

## **6. Review & Approval of Minutes from the October 10, 2023 Board Meeting**



**South Granville Water and Sewer Authority  
Regular Monthly Board of Directors Meeting  
October 10, 2023 at 6:00 p.m.**

### **Meeting Minutes**

#### **1. CALL TO ORDER/WELCOME - Chairman Jimmy Gooch**

Commissioner Jimmy Gooch, SGWASA Chairman, called the meeting into session at 6:00 p.m.

#### **2. Roll Call**

Scott N. Schroyer, Executive Director/Acting Board Secretary

#### **Board Members Present:**

**Granville County:** Commissioner Jimmy Gooch, Chair; Commissioner Tim Karan

**City of Creedmoor:** Commissioner Georgana Kicinski, Vice-Chair; Commissioner Robert Way

**Town of Butner:** Councilperson Linda Jordon

**Town of Stem:** Commissioner Kenneth McLamb

#### **Board Member(s) Absent:**

Councilperson Bill McKellar

#### **Officials Present:**

Scott N. Schroyer, Executive Director

Richard Balmer, Finance Director

Rueben Cardin, Asst. Finance Director

Priscilla Adcock, Human Resources Manager

James Wrenn, Attorney

#### **3. Invocation**

Councilperson Linda Jordon

#### **4. Pledge of Allegiance**

Commissioner Jimmy Gooch - Chair

#### **5. Adjustments/Approval of the Meeting Agenda**

**Brief Description:** Commissioner Jimmy Gooch, Chair, asked the Board members if there were any adjustments to the Meeting Agenda as presented. No adjustments were made.

**Board Action:** A motion to approve the October 10, 2023, Regular Board Meeting Agenda was made by Commissioner Kenneth McLamb and seconded by Councilperson Linda Jordon. The motion passed unanimously (6 votes in favor).

#### **6. Review & Approval of Minutes from the September 12, 2023, Regular Board Meeting**

**Brief Description:** Commissioner Jimmy Gooch, Chair, asked the Board members if there were any adjustments to the Meeting Minutes as presented. No adjustments were made.

**Board Action:** A motion to approve the September 12, 2023, Regular Board Meeting Minutes was made by Councilperson Linda Jordon and seconded by Commissioner Kenneth McLamb. The motion passed unanimously (6 votes in favor).

#### **7. Review & Approval of Minutes from the September 26, 2023 Finance Committee Meeting**

**Brief Description:** Commissioner Jimmy Gooch, Chair, asked the Board members if there were any adjustments to the Meeting Minutes as presented. No adjustments were made.

**Board Action:** A motion to approve the September 26, 2023 Finance Committee Meeting Minutes was made by Councilperson Linda Jordon and seconded by Commissioner Georgana Kicinski - Vice Chair. The motion passed unanimously (6 votes in favor).

#### **8. Public Comments**

None.

#### **9. Board Discussion Items**

**Brief Description:** Prior to each month's regularly scheduled Board meeting, the Board Secretary surveys the Board members to inquire if they have any discussion topics for the upcoming Board meeting. The following are the responses received for discussion items.

**Commissioner Robert Way:** None.

**Commissioner Kenneth McLamb:** None

**Councilperson Bill McKellar:** None.

**Commissioner Tim Karan:** None.

**Councilperson Linda Jordon:** None.

**Commissioner Georgana Kicinski, Vice-Chair:** None.

**Commissioner Jimmy Gooch, Chairman:** None.

#### **10. 9-26-23 Finance Committee Review & Recommendation**

**Brief Description:** On 9/26/23, the South Granville Water and Sewer Authority (SGWASA) Finance Committee met in a public meeting to discuss the following topics:

1. Proposed Cap on Employee Out-Of-Pocket Costs for Health Insurance
2. Proposed Changes to Employee Payroll Processing Schedule

At the conclusion of the meeting, the Finance Committee members made the following recommendations.

1. **Proposed Cap on Employee Out-Of-Pocket Costs for Health Insurance:** To implement a \$600 monthly cap on employee health care insurance, effective July 1, 2024. Additionally, should the Board of Directors approve the monthly cap, then an employee survey will be initiated in the fall of 2023 to gain employee input on any changes to existing plan coverage for the next fiscal year. The survey information will help staff prepare the FY24-25 Budget.

**Discussion:**

**Scott N. Schroyer, Executive Director:** Provided a summary of the topic and asked the Board members to provide any questions or comments on the topic.

**Commissioner Rober Way:** Made a recommendation to cap the monthly employee insurance at \$500 per month versus the \$600 per month as recommended by the Finance Committee.

**Commissioner Kenneth McLamb:** Questioned if staff had surveyed any of the employees yet to see what effects these changes would have on their plan coverage selection.

**Scott N. Schroyer, Executive Director:** Responded that a survey was not performed, yet said that a survey will be conducted if the Board members approve the monthly insurance cap. The survey will be initiated prior to the FY24-25 draft Budget production to gain insights to possible plan changes and the costs associated with such changes.

**Jim Wrenn, Attorney:** Questioned when these changes would go into effect.

**Priscilla Adcock, Human Resources Manager:** Responded that the proposed changes would go into effect for the next insurance plan year (FY24-25).

**Commissioner Tim Karan:** Asked staff to point out the current monthly costs for the various insurance plans.

**Scott N. Schroyer, Executive Director:** Provided an overview of the current employee insurance costs as shown in Table 1 (Board members were provided with a copy at their desk and a copy was shown on screen for the audience).

**Commissioner Kenneth McLamb:** Indicated that his understanding of the monthly cap as shown in Table 1 was related to the health insurance only and not to all coverages (dental and vision) currently provided.

**Scott N. Schroyer, Executive Director:** Responded, yes, that is correct. In summary, the simplest way to automate this payroll deduction task is to have it aligned with one item (health insurance) versus multiple items.

**Councilperson Linda Jordon:** Commented that the proposed cap on employee insurance rates, if initiated, will cause changes to what insurance programs the employees select. Once we have better input and information from the employees, then additional modifications can be made to programs, etc.

**Commissioner Georgana Kicinski - Vice Chair:** Commented that this program, if adopted, needs to be communicated as related to take-home pay in terms of the monthly/annual savings they will have.

**Commissioner Rober Way:** Commented that the current monthly payment for the family plan of \$1,660.18 is extremely expensive for an employee with a family.

**Commissioner Jimmy Gooch – Chair:** Commented that is why you have 47 employees covered under (Table 1) Tier 1- Employee Only.

**Commissioner Rober Way:** Commented that at these insurance rates, an employee has to decide between providing family insurance or putting food on the table.

**Priscilla Adcock, Human Resources Manager:** Responded that these high costs of insurance have been an issue for employee retention and recruitment.

**Commissioner Georgana Kicinski - Vice Chair:** Commented that recent passage in the State Budget for Medicaid Expansion is going to help a lot of families as well in terms of insurance coverage and affordability.

**Commissioner Kenneth McLamb:** Commented that he works for the City of Durham, NC (North Carolina), and that his monthly out of pocket insurance for himself and his children is \$100.28.

**Commissioner Georgana Kicinski - Vice Chair:** Commented that if we place a cap of \$500 per month on the employee's out of pocket cost for the employee + children plan, then the employee would be saving \$171.98 per month.

**Commissioner Kenneth McLamb:** Questioned Priscilla Adcock, HR (Human Resources) Manager – Am I correct in stating that, as shown on Table 1., that an employee + children cost per month is \$671.98 per month, and if you factor in a \$500/month cap, then the employee would save \$171.98?

**Priscilla Adcock, Human Resources Manager:** Responded yes, that is correct.

**Commissioner Georgana Kicinski - Vice Chair:** Commented that providing a \$500 cap per month for an employee + family plan would save the employee \$1,100.60 per month. That's a lot of money!

**Commissioner Kenneth McLamb:** Commented that we lost a great engineer (employee) because of these high costs of insurance, and we don't want to lose any more employees because of the high cost of insurance. This is why I took the lead on this topic, and I agree with capping the monthly insurance cost for employees at \$500.

**Board Action:** A motion to cap the monthly employee out of pocket expense at \$500, effective July 1, 2024, was made by Commissioner Kenneth McLamb and seconded by Commissioner Robert Way. No further discussion followed. The motion passed unanimously (6 votes in favor).

2. **Proposed Changes to Employee Payroll Processing Schedule:** Approved the plan presented by staff to make the necessary changes to move the organization to a post-paid payroll.

**Discussion:**

**Scott N. Schroyer, Executive Director & Richard Balmer, Finance Director:** Provided an overview of the topic.

**Commissioner Georgana Kicinski - Vice Chair:** Questioned if the \$106,000 is the worst-case scenario if all employees took the leave payout?

**Richard Balmer, Finance Director:** Commented that the value could be higher depending on the total number of employees participating. However, not all employees will be able to participate in that option, therefore, some employees will ask for the option related to a loan, and others may opt out altogether.

**Commissioner Georgana Kicinski - Vice Chair:** Asked how many months the employee will have to pay back the loan if they choose that option?

**Richard Balmer, Finance Director:** Commented that the employee will have three months to pay back the loan. We want the advance and the payback to occur within the same fiscal year.

**Commissioner Georgana Kicinski - Vice Chair:** Commented that although we don't know how many employees will participate in each option, we do know current leave/compensation time balances, correct?

**Richard Balmer, Finance Director:** Responded yes, we know the prior month's ending balance for the accumulated leave.

**Commissioner Georgana Kicinski - Vice Chair:** Asked Richard Balmer if he believes the \$106,000 payout value to be a good estimate.

**Richard Balmer, Finance Director:** Responded yes.

**Commissioner Georgana Kicinski - Vice Chair:** Commented that she can't believe we're still using this archaic pay system.

**Commissioner Robert Way:** Asked if a survey has been conducted to see if employees would favor a bi-weekly pay period versus a monthly pay period.

**Richard Balmer, Finance Director:** Responded that we can't offer such a program until we get SGWASA to a post-paid payroll system, along with improvements to our financial system and time keeping software...all of these items are in action presently.

**Commissioner Georgana Kicinski - Vice Chair:** Asked what if the employee leaves prior to paying back the loan?

**Richard Balmer, Finance Director:** Responded that we'll work with our attorney on this item before we enact this.

**Attorney Wrenn:** Commented yes, I'd like to review this.

**Commissioner Robert Way:** Mr. Chair, can we get a consensus from the Board that we agree to move forward with the program and to get the employee census, so we know the financial cost

associated with this program, and then have staff bring this dollar amount back to the Board in December?

**Board Action:** A motion to move forward with the post-paid payroll processing program with staff bringing the associated options costs back to the Board as soon as practical was made by Commissioner Kenneth McLamb and seconded by Commissioner Georgana Kicinski - Vice Chair. No further discussion followed. The motion passed unanimously (6 votes in favor).

**11. American Rescue Plan (ARP) Funded Sewer System Asset Inventory Assessment (AIA) Program – Resolution of Acceptance**

**Brief Description:** In September 2022, SGWASA applied for and received approval in March 2023 for an AIA grant (Project No. AIA-W-ARP-0204) in the amount of \$200,000 for use in the Wastewater Collection System. The AIA Sewer grant was funded from state ARPA (American Rescue Plan Act) money; thus, no local funding match is required.

ARP-funded project recipients are required to provide assurance to the NCDEQ (North Carolina Department of Environmental Quality) that any Conditions or Assurances contained in the Award Offer will be adhered to. As such, the NCDEQ requires the governing body to approve a Resolution of Acceptance. The required Resolution of Acceptance is shown in Exhibit A.

**Executive Director’s Recommendation:** The SGWASA Board of Directors approve the Resolution of Acceptance for the AIA Grant related to the sanitary sewer Asset Inventory Assessment project.

**Discussion:** None.

**Board Action:** A motion to approve the Resolution of Acceptance for the AIA Grant related to the sanitary sewer Asset Inventory Assessment project was made by Commissioner Robert Way and seconded by Commissioner Georgana Kicinski - Vice Chair. No further discussion followed. The motion passed unanimously (6 votes in favor).

**12. American Rescue Plan (ARP) Funded Water System Asset Inventory Assessment (AIA) Program – Resolution of Acceptance**

**Brief Description:** In September 2022, SGWASA applied for and received approval in March 2023 for an AIA grant (Project No. AIA-D-ARP-0134) in the amount of \$150,000 for use in the Wastewater Collection System. The AIA Sewer grant was funded from state ARPA money; thus, no local funding match is required.

ARP-funded project recipients are required to provide assurance to the NCDEQ that any Conditions or Assurances contained in the Award Offer will be adhered to. As such, the NCDEQ requires the governing body to approve a Resolution of Acceptance. The required Resolution of Acceptance is shown in Exhibit A.

**Executive Director’s Recommendation:** The SGWASA Board of Directors approve the Resolution of Acceptance for the AIA Grant related to the water Asset Inventory Assessment project.

**Discussion:** None.

**Board Action:** A motion to approve the Resolution of Acceptance for the AIA Grant related to the water Asset Inventory Assessment project was made by Commissioner Robert Way and seconded by Councilperson Linda Jordon. No further discussion followed. The motion passed unanimously (6 votes in favor).

### **13. Water Shortage Response Plan Ordinance - Adoption**

**Brief Description:** In accordance with the North Carolina State Administrative Code (15A NCAC 02E .067), publicly and privately owned water systems that are required to prepare a Local Water Supply Plan shall submit a copy of their Water Shortage Response Plan and any subsequent revisions of the plan to the Division of Water Resources for review every five years with the full Local Water Supply Plan, as required by N.C. Gen. Stat. § 143-355(l).

SGWASA issued the Declaration of Intent of intent to each governing body as required for a period of 60 days, concluding on 9/15/23. During the 60-day period, SGWASA received no comments on the proposed amendment.

Having completed the requirements set forth in NCGS (North Carolina General Statutes) § 162A-6 (14c), SGWASA is authorized to adopt such an ordinance at any time after 60 days following the submission of the Declaration of Intent to each governing body.

**Executive Director's Recommendation:** The Board of Directors approve the Amended and Restated Water Shortage Response Plan Ordinance.

**Discussion:** None.

**Board Action:** A motion to approve the Amended and Restated Water Shortage Response Plan Ordinance was made by Commissioner Tim Karan and seconded by Commissioner Robert Way.

**Discussion following the Motion:** Commissioner Tim Karan discussed the need for SGWASA to continue with plans and discussions with local water providers, including the City of Oxford, to ensure backup water supplies and infrastructure are designed, built, and ready, as needed, when a drought, or other emergency issues cause a water shortage. Commissioner Karan also mentioned the Inter Basin Transfer (IBT) that was a part of the asset purchase agreement with the City of Creedmoor.

**Board Action:** The motion passed unanimously (6 votes in favor).

### **14. Resolution: Deputy Finance Officer Appointment – Revision**

**Brief Description:** Based on Board approved Organizational Chart, effective 07/01/23, the existing Resolution for Deputy Finance Officer needs to be revised to reflect the following:

- The Assistant Finance Director position appointed as Deputy Finance Officer.
- The Executive Director retaining appointment as dual Deputy Finance Officer.

With the addition of the Assistant Finance Director position, SGWASA will migrate to the Assistant Finance Director serving as Deputy Finance Officer when all necessary documentation and procedures are in place. Appointing dual Deputy Finance Officers will provide flexibility

and continuity of operations should the Finance Director and/or Assistant Finance Director be out of the office simultaneously or for an extended period of time.

**Executive Director's Recommendation:** The South Granville Water and Sewer Authority Board approve the revised Resolution Appointing Deputy Finance Officers as shown in Exhibit A.

**Discussion:**

**Commissioner Georgana Kicinski - Vice Chair:** We're pleased to have Reuben Cardin on board as SGWASA's Asst. Finance Director.

**Board Action:** A motion to approve the revised Resolution Appointing Deputy Finance Officers as shown in Exhibit A was made by Commissioner Kenneth McLamb and seconded by Councilperson Linda Jordon. No further discussion followed. The motion passed unanimously (6 votes in favor).

### **15. Resolution Designating Officials for Check and Purchase Order Countersigning Authority**

**Brief Description:** Based on the Board approved Organizational Chart, effective 07/01/23, the existing Resolution for Check and Purchase Order Countersigning Authority needs to be revised to reflect the following:

- Add: The Assistant Finance Director
- Remove: Utility Engineer Operations Manager
- Remove: Chairman of the Board
- Remove: Vice-Chairman of the Board

With the addition of the Assistant Finance Director position, SGWASA will migrate to the Assistant Finance Director countersigning Checks and Purchase Orders when all necessary documentation and procedures are in place. Countersigning of documents can be accomplished without future inclusion of the Engineer Operations Manager or elected officials.

**Executive Director's Recommendation:** The South Granville Water and Sewer Authority Board approve the revised Resolution for Check and Purchase order Countersigning Authority as shown in Exhibit A.

**Discussion:** None.

**Board Action:** A motion to approve the revised Resolution for Check and Purchase order Countersigning Authority as shown in Exhibit A. was made by Commissioner Robert Way and seconded by Councilperson Linda Jordon. No further discussion followed. The motion passed unanimously (6 votes in favor).

### **16. Resolution Endorsing the Upper Neuse River Basin Association Consensus Principles II for Revised Falls Lake Rules**

**Brief Description:** The South Granville Water and Sewer Authority (SGWASA) is a member of the Upper Neuse River Basin Association (UNRBA). On September 20, 2023, the UNRBA Board of Directors approved revised consensus principles ("Consensus Principles II", see separate attachment A) for the readoption of the Rules. The UNRBA member local government

jurisdictions desire to endorse the Falls Lake Consensus Principles II for the readoption of the Rules. The UNRBA is requesting all members adopt a resolution endorsing the Upper Neuse River Basin Association Consensus Principles II for revised Falls Lake Rules.

**Executive Director's Recommendation:** The South Granville Water and Sewer Authority Board approve the Resolution Endorsing the Upper Neuse River Basin Association Consensus Principles II for revised Falls Lake Rules as shown in Exhibit A.

**Discussion:**

**Commissioner Georgana Kicinski - Vice Chair:** Provided the Board members with an overview of the project and the subject Resolution.

**Board Action:** A motion to approve the Resolution Endorsing the Upper Neuse River Basin Association Consensus Principles II for revised Falls Lake Rules as shown in Exhibit A. was made by Commissioner Georgana Kicinski - Vice Chair and seconded by Commissioner Robert Way. No further discussion followed. The motion passed unanimously (6 votes in favor).

**17. FY23-24 Pay and Classification Plan Update: Request for New Position: Project Manager**

**Brief Description:** To provide the Executive Director with some relief on several of the engineering duties related specifically to field-related utility projects, the Executive Director believes it is timely to consider adding a new job position, titled Project Manager.

The Executive Director is requesting the Board of Directors approve the Position Classification Plan and Organizational Chart that includes the proposed Project Manager's position.

**Executive Director's Recommendation:** The SGWASA Board of Directors approve the updated FY23-24 Position Classification Plan as shown in Exhibit A.

**Discussion:**

**Commissioner Kenneth McLamb:** Asked the Executive Director if the position might be filled with a qualified internal candidate.

**Scott N. Schroyer, Executive Director:** Responded that we have some employees who could be promoted to this role, thus creating a vacancy and another promotional opportunity for an employee.

**Board Action:** A motion to approve the Executive Director's recommendation was made by Commissioner Kenneth McLamb and seconded by Councilperson Linda Jordon.

**Discussion:**

**Commissioner Georgana Kicinski - Vice Chair:** Asked the Executive Director if the Project Manager's position was part of the approved FY23-24 Budget.

**Scott N. Schroyer, Executive Director:** Replied no, this position was not in the approved FY23-24 Budget. The proposal is to not fill the currently funded vacant Utility Engineer's

position this fiscal year and use that funding to support the Project Manager's position. I will reassess the Utility Engineer's position next year during the FY24-25 Budget preparation.

**Commissioner Georgana Kicinski - Vice Chair:** Considering the Resolution we just passed that provides the Engineering Director the authority to sign checks and purchase orders, is there a need to change this Resolution due to the current vacancy of the Engineering Director?

**Scott N. Schroyer, Executive Director:** Replied no, we plan to hire an Engineering Director this fiscal year, so we thought it was efficient to leave the structure in place as noted in the Resolution.

**Board Action:** The motion passed unanimously (6 votes in favor).

### **18. Project Updates**

Scott N. Schroyer, Executive Director, will provide the Board with updates on the current Engineering projects.

#### **Discussion:**

**Commissioner Kenneth McLamb:** Residents are asking me about the three ways to remove PFAS...what are they again?

**Scott N. Schroyer, Executive Director:** Granulated Activated Carbon is one of the methods, and the other two escape me. (note: activated carbon, ion exchange and reverse osmosis).

### **19. Comments from the Executive Director**

Thank you Richard Balmer, Finance Director, for your presentations this evening. Priscilla, Adcock, Human Resources, thank you as well for your presentations. Additionally, I want to once again acknowledge Reuben Carden, Asst. Finance Director, we're glad you're here. Lastly, thank you Board of Directors for your input and approval on tonight's meeting agenda items.

### **20. Comments from SGWASA's Attorney**

None for open session, yet I have a matter for Closed Session this evening.

### **21. Comments from Board Members:**

**Commissioner Robert Way:** No comments.

**Commissioner Kenneth McLamb:** No comments.

**Commissioner Tim Karan:** No comments.

**Councilperson Linda Jordon:** I want to thank Scott, Richard, and Priscilla for their prep work ahead of the September Finance Committee meeting. And again, welcome Reuben to SGWASA.

**Commissioner Georgana Kicinski, Vice-Chair:** The Finance Committee meetings are always full of great information, and I know there is a lot of work that goes into the meeting agenda.

Additionally, I want to welcome Reuben to the SGWASA team, I look forward to you joining us at the next Finance Committee meeting.

Lastly, I would like to announce that with the State's recent Appropriations Act, SGWASA received \$5,000,000. On behalf of SGWASA, I want to thank all State legislators who were



