NEUSE REGIONAL WATER AND SEWER AUTHORITY
MINUTES OF BOARD MEETING DATED
Thursday, May 22, 2025

The Neuse Regional Water and Sewer Authority held its Monthly Board Meeting on Thursday, May 22, 2025 at 5:30 P.M. at the Neuse Regional Water and Sewer Authority Water Treatment Plant.

MEMBERS PRESENT:	Barry Sutton, Steve Miller, Virgil O'Neal, Rhonda Barwick, Dylan Haman, Vallie Johnson, Billy Kennedy, Cody Murphy, Dennis Pope, Darrell Rudisill, Barbara Seaforth, Victor Styles
MEMBERS ABSENT:	Jamie Cannon, Polly Hardee, Scott Howard, Bruce Parson
ALTERNATES PRESENT:	B.R. Jackson
NRWASA STAFF PRESENT:	Harold Herring - Executive Director Brandie Thompson – Administrative Assistant Kathryn Barker – Administrative Secretary Charlie Colie - WTP Superintendent Dustin Smith – Facilities Supervisor Jamie Norment – Legal Counsel
SPECIAL GUESTS:	None

Call to Order

Chairman Barry Sutton called the meeting to order at 6:01 pm.

Mr. Billy Kennedy moved to adopt the Agenda as presented. Seconded by Mr. Darrell Rudisill and upon unanimous vote, the motion carried.

ACTION ITEMS

1. Approval of March 2025 Minutes .... **Chairman Barry Sutton**

Mr. Dylan Haman moved to approve the March 28, 2025 Minutes as presented. Seconded by Mr. Virgil O'Neal and upon unanimous vote, the motion carried.

2. Approval of May 2025 Treasurer's Report .... **Chairman Barry Sutton**

Mr. Victor Syles moved to adopt the May 2025 Monthly Treasurer's Report. Seconded by Mr. Dylan Haman and upon unanimous vote, the motion carried.

3. Amendment #1 2024/2025 Operating Budget .... **Mr. Harold Herring**

Mr. Harold Herring referred Board members to their Agenda packet, which reflects Revenues and Expenses for the year that have been changed. He stated one of the biggest items is an increase in Revenues this year from the interest earned from our interest rates by an additional $300,000, also an increase in our Revenues from the first payment of several from 3M for $456,831. Also an increase in Sales Tax by $12,500. He further referred the Board to the expenditures listed and stated that some of the monies that NRWASA would be receiving, he would like to transfer to a Capital Reserve Fund for Capital Projects and also set up a Reserve Fund to capture the $456,831 in PFAS and have a PFAS Reserve fund.

Mr. Harold Herring asked the Board if they had any further questions and recommended the Board to Approve the Amendment #1 for the 2024/2025 Operating Budget. Mr. Victor Styles moved to approve the FY2024/2025 Operating Budget Amendment #1. Seconded by Mr. Billy Kennedy and upon unanimous vote, the motion carried.

4. 2025/2026 Chemical Bid-Part 1 .... Mr. Charlie Colie

Mr. Charlie Colie referred the Board to the Agenda packet with the Chemical Bid tabulation sheet for their review.

Mr. Steve Miller asked how the Bids compared to last year. Mr. Charlie Colie advised the Board that the Bids were close, but they did slightly increase from last year.

Mr. Charlie Colie recommended that the Board award the bids to the Vendors per the tabulation sheet contained in the Agenda Packet.

Mr. Victor Styles moved to approve the Chemical bids for all Chemical Vendors as presented. Seconded by Mr. Cody Murphy and upon unanimous vote, the motion carried.

5. Resolution for Additional Grant Funding of PFAS Study, Spring 2025 .... Mr. Charlie Colie

Mr. Charlie Colie recommended the Board to approve the Resolution for Additional Grant Funding of PFAS Study and hoping to be granted another $500,000 to help with the challenges that NRWASA was facing with PFAS.

Mr. Dylan Haman moved to approve the Resolution for Additional Grant Funding for PFAS Study, Spring 2025. Seconded by Mr. Billy Kennedy and upon unanimous vote, the motion carried.

6. PBMares FY2024/2025 Annual Audit .... Mr. Harold Herring

Mr. Harold Herring referred the Board to the Agenda packet for the Audit letter for the Audit that is to be completed for July 1, 2024 to June 30, 2025. Mr. Harold Herring advised the Board the cost is $39,500 to complete the Audit and further stated that he recommended the Board to approve.

Mr. Dylan Haman moved to approve the PBMares FY2024/2025 Annual Audit. Seconded by Mr. Victor Styles and upon unanimous vote, the motion carried.

7. NRWASA COLA and Holidays .... Chairman Barry Sutton

Mr. Barry Sutton advised the Board that he would be speaking on behalf of Mr. Bruce Parson (Personnel Chairman), who could not be in attendance at the Board meeting. He further referred the Board members to their Agenda packet with a memo from Mr. Harold Herring regarding a Cost of Living and proposed change in the Holiday schedule. Mr. Barry Sutton further advised that the Personnel Committee recommended a Cost of Living of 3% for the upcoming FY25-26 year for all the NRWASA employees. He also stated that Mr. Harold Herring made a recommendation to the Personnel Committee to increase the number of Holidays from 11 to 12. Mr. Barry Sutton advised the Board that the change would be from the current 2 days off at Christmas to now 3 days off at Christmas.

Mr. Barry Sutton further asked Board to approve the motion based on Mr. Harold Herring's request and the recommendation from the Personnel Committee.

Mr. Vallie Johnson moved to approve the NRWASA COLA and Holidays. Seconded by Mr. Virgil O'Neal and upon unanimous vote, the motion carried.

8. Finance Committee- FY25/26 Annual Operating Budget .... Mr. Steve Miller

Mr. Steve Miller updated the Board that the Finance Committee held a meeting on May 8, 2025 with Mr. Harold Herring to discuss the Budget. Revenue is still maintained at $4.00/1,000 gallon water rate as approved back at the March 27, 2025 Board meeting. Total Budget amount for next year is $10,942,800 with current budget is 10,932,800, a $10,000 difference. Mr. Steve Miller stated that he felt that this was remarkable considering the rising costs in this day in time and pressures that we have. He commended Mr. Harold Herring and staff on their efforts on putting this Budget together. He further pointed out to the Board that the Budget does reflect the NRWASA 3% COLA that was recommended by the Personnel Committee. He further pointed out that Mr. Harold Herring is seeing an increase in Health Insurance, Disability Insurance as far as Personnel expenses. Mr. Steve Miller advised the Board that the Operating expenses went down about $40,000. He further stated there were a few increases and decreases, biggest change was Contract Services. Capital Outlay Requests was $115,000 for lab equipment, a truck and a trailer. Mr. Steve Miller further advised the Board that during the Finance Committee Meeting there were discussions regarding the Capital Projects Budget. Mr. Miller referred the Board to the Agenda with the list of the Capital Projects. He further reviewed the FY25/26 Annual Operating Budget.

Mr. Harold Herring referred the Board to the Agenda packet and reviewed the Goals and Objectives with the Board.

Mr. Steve Miller recommended that the Board move to adopt the FY25/26 Annual Operating Budget as presented.

9. Public Hearing FY25/26 Annual Operating Budget .... Mr. Steve Miller

The NRWASA Board opened the Public Hearing for discussion of the FY25/26 Annual Operating Budget at 6:27 pm. There were no public comments and no written comments offered. The Public Hearing was closed at 6:27 pm.

10. Adoption of FY25/26 Annual Operating Budget .... Chairman Sutton

Mr. Virgil O'Neal moved to adopt the FY25/26 Annual Operating Budget as presented. Seconded by Mr. Vallie Johnson and upon unanimous vote, the motion carried.

DISCUSSION ITEMS

11. Ward & Smith .... Mr. Jamie Norment

Mr. Jamie Norment updated the Board that EPA is reconsidering the PFOA/PFAS regulations. Mr. Norment advised that the 4 parts per trillion will not change, at least not at this time. There may be other changes that may roll back, but at the moment the EPA will not change the PFOA/PFAS standard. Mr. Norment advised the Board the EPA has extended the compliance period from 2029 to 2031, which gives more time to prepare and raise money. Mr. Norment further stated the in the NC General Assembly there are some PFAS legislation that may help NRWASA. All the legislation is still pending and has not been passed and will most likely not pass until some time next year.

Mr. Jamie Norment advised the Board that NRWASA has settled with 3M and Dupont. NRWASA has received the first settlement check from 3M for $456,831. By the end of the year, NRWASA should receive around $2.2 Million. Next year NRWASA could see around $800,000 to $1 Million. Mr. Jamie Norment further advised the Board that NRWASA could see around $3-$4 Million once the settlements are complete.

Mr. Jamie Norment also advised the Board that all Board members and Alternative should have received the Annual Evaluation for the Executive Director, Harold Herring.

Mr. Barry Sutton updated the Board regarding the upcoming issue on Fluoride and upcoming issues that may arise. Mr. Jamie Norment advised the Board the biggest concern on the legal stance will be whether there will be a Federal standard on Fluoride, and what an Entity can and can not do. Mr. Jamie Norment further advised the Board that NRWASA look at the regulation, review the insurance policy to see if its covered or coverable and we give an assessment on the potential exposure. Mr. Jamie Norment advised the Board that he thought the exposure was very low at this time.

Mr. Barry Sutton asked the Board Members of the Member Entities if they had any concerns or questions from their customers concerning Fluoride.

12. Miscellaneous & Informational Discussion Items .... Chairman Barry Sutton

Mr. Darrell Rudisill asked Mr. Harold Herring to update the Board on the river levels and land acquisition. Mr. Harold Herring advised the Board that the river is still high at this time, due to the 7 inches of rain that was received last week. He further advised that the Neuse River has been high since the last Board meeting in March. He also stated that he spoke with one of the land owners, but has not met in person. The land owner would like to meet once the river levels recede so she can see what is going on. Mr. Harold Herring stated that more information will be forthcoming once he has a meeting with the land owners.

ADJOURNMENT

Being no further business before the Board, the meeting was adjourned without objection at approximately 6:48 pm. Motion to adjourn by Mr. Virgil O'Neal, Seconded by Mr. Vallie Johnson, and after unanimous vote, the motion carried.

Sincerely,

Kathryn J. Barker

Kathryn J. Barker
Administrative Secretary

Virgil E O'Neal

Virgil O'Neal,
NRWASA Secretary