

**THE BOARD OF COMMISSIONERS OF THE COUNTY OF CRAVEN,
SITTING AS THE BOARD OF DIRECTORS FOR THE CRAVEN COUNTY
WATER DISTRICT, MET IN REGULAR SESSION ON MONDAY OCTOBER
19, 2009 IN THE COMMISSIONERS' ROOM OF THE CRAVEN COUNTY
ADMINISTRATION BUILDING, 406 CRAVEN STREET, NEW BERN, NORTH
CAROLINA. THE MEETING CONVENED AT 9:40 A.M.**

MEMBERS PRESENT:

- Chairman Jason R. Jones
- Vice Chairman Theron McCabe
- Commissioner Lee Kyle Allen
- Commissioner Perry L. Morris
- Commissioner Johnnie Sampson, Jr.
- Commissioner M. Renée Sisk
- Commissioner Steve Tyson

STAFF PRESENT:

- Harold Blizzard, County Manager
- Ray H. Moser, Assistant County Manager
- Richard F. Hemphill, County Finance Officer
- Gwendolyn M. Bryan, Clerk to the Board
- Jim Hicks, County Attorney
- Aaron Arnett, County Attorney's Office

Following the roll call, Commissioner Sisk moved to approve minutes of September 8, 2009 regular session, seconded by Commissioner Morris and unanimously carried in a roll call vote.

**CRAVEN COUNTY WATER SYSTEM MASTER PLAN TECHNICAL MEMO #3
PRESENTATION**

Kevin Eberle, McKim & Creed Engineers presented the results of water quality tests in the Castle Hayne aquifer and the applicable water treatment processes. The engineers recommended Nonfiltration as the treatment option for the new Lower Castle Hayne wells. It was proposed to build the system with 4.5 gallon per day (gpd) capacity, but install only filters as needed, adding on to the system later. The total project cost for the proposed plan is \$35 million.

Next Steps:

Nanofiltration Pilot Testing	\$ 100,000
Funding & User Cost Analysis	\$ 25,000
Concentrate WQ Analyses	\$ 9,500
Neuse River Discharge Modeling	\$ 40,000
Preliminary Engineering Report	\$ 39,400
NF Concentrate Toxicity Testing	\$ 18,000
Environmental Assessment	\$ 42,200
Test Well Drilling Program	\$ 150,000
 Estimated Subtotal	 \$ 428,100

- Acquire Purchase Options for Well Sites \$??????
- Acquire Purchase Option for WTF Site \$??????

The Division of Water Resources has created a regional authority to coordinate alternatives to avoid depletion of alternative aquifer resources. Nanofiltration membranes can be replaced with reverse osmosis membranes in the future, if needed. Currently Nanofiltration Systems are in place in the Town of Belhaven, the City of Jacksonville and New Hanover County. County Manager, Harold Blizzard, stated that staff thinks this recommendation is the best option despite higher upfront cost, and that it would provide the most cost effective alternately over the long range.

Commissioner Sisk moved to proceed with Nanofiltration and follow the next steps, as listed, at a cost of \$428,100, seconded by Commissioner Morris and unanimously carried in a roll call vote.

INDUSTRIAL PARK WATER/SEWER AGREEMENT

Water Superintendent, Rusty Hayes, presented a proposed amendment to the Industrial Park Asset Transfer Agreement with the City of New Bern that will make sewer service available to the Craven County Judicial Center at the same rate as other Industrial Park customers. The amendment will also transfer the remaining Industrial Park water customers on the south side of US 70 to the City of New Bern. The Water Board was requested to approve the agreement amendment, and authorize the Chairman to executive an agreement to transfer some of the water assets on the south side of the Industrial Park to the City of New Bern. Commissioner Morris moved to enter the amended agreement amendment with the City of New Bern, as recommended and to authorize the Chairman's signature, seconded by Commissioner Sisk, there being six (6) "Ayes" and one (1) "Nay" from Commissioner Jones in a roll call vote.

CROATAN STATION WATER ALLOCATION REQUEST

A revised request from the owner of the proposed development known as Croatan Station was presented by Thomas Engineering for the release of 60,000 gallons per day (gpd) water capacity. A previous request to reserve 240,000 gpd water capacity for a six year period was denied. The Water Board indicated it would give consideration to a request for a lesser amount, subject to the City of New Bern water improvement project being completed, thus removing Craven Wood Energy as a County water customer, and considering any new water rules and/or fees the Water Board might implement in the coming months which would apply to this development. Mr. Thomas indicated that his client would be agreeable to the conditions as stipulated. During discussion Commissioner Allen stated that, if approved, the County needs to ensure that contingencies are captured in writing. An alternative would be to wait until the Industrial Park/Clarks Road project is complete, releasing the extra gpd, and the development of water rules. The new treatment plant is projected to be operational by August 1, 2013. Until then, approximately 140,000 gpd/extra capacity would be required if Croatan Station is approved. Commissioners Allen, Jones and McCabe stated that they feel uncomfortable making this kind of commitment with so many unanswered questions. Commissioner Tyson stated that a policy needs to be established for all such future requests. He asked the County Attorney to help with general guidelines as to what can and cannot be done. Commissioner Morris moved to table consideration of the request until more information becomes available, seconded by Commissioner McCabe and unanimously carried.

At 11:05 a.m. Commissioner Morris moved to adjourn, seconded by Commissioner McCabe and unanimously carried.

Chairman Jason R. Jones
Craven County Board of Commissioners

Gwendolyn M. Bryan
Clerk to the Board