

**EASTOVER SANITARY DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING MINUTES  
Tuesday, March 22, 2016**

Chairman Johnson called the regular meeting of the Eastover Sanitary District to order on Tuesday, March 22, 2016 at 5:30 p.m.

**BOARD MEMBERS PRESENT**

Chairman Morgan Johnson, Vice Chairman Liz Reeser, Secretary Helen Crumpler

**STAFF PRESENT**

District Manager Connie Spell, Attorney Neil Yarborough, Vicki Evans County Finance, Bob Tucker County Finance, Dave Strum Envirolink, Tim Carpenter Engineer, Lisa Lloyd Clerk to the Board.

**INVOCATION AND PLEDGE OF ALLEGIANCE**

The invocation was rendered by Bob Tucker, followed by the Pledge of Allegiance.

**1. APPROVAL OF AGENDA – ADDITIONS OR DELETIONS**

*Motion was made by Reeser, seconded by Crumpler and carried unanimously to approve the agenda.*

**2. PUBLIC FORUM – None**

**3. APPROVAL OF CONSENT AGENDA**

*Motion was made by Reeser, seconded by Crumpler and carried unanimously to approve the consent agenda as presented:*

- a. Minutes of the February 23, 2016 Regular Meeting.
- b. Approval of the Financial Statement ending February 29, 2016.

**4. NEW BUSINESS/DISCUSSION ITEMS**

- a. **Adoption of Resolution to support an application for a grant from the NC Division of Water Infrastructure for an Asset Inventory and Assessment – Resolution No. 2016-01**

The first step to begin the process for the Asset Inventory Grant application is the adoption of a resolution. The Manager presented the Resolution and recommended approval.

*Motion was made by Reeser, seconded by Crumpler and carried unanimously to approve the Resolution No. 2016-01 to support an application for a grant from the NC Division of Water Infrastructure for an Asset Inventory and Assessment.*

(A copy of Resolution No. 2016-01 is hereby attached as Exhibit "A" and part of the official minutes).

**b. LKC Engineering Presentation & Proposed Contract**

Chairman Johnson asked Tim Carpenter to present to the board the cost estimates for a feasibility study for future water/sewer projects. ESD does not have a current contract with LKC. The General Engineering Contract we had with LKC expired 6/30/2014.

LKC presented a General Services Contract for the Board to approve. Attorney Yarborough pointed out that the contract was for everyday services and does not include any individual projects. He also mentioned that ESD could still enter into a project specific contract as future projects arise.

*Motion was made by Johnson, seconded by Reeser and carried unanimously to approve the General Engineering Contract with LKC.*

(A copy of the LKC Engineering General Services Contract is hereby attached as Exhibit "B" and part of the official minutes).

Tim Carpenter presented information on the proposed Phase III Water Expansion project. While the project was considered viable by Mr. Morgan, Reeser and Crumpler objected to moving forward. Reeser stated that the Capital Improvement Plan (CIP) needed to be in place before any new projects were started. Attorney Yarborough, Crumpler and Tim Carpenter agreed with Reeser on the importance of having the CIP in place before moving forward with any new projects.

**c. Ordinance Authorizing the Establishment of a Schedule of Rates, Fees and Other Charges and Providing for Collection of Same – Ordinance No. 2016-01**

Attorney Yarborough and the District Manager presented an ordinance for rates, availability fees and what legal procedures are in place for ESD to collect unpaid availability fees.

The main purpose(s) of the ordinance is (1) clarification of minimum monthly charge, usage charge, and availability fees; (2) and steps to take to collect unpaid and overdue bills.

Attorney Yarborough stated there were two components to a water/sewer bill.

- Fixed or overhead charges – cover the cost of operations and maintenance, debt services, meter charge and administrative overhead
- Variable charges – based on actual usage

The Board discussed the ordinance and Mrs. Reeser recommended a few changes.

*Motion was made by Reeser, seconded by Crumpler and carried unanimously to adopt the Ordinance Authorizing the Establishment of a Schedule of Rates, Fees and Other Charges and Providing for Collection of Same – Ordinance No. 2016-01 as amended.*

(A copy of Ordinance No. 2016-01 is hereby attached as Exhibit “C” and part of the official minutes).

**d. Manager’s Report March 2016**

1. The NC Debt Setoff Program has collected and submitted a total of \$1767.17 of bad debts for the month of March.
2. Chuck Donnell and I will be attending the application training for the Asset Inventory & Assessment Grants on March 30, 2016
3. April 7, 2016 – ESD workshop, 1:00 pm – to discuss Grant Application
4. The Eastwood Subdivision (Hummingbird Rd.) – NEW PROJECT
  - Application for water extension has been approved by DENR. This new subdivision is approved for 55 connections.
5. I have been working on the 2017 proposed budget. I will be reviewing with Bob, Envirolink staff and the board in the upcoming weeks.

**e. Envirolink Monthly Report for February 2016**

Dave Strum presented the Activity Report for month ending February 2016.

(A copy of the monthly activity reports are hereby attached as Exhibit “D” and part of the official minutes).

**5. CLOSED SESSION-None**

**6. ADJOURNMENT**

With no further business, the meeting was adjourned at 6:05 p.m.

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Morgan Johnson, Chairman

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Lisa W. Lloyd, Clerk to the Board