

Woodfin Sanitary Water and Sewer District

Meeting of Board of Trustees

Minutes of June 15th, 2026

Chairman Gordon Maybury called the meeting to order at 5 p.m. In attendance were Larry Hopkins, Vice Chair; Carter James, Secretary; Dr. Joseph Martin, Finance Officer; and Seth Eckard, Executive Director.

Approval of Agenda

The Board of Trustees approved the agenda by unanimous consent.

Approval of Minutes

Trustee Hopkins seconded Trustee James' motion to approve the May 18th, 2026, minutes. The motion carried unanimously.

MSD Report

Ms. Bryson provided the board with the MSD project and budget updates. She informed the Board that Mr. Hardy planned to retire at the end of this calendar year. She also said that the decision to remove the Craggy Dam would take approximately two years.

Public Comment

No one from the public spoke.

Director's Report

Chairman Maybury noted that the District appeared to be on track to receive more revenue than it expended during the fiscal year. Director Eckard explained that this was due to several factors, including salary savings resulting from an employee being out on workers' compensation for the past six months, the spillway project not being completed during the fiscal year, and FEMA grant reimbursements received for Hurricane Helene-related expenses incurred by the District in the prior fiscal year.

Director Eckard noted that we will dip into our crash reserves next fiscal year to complete the spillway and second lagoon projects.

Director Eckard then provided the following updates:

Reservoir Level

The District's reservoir is currently at **100% capacity**.

Lead and Copper Service Line Inventory

As part of the District's ongoing Lead and Copper Service Line Inventory process, staff has identified **3,452 lead and copper service lines** to date. The inventory remains an active project, and staff will continue updating the Board as additional information is verified.

Utility Rate Informational Notice Insert

A copy of the rate increase notice has been sent to all of our customers as an insert with their next bills. A copy of the notice can be found in the reading materials.

State of the District Presentation

The Woodfin Town Manager has afforded me the opportunity to present a State of the District presentation at their August 18th meeting at 5 p.m. The Town Manager said that they already had a guest community speaker lined up for their July meeting.

Notice of Deficiency: Woodfin Reservoir Dam

Department of Environmental Quality Dam Safety staff inspected the Woodfin Reservoir Dam and issued a Notice of Deficiency on June 3rd, identifying several items that require follow-up. The notice cites Hurricane Helene-related damage to the downstream slope, seepage on the downstream slope, and renewed vegetation growth on the front slope of the dam. DEQ is requiring the District to submit a written response within 30 days addressing these conditions, and any repair plans must be prepared by a qualified professional engineer and submitted to the Dam Safety Program for review and approval before work begins. The notice also reminds the District that the dam is classified as high hazard and that the Emergency Action Plan must be updated annually and resubmitted to DEQ for approval. Staff is currently working with McGill Associates to draft a response letter outlining how we will address each item. Overall, these items are relatively minor. We anticipate the following cost range to address each item.

New Business

A. Billing by Zone Information

Dr. Martin worked with Springbrook to develop the attached report, which shows amounts billed by rate code from July 1, 2025, through June 1, 2026.

The report includes all available data for that period, including the number of customers by zone, billed amounts, and water consumption. The customer count is shown as a distinct count.

The most important categories to focus on are the monthly and bi-monthly rows. Bi-monthly zones generally represent residential customers, while monthly zones generally represent commercial customers.

B. Resolution 2026-08 Medicare Supplement Stipend Policy and Agreement

The purpose of this memorandum is to present the Board of Trustees with a proposed Medicare Supplement Stipend Policy and Agreement for eligible District employees.

The proposed policy would allow a regular District employee who is otherwise eligible for District-sponsored medical insurance, and who is enrolled in Medicare, to voluntarily waive District-sponsored medical coverage and receive a monthly Medicare supplement stipend in lieu of the District paying for employee medical coverage. Approval would not be automatic and would require supporting documentation, a voluntary waiver of District medical coverage, and approval by the Executive Director and Finance Officer.

Under the proposed policy, the monthly stipend would be based on the documented monthly cost of approved Medicare-related coverage. This may include Medicare Part B, Medicare Supplement/Medigap, Medicare Advantage, and/or Medicare Part D premiums. The District

may also approve a gross-up amount to help offset estimated payroll tax impacts, provided the amount is approved in writing and budgeted.

The policy includes important compliance language stating that it must be administered consistent with applicable federal and state law, including Medicare Secondary Payer rules, tax rules, nondiscrimination requirements, plan documents, and carrier requirements. The policy also makes clear that the District may modify, suspend, or discontinue the stipend policy at any time.

To participate, an eligible employee would be required to provide proof of Medicare enrollment, proof of applicable monthly premium amounts, and a signed employee certification. The stipend would begin only after approval and generally start during the first payroll period after the District confirms the employee's waiver of District medical coverage and receives the required Medicare documentation.

The policy also provides that an employee may discontinue the stipend and request District medical coverage only during open enrollment or upon a qualifying event, subject to applicable plan rules and carrier approval. The stipend would end if the employee separates from employment, becomes ineligible, enrolls in District medical coverage, fails to provide required documentation, loses Medicare coverage, or if the District modifies or discontinues the policy.

Chairman Maybury seconded Trustee Hopkins' motion to approve Resolution 2026-08. The motion carried unanimously.

C. Public Hearing: Fiscal Year 2026-2027 Budget

Chairman Maybury opened the public hearing at 5:20 p.m. No one spoke during the public hearing. The public hearing was closed at 5:22 p.m.

D. Resolution 2026-09 Fiscal Year 2026-2027 Budget Ordinance

Director Eckard provided a few notes regarding the budget.

Trustee James seconded Trustee Hopkins' motion to approve Resolution 2026-09. The motion carried unanimously.

Call of the Board

Director Eckard requested that the Board consider changing the date of the October Board meeting. Trustee James seconded Trustee Hopkins' motion to change the date of the Board meeting from October 19th, 2026, to October 12th, 2026. The motion carried unanimously.

Closed Session

At 5:37 p.m., Chairman Maybury made a motion to go into Closed Session Pursuant to NC General Statute 143-318.11(a)(6), seconded by Trustee Hopkins. The vote was unanimous. At 5:43 p.m., Trustee Hopkins made a motion to go out of Closed Session, seconded by Chairman Maybury. The vote was unanimous.

Adjournment

The meeting was adjourned at 5:49 p.m.