill Berry, Marilyn Johnson and Jim Swann.

Public Forum:

Jim Swann, 3211 Underwood Road, Eastover, N. C. signed up to speak on the topic of service fees during the public forum. After the policy was read, Mr. Swann stated that he had questions concerning the amount of the fee that was charged for someone that was already in the system and thought the fee was too high. Morgan told Mr. Swann that this subject was to be discussed and voted on tonight and that he was more than welcomed to stay for the rest of the meeting. Mr. Swann thanked the Board for the opportunity to speak.

There were no other speakers at the forum.

I. Approval of Agenda:

Morgan stated there was a change to the Agenda. He asked everyone present to change Item 16 to ESD Transfer Fee: Discussion and pass Resolution to adopt a Transfer Fee Ordinance.

After the change, Liz moved to approve the Agenda, Helen seconded and it was unanimous.

II. Consent Agenda consisting of November 24, 2009 Board Meeting (note: there was no December 2009 meeting) and Financial Statement of November 30, 2009 and December 31, 2009 were approved. Liz moved, Helen seconded and it was unanimous.

III. Confirmation of invoices paid:

- A. The Yarborough Law Firm, invoice #24477, dated December 10, 2009 in the amount of \$2,712.00;
- B. Hobbs, Upchurch and Associates, invoice #27294, dated November 23, 2009, in the amount of \$2,000.00;
- C. Hobbs, Upchurch and Associates, invoice #27293, dated November 23, 2009, in the amount of \$10,000.00; and
- D. PilaNet, LLC, invoice #10000030, dated December 10, 2009, in the amount of \$1,200.00.

Liz made a motion to confirm the invoices for payment, Helen seconded and it was unanimous.

IV. There was a presentation of new invoices for payment:

- A. The Yarborough Law Firm, dated January 21, 2010 in the amount of \$1,500.00;
- B. The Yarborough Law Firm, dated January 16, 2010 in the amount of \$2,233.00; and
- C. Cumberland County Board of Elections, dated December 9, 2009, in the amount of \$2,294.60 for ESD's share of the cost of the November, 2009 election of ESD Board members.

Morgan moved to approve the new invoices for payment, Liz seconded and it was unanimous.

V. Environmental Mitigation Resolution, Wetlands and Floodplains

Morgan stated that the USDA rural development requires that ESD sign a Resolution that water taps will not be put in wetlands and floodplains, (Resolution #2010-1).

Liz moved to approve, Helen seconded and it was unanimous.

VI. ESDII Water System: Bid results and their approval.

Morgan gave the Board a Bid Summary for ESDII water system. He showed four contracts as low bidders, as well as the Government Estimates, and the percentage differences.

- A. 97,240' line- Booster pump- T. A. Loving, low bid of \$2,121,600.00 with a government estimate of \$2,161.86, showing a 1.85% under bid;
- B. 154,820' line- McArthur Construction Co., low bid of \$2,018,791.00 with a government estimate of \$2,311,059, showing a 12.65% under bid;
- C. 159,940' line- McArthur Construction Co., low bid of \$1,748,518.00 with a government estimate of \$2,151,426.00, showing a 18.73% under bid; and
- D. 300,000 gallon water tank - Caldwell Tanks, low bid of \$719,400.00, with a government estimate of \$800,000.00, showing a 10.01% underbid.

Total of four (4) contracts show underbids of \$815,862.00 or 10.99%.

Morgan stated that these bids were recommended by the design engineer firm of Hobbs, Upchurch and Associates.

Morgan made a motion to accept these bids as stated, Liz seconded and it was unanimous.

He also stated that after contracts are signed, Kevin will prepare the Notice to Proceed.

VII. ESDII Water System: Schedule for Project Interim Financing as presented by the Bond Counsel.

Morgan stated he received bids on January 7th and 15th. He said that the next thing that Kevin will be doing is getting all of the information together for the bids, other expenses, design, inspections, etc., and will be submitting the total project cost to USDA for approval.

VIII. Approval of Ground Breaking Ceremonies for ESDII Water.

Morgan said he would like to have the ground breaking ceremony on March 24, 2010. He suggested holding the ceremony at the corner of Baywood Road and Murphy Road. Baywood Pentecostal Church is on the site and would be a good backup for inclement weather, if needed.

Morgan asked Liz to handle the invitations and Helen to provide refreshments. He also suggested PWC bottled water for drink. Bill Berry from PWC stated he would provide four cases of water for the ceremony.

Liz moved to have a Ground Breaking Ceremony for ESDII Water, with a preferred date

of March 24, 2010, or date to be determined. Morgan seconded and it was unanimous.

IX. Sewer Projects:

A. Phase II, Design status.

Morgan stated that currently it is looking like the debt service amount is between \$21.00 and \$22.00 per month.

B. Phase III, Per Status.

Morgan stated that without grant monies, the debt service would be approximately \$57.00 per month. He said that he will be working with Kevin on getting more grant money to cut the costs.

X. ESD Website

Morgan stated that the ESD Board was very satisfied with the work that Liz and Howard Piland had done on the website.

XI. PWC-FIF: Cost must be borne by customer

Morgan stated that PWC will no longer waive the FIF Fee or have FIF credits. ESD will continue to waive the lateral hookup for first 6 months. Customers will now have to pay \$540.00 for water and \$640.00 for sewer.

XII. ESD Application Fee versus a Transfer Fee:

At the November 2009 Board meeting, Ordinance No. 2008-02 was amended by passing Ordinance No. 2009-03. This amendment included the application fees when a property changed ownership. A discussion was held concerning the merits of charging an application fee as a transfer fee.

John Jackson suggested we suspend this application fee collection, as a transfer fee, until the reconvening of this meeting of February 9, 2010. He stated we should include this on that agenda.

Morgan made a motion to suspend the collection of the \$125/\$128 as a transfer fee and to discontinue this fee until the change can be ratified at the reconvened meeting on February 9. Liz seconded and it was unanimous.

XIII. ESD Transfer Fee: Discussion and pass resolution to adopt a Transfer Fee Ordinance

Morgan stated that the Transfer Fee is where service is already at facility but will have a change of customer. Morgan asked John Jackson to please look over and revise the document, if needed, for February 9th meeting.

Morgan made a motion to accept and pass an ordinance for Transfer Fee to include \$20.00 for water, if it is by itself or \$20.00 for sewer, if it is by itself. If both were combined it would still be \$20.00 for both, to be used for administrative costs. Liz seconded and it was unanimous.

XIV. UNC School of Government-Funding Fair

Fair will be held Wednesday, January 27, 2010 at UNC.

Morgan stated that he and Kevin will be attending the funding fair at UNC School of Government on January 27, and he will be making a presentation on the upcoming

projects. Morgan said he would also be taking current maps for review. Local, state and Government agencies who lend or grant money for these type of projects will be there.

He stated that this will not be an approval session but a fact gathering and what our needs are, so it will be familiar to the different agencies.

XV. Bridge replacement, Dunn Road.

Morgan stated that the replacement of the bridge on Dunn Road near Rockhill Road will be replaced with a boxed culvert. Our water lines will have to be relocated and DOT is asking for an easement on our easement, which we have granted. Morgan stated that he does have a copy of the easement, but it has not been recorded. John Jackson stated that, in his opinion, the Board needs to vote on the easement because it is a transfer of property, at the next meeting on February 9th. Morgan agreed.

XVI. Delinquent accounts

John Jackson stated that five accounts were currently being paid. Papers have been filed on the other individual delinquent accounts. Sally did send names to Morgan that could not be reached. Morgan asked Adam to investigate the pending cases to see if he could get any information on where these individuals could be located.

XVII. Other business

John Jackson stated that he and Adam had a conference concerning the easements for the property on Baywood Road. Adam is trying to contact the people owning the property before John proceeds with condemnation procedures on Baywood Road.

Morgan made a motion to recess and reconvene on February 9, 2010 at 3:00 p.m., as recommended by bonding attorney, Bob Jessup. Liz seconded and it was unanimous.

Respectfully submitted,

Helen Crumpler, Secretary

Morgan Johnson, Chairman

