

**EASTOVER SANITARY DISTRICT
BOARD OF DIRECTORS REGULAR MEETING MINUTES
Tuesday, May 24, 2016**

Vice Chairman Reeser called the regular meeting of the Eastover Sanitary District to order on Tuesday, May 24, 2016 at 5:30 p.m.

BOARD MEMBERS PRESENT

Vice Chairman Liz Reeser, Secretary Helen Crumpler

BOARD MEMBERS ABSENT

Chairman Morgan Johnson

STAFF PRESENT

District Manager Connie Spell, Attorney Neil Yarborough, Bob Tucker County Finance, 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 with the following additions.

- 5e. Update on Sewer easement dispute and consideration of proposal
- 5f. Report from Attorney Neil Yarborough - Tax Exemption for Sanitary Districts.

2. PUBLIC HEARING

Vice Chairman Reeser opened the Public Hearing to receive comments on the proposed budget. There were no public comments and the Public Hearing was closed.

3. PUBLIC FORUM – None

4. 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 April 26, 2016 Regular Meeting.
- b. Approval of the Financial Statement ending April 30, 2016.

5. NEW BUSINESS/DISCUSSION ITEMS

- a. Adoption of Budget Ordinance FY 2017 & Rate and Fee Schedule

District Manager spoke about the new proposed budget and increases from the previous year. The proposed budget was officially presented to the Board on April 26, 2016 and a copy has been on file at the ESD office for public inspection. In accordance with NCGS the budget ordinance should be adopted no later than July 1st.

The Budget Ordinance includes the Rate & Fee Schedule as proposed by the Board of Directors and no changes occurred.

Motion was made by Reeser, seconded by Crumpler and carried unanimously to approve FY 2016-2017 Budget Ordinance with the incorporation of the Rate & Fee Schedule. (Ordinance No. 2016-02)

The total Budget approved was \$1,939,160.00.

(A copy of the FY 2016-2017 proposed budget is hereby attached as Exhibit "A" and part of the official minutes)

b. Adoption of Resolution amending the Rules & Regulations Resolution 2016-02

As part of the Application for Service process, the District Manager stated we should include in the policy what ID is acceptable to establish service, proof of property ownership documentation (deed or lease agreement) and what purpose will the requested Social Security number be used for.

While we are actually already requiring these documents, it is not written in our policy. The District Manager recommended amending the Rules & Regulations, Section III. Application for Service as written.

Motion was made by Reeser, seconded by Crumpler and carried unanimously to approve Resolution No. 2016-02 amending the Rules & Regulations, Section III. Application for service as written.

(A copy of the Resolution 2016-02 is hereby attached as Exhibit "B" and part of the official minutes)

c. Manager's Report May 2016

1. April 29, 2016, on behalf of ESD, Envirolink staff submitted the Asset Inventory Grant application for water and sewer.
2. As of April 30, 2016, NC Debt Setoff Program has collected \$6,352.60 in delinquent accounts.
3. Lisa Lloyd and I attended the Utilities Billing & Collection Administration Course, Wednesday, May 4, 2016 at the UNC School of Government, Chapel Hill, NC.

4. Staff will be doing a trail run with the June 1, 2016 billing for sending e-bills to customers who wish to go “paperless”. This will be a cost saving to ESD because this would eliminate the cost of postage and printing.
5. May 6, 2016, ESD mailed the mandatory FOG (Fats, Oils, Grease) brochure to all sewer customers.
6. We continue to have request from our customers for a payment drop box for after-hours and weekends. I am reviewing different options that are available. It would be an added benefit to our customers.

d. Envirolink’s Report April 2016

(A copy of the monthly activity report is hereby attached as Exhibit “C” and part of the official minutes).

e. Update on sewer easement dispute/consider proposal

The District Manager stated that H&H Construction in regard to Eastover North Subdivision is now willing to give ESD a 10 ft. easement on Lots 18 & 19 and requested a letter to be submitted to them from Attorney Yarborough stating that if any repairs become necessary, ESD will restore the property as close to its original condition as possible as long as no permanent structures are involved. In addition, H&H also requested that the fencing already in place should remain. Mr. Yarborough will be preparing the sewer easement once he receives the legal description of the easement to be granted and will incorporate the appropriate language.

f. Report from Neil Yarborough – Tax Exemption for Sanitary Districts.

Attorney Yarborough stated that per his opinion, ESD having no private function is exempt from the taxes. The District Manager will talk to the County Manager and if necessary Mr. Yarborough will also talk to the County Manager County Attorney.

(See Exhibit “D” for Mr. Yarborough’s complete legal opinion).

5. CLOSED SESSION-None

6. ADJOURNMENT

With no further business, the meeting was adjourned at 6:00 p.m.

Morgan Johnson, Chairman

Lisa W. Lloyd, Clerk to the Board