

**NEUSE REGIONAL WATER AND SEWER AUTHORITY
MINUTES OF BOARD MEETING DATED
Thursday, March 28, 2013**

The Neuse Regional Water and Sewer Authority held its Monthly Board Meeting on Thursday, March 28, 2013 at 6:00 P.M. at the Neuse Regional Water and Sewer Authority Water Treatment Plant.

MEMBERS PRESENT: Barry Sutton, Henry Heath, Burnice Harris, Jack Pope, Steve Miller, James Rountree, Adam Mitchell, Sammy Aiken, Jamie Cannon, Joe Albright, Neal Baggett, Jimmy Cousins

MEMBERS ABSENT: Kenneth Jones, Timmy Kennedy, Bruce Parson

ALTERNATES PRESENT: Rusty Byrd, Clarence Mills, Rhonda Barwick, Virgil O’Neal

NRWASA STAFF PRESENT: Don Eglinton - Legal Counsel
Harold Herring - Executive Director
Debbie Purvis – Administrative Assistant
Kyle Smith - Distribution Superintendent
Charlie Colie- WTP ORC
Jacob Brown - Assistant WTP ORC

Call to Order

Chairman Barry Sutton called the meeting to order at 6:00 P.M.

Revisions, Additions and Adoption of Agenda

Mr. Adam Mitchell moved to adopt the Agenda as presented. Seconded by Mr. Steve Miller and upon unanimous vote, the motion carried.

ACTION ITEMS

1. Swearing in of New Alternate

Mr. Joe Albright introduced Mr. Ben Gaskins. Chairman Sutton swore in Mr. Gaskins as the new Alternate Board Member representing the Town of Grifton.

2. Approval of February 2013 Minutes.....Chairman Sutton

Mr. Joe Albright moved to approve the February 2013 Minutes as presented. Seconded by Mr. Jack Pope and upon unanimous vote, the motion carried.

3. Approval of Treasurer’s Report.....Chairman Sutton

Mr. Joe Albright asked when the Debt Services payments are made. Mr. Harold Herring stated that the SRF payment will be paid in May and the USDA payment in June.

Mr. Burnice Harris moved to adopt the March 2013 Monthly Treasurer’s Report, seconded by Mr. Steve Miller. Upon unanimous vote, the motion carried.

DISCUSSION ITEMS

4. Ward and Smith Mr. Donalt Eglinton

Mr. Donalt Eglinton gave an update on the roof. He stated that Ward & Smith made a Settlement Offer to CDM Smith per the NRWASA Board's directive at the February 28th Board Meeting. The firm offer was made on March 5th with a short deadline. The terms of the offer were to settle by having CDM Smith pay NRWASA \$80,000 in exchange for a release for the omissions associated with the design of the original roof. Mr. Eglinton stated that CDM Smith accepted the offer by phone. A written settlement agreement was prepared, requiring that CDM Smith pay NRWASA \$80,000 less the in-kind services of about \$19,085 for the new roof. He added that CDM Smith would pay the settlement amount within the next 30 days.

Mr. Eglinton stated that a copy of the settlement agreement was available, should the Board choose to review. He noted the following items in the context of the roof situation:

- 1) The only party that is being released is CDM Smith. NRWASA is preserving and reserving all of its rights and claims against everyone else.
- 2) It limits the release of CDM Smith to work that was done when the facilities were constructed. CDM Smith is still responsible for the design of the new roof.

Mr. Burnice Harris asked who prepared the document. Mr. Eglinton advised that CDM Smith took the lead on preparing the document but he revised it.

Mr. Adam Mitchell made the motion to approve the Settlement Agreement as written and authorizing Chairman Barry Sutton to sign the agreement. Seconded by Mr. Joe Albright and upon unanimous vote, the motion carried.

5. Water Tank Mixer Bid Mr. Harold Herring

Mr. Harold Herring stated that NRWASA had received only two informal bids for the Elevated Tank Mixers. The low bidder was Caldwell Tanks for \$71,776.41, to install mixers in three elevated tanks. These mixers will help NRWASA keep producing the best water quality for the NRWASA system and to help lower TTHM's and HAA's when Disinfection By-Products Rules become more stringent.

Mr. Adam Mitchell moved to approve the mixer bid as presented. Seconded by Mr. Sammy Aiken and upon unanimous vote, the motion carried.

6. Annual Conversion to Free Chlorine Mr. Kyle Smith

Mr. Kyle Smith, Distribution Superintendent, stated that the conversion to Free Chlorine started on March 18 and will run through April 15. Mr. Smith added that the startup of the chlorine booster station in Grifton has allowed Pitt County to see the same chlorine numbers as the Lenoir County entities. Chairman Sutton thanked NRWASA staff for a job well done on the Free Chlorine conversion.

7. Roof Update.....Mr. Harold Herring

Mr. Harold Herring stated that since last month's roof inspection, the Contractor has completed a few punch list items. Once a re-inspection is complete, the project will be closed.

8. Corps of Engineers/GUC/NRWASA-Interconnect Evaluation.....Mr. Harold Herring

Mr. Harold Herring stated that the Corps of Engineers are working on the last phase of the study, which is re-evaluating the necessary measures to push water from Greenville back toward Kinston. He added that the final report is expected to be complete by June.

9. Central Coastal Plain Capacity Use Assessment Report.....Mr. Harold Herring

Mr. Harold Herring mentioned the report from the Division of Water Resources (DWR) enclosed in the Agenda packet. He added that according to the Central Coastal Plain Capacity Use Area (CCPCUA) Rule, the second stage and 50% annual water use reduction, comes into affect August 2013. The DWR made their presentation to the Environmental Management Commission and the recommendation is to proceed with the 50% reduction.

Mr. Herring stated that there would be a Public Hearing on April 16th at Lenoir Community College regarding the 2013 CCPCUA Assessment report. He recommended that each Board Member be present at the meeting or at least write a letter supporting DWR and the 50% reduction.

After a brief discussion, it was the consensus of the Board for Legal Counsel to draft a resolution in support of the 50% reduction, to submit to the DWR before the Public Hearing on April 16th.

10. Legislative Meeting.....Mr. Harold Herring

Chairman Sutton thanked the Board for attending the Legislative Luncheon on Friday, March 22.

11. Informational.....Chairman Sutton

Mr. Joe Albright mentioned that the Shad Festival is in Grifton on April 20.

CLOSED SESSION

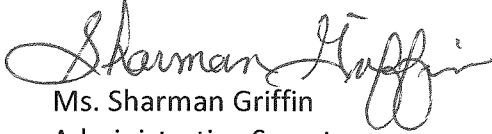
Chairman Sutton asked for a motion to go into Closed Session under General Statute G.S. 143-318.11(a)(3). Mr. Adam Mitchell made the motion, seconded by Mr. Steve Miller. Upon unanimous vote, the Board approved a motion to go into closed session.

Upon unanimous vote, the Board approved a motion to reconvene into Open Session.

ADJOURNMENT

Being no further business before the Board, and upon motion made, seconded, and approved, Chairman Sutton declared the meeting adjourned at 7:00 P.M.

Sincerely,



Ms. Sharman Griffin
Administrative Secretary



Mr. Adam Mitchell
Secretary, NRWASA Board of Directors