

NCOWCICB
Meeting Agenda with Minutes
December 8, 2023 9:00 a.m.
LOCATION: Courtyard Raleigh Cary/Parkside Town Commons
1008 Parkside Main Street Cary, NC

9:00 a.m. CALL TO ORDER: Russ Davis
OPENING PRAYER: Jerry Pearce
ROLL CALL: all present
READING OF ETHICS STATEMENT
ETHICS STATEMENT: In accordance with the State Government Ethics Act, it is the duty of every [Board] member to avoid both conflicts of interest and appearances of conflict. Does any [Board] member have any known conflict of interest or appearance of conflict with respect to any matters coming before the [Board] today?
If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.
Jerry Pearce, Chris Dobbins, David Swinney

9:05 a.m. Recognition of any attending public and request to address board (please note: public may address the Board during this section of board meeting. Board will not respond to comments or request made by public. Request made by public during this session will be placed on a future board agenda for discussion. Public will be allowed maximum of five (5) minutes per person to address board. Public will not be allowed comment for remainder of board meeting.

Grant Simpkins, Counsel, Doug Lassiter NCSTA, Jonathan Godfrey, OWP, Jeff Kerr OWP
Jonathan Godfrey requests that we add a third day for installer school to allow for more thorough presentation of pumps etc, not sure if it would shut down new applicants, for GL IV takes two days classes after installer class but would like to have a separate class for these students with set class criteria.

9:10 a.m. Approval of minutes from 7/14/23 Meeting. See attached
Motion to approve David Swinney, 2nd Jerry Pearce, approved

9:15 a.m. Treasurer's Report by Jerry Pearce, Treasurer
Financial Report as of November 30, 2023

Monies on hand:	
First Horizon Operating Account	\$269,675.48
First Citizens*	\$246,582.67
Bank of Oak Ridge*	\$234,448.51
Dogwood*	\$243,643.06
North State Bank*	\$237,046.15
First Bank*	\$227,286.38
Towne Bank*	\$153,972.49
KS Bank*	\$125,967.36
First National*	<u>\$206,312.13</u>
Total Monies on hand	\$1,944,934.23

(*CD held for future enforcement)

See detailed YTD Financial Report Attached

Note: Fiscal year runs 7/1 – 6/30

Motion to approve: presented by Jerry Pearce, we will be seeking another bank for a cd to keep

Below 250K for insurance purposes, motion Jim Beeson, 2nd Russ Ayers, approved

9:35 a.m.

Update from Administrator:

- The annual audit for NCOWCICB has been completed on a clean report was received
- Review of current rules:
As stated in the previous meeting, a periodic review of all rules is required by RRC. NCOWCICB rules are on the schedule for this process in 2024. The first step of this process is for the Board to determine if the rules are necessary or unnecessary. The Board's determination then goes to RRC and are posted on their website and our website. Our current rules are very concise.
Motion needed as follows: Move that the Board makes an initial determination that all existing Board rules are deemed necessary. Motion Jim Beeson, 2nd Jerry Pearce, approved
The Board will again vote on the rules at the May meeting.

- REMINDER Any Board member that has not taken the required Ethics training should do so **immediately**. Once you have taken the course please send me a copy of the completion certificate. Information for required Ethics training for Board members can be found at <https://www.ncsbe.gov/Ethics/Education>
 - The following is what the Ethics Commission records show regarding the Board member's Ethics Training as of 12/8/23:

Board Member	Last Date Rcvd	Next Due Date
Russ Davis	1/13/22	1/13/24
Russ Ayers	12/7/21	12/7/24
Jerry Pearce	12/5/21	12/8/24
Glenn Hines	4/20/22	4/20/24
Michael Robinson	12/8/22	12/8/24
Walter James	3/14/23	3/14/25
Chris Dobbins	7/03/23	7/03/25
David Swinney	7/13/22	7/13/24
Jim Beeson	12/8/21	12/7/24
Connie Stephens(EL)	6/29/23	6/29/25

SEI Filings will be due for each Board member no later than 4/15/24. Please file early so that you do not run into issues with their website on the last day.
<https://ethics.nc.gov/seis/regular-filers>

- Class Approval Request:
Request for class approvals:

Approval Request Received:

NCSTA reapproval of all previous courses

Jerry, David and Chris will recuse from discussion

Motion to approve: Motion Russ Ayers, 2nd Glenn Hines, approved

NCSU reapproval of all previous courses

Motion to approve: Motion Chris Dobbins, 2nd Jerry Pearce, approved

OWP reapproval of all previous courses

Motion to approve: Motion Jim Beeson, 2nd Chris Dobbins, approved

Johnson County reapproval of previous course

Motion to approve: Motion Jim Beeson, 2nd David Swinney, approved

Chatham County reapproval of previous course

Motion to approve: Motion David Swinney, 2nd Russ Ayers, approved

Granville Vance County reapproval of previous course

Motion to approve Motion Jim Beeson, 2nd David Swinney, approved

Walter James made a motion to enforce requirements of no retroactive approvals with no more exceptions, 2nd Russ Ayers, approved Jim Beeson opposed, due to it already being a policy

- 2022 and 2023 have been record breaking years for certification applicants. By the end of 2023 we will have over 3000 current certification holders. It has been a busy couple of years.
- 2024 Renewals are continuing to come in. The due date to be on time and assure that the certification holder has no interruption of certification is Nov 15 annually. All renewals that were postmarked on or before Nov 15 have been processed and the cards have been sent to the certification holder. I am currently working on those late receipts however those that met the requirement of the due date do hold priority. As is always the case we will continue to see renewals come in all the way into March as April 1st is last date to not have to reapply. However the expiration date for everyone is the same 12/31.
- The Board's decision last year to increase education requirements for Inspectors was a good decision, however we may need to consider further requirements for Inspectors. The most recent Inspector class that I attended had attendees that had no comprehension of any components of a system i.e. the basics of a system. I'm seeing this more and more. Which brings us back to the suggestion that a prerequisite for Inspector be that they have held an Installer certification of a specified level for X amount of time. We have precedent set for a prerequisite in the process for Evaluator. 90A-74 (2) gives the board the authority to set eligibility requirements. Discussion: a lot of discussion was held, majority agree that we need additional requirements with some pre-requisites, area of concern would be have interruption of service with our numbers now we won't have any interruption of service, suggestion 3-5 year GL IV, Operator 1-3, Evaluator, Jerry Pearce Motion GL IV for 2 years, or current subsurface operator, or current evaluator required to become inspector, 2nd David Swinney, approved, opposed Walter James
- Several comments have been received regarding Grade Levels. We currently have 4 levels for installers. Grade Level I is useless to the installer and no one applies for that level. Grade Level II is the most commons level and serves the majority of normal residential systems in NC. Grade Level III is very seldom applied for. Grade Level IV is highest level and covers all system types. To change these levels to only have II and IV would require a GS change because of the fee structure listed there and we would also need to change the rules to reflect these changes. In the end it would be worth it to only have the two levels.

If the Board decides to pursue this change it would need to implementation with any current GL III being grandfathered into a GL IV and any GL I being grandfathered into a GL II. This would be an almost mute point as GL I and GL III are such a small portion of the database. Discussion: much discussion held, David Swinney made motion to move forward with changing to GL II, and GL IV being the only Grade Levels, 2nd Glenn Hines, approved

- Other concerns and comments received about certification holders. Discussion Russ Davis advised that each Board member should take some time with General Statute and review other things that you may want to change, Jim Beeson asked for opinions on term limits for Board members other Boards have some term limits and can skip a term and then get reappointed. After discussion no affirmative motion was made to pursue term limits

Discussion held about testing Grade Level II, Grade Level III, Grade Level IV. In the beginning of the Board it was decided to only test higher levels, motion by Glenn Hines to test all levels, 2nd Jim Beeson, Approved

Concerns about Evaluator process and potentially having some oversight over their work. Board recognizes that the potential for issues down the road may exist for evaluator systems that are installed. Discussion held as to what could be done in future for oversight. Jim stated Evaluators carry insurance for each site. Topic tabled for future input into how the Board could potentially address the issue

Concerns about Evaluator only using certain installers. Evaluators are within their rights to do so as a business decision and should disclose this to clients at the beginning of relationship with client.

- 18E rules: The department has yet to send me a copy of the 18E rules that can go to print without having draft on it. I have been told they will also provide us with a “cheat sheet” that references the .1900 rules to the 18E changes. Once this is received from the Department a copy of this will be mailed to each certification holder. I’m sure each of you are aware of all the workings on the 18E. It should be an interesting year watching this process.
- There have been several GS changes regarding onsite systems this year. One in particular reads as follows: HB 627 Section 6(c) Wastewater systems issued under G.S. 130A-336.2 shall follow rules established by the North Carolina On-site Wastewater Contractors and Inspectors Certification Board. G.S. 130A-336.2 is Alternative wastewater system approvals for nonengineered systems. i.e. the statute that began the Evaluator certification. If the statement in HB627 is taken at face value it would mean that NCOWCICB would write the rules for systems done by Evaluators. I’m not sure that was the intent of the statement but it needs to receive some clarification so that those systems follow the 18E rules.
- Once we complete the periodic rule review process we will also need to start the process of writing new rules regarding the process for Inspectors on existing system reconnection within the same footprint. We need a committee to work on this and any other changes, additions, etc that we need to do for rules

Board will form a committee to review rules for future rewriting of current rules, Motion by Walter James to have committee formed by 2/1/24 limited to 6 or less, 2nd Mike Robinson, approved Connie will assist in data entry but may not be at

meetings. Russ Davis asked that Doug Lassiter and Jonathan Godfrey be included in group as industry representatives.

- 11:10 a.m. Board shall enter Closed Session for discussion of complaints received,
Motion to enter closed session Russ Ayers, 2nd Mike Robinson, approved
- 11:40 a.m. Board shall re-enter regular session
Motion to enter regular session: Jerry Pearce, 2nd Chris Dobbins, approved

THE FOLLOWING COMPLAINTS WERE DISCUSSED IN CLOSED SESSION:
COMPLAINTS REVIEWED AND DECISIONS BY BOARD LISTED UNDER EACH
COMPLAINT

Complaint 03012301 and 05102201 Update. Decision was to suspend for 6 months certification holder has requested a hearing. The hearing will be set sometime in 2024. Hearing will be set for May

Complaint 06212302 update on complaint , system still not working, has not been completed, board decision to revoke certification, motion Jerry Pearce, 2nd Jim Beeson, approved
Complaint 07102301 Install without permit or certification, send for injunction, Motion Mike Robinson, 2nd Chris Dobbins, approved
Complaint 1210123 install non-approved product send letter of admin of guilt, motion Glenn Hines, 2nd Mike Robinson, approved

- 11:55 a.m. Other business:
Will be setting hearing date for complaint
May 2024 meeting will be held in Morehead exact date will be determined and dates will be sent out to board members
Russ Davis thanked the Board for their participation and for input into the items presented
Motion to adjourn meeting: motion to adjourn Jim Beeson, 2nd David Swinney, approved
Lunch will be served

NCOWCICB Financial Report as of November 30, 2023

Monies on hand:

First Horizon Operating Account	\$269,675.48
First Citizens*	\$246,582.67
Bank of Oak Ridge*	\$234,448.51
Dogwood*	\$243,643.06
North State Bank*	\$237,046.15
First Bank*	\$227,286.38
Towne Bank*	\$153,972.49
KS Bank*	\$125,967.36
First National*	<u>\$206,312.13</u>
Total Monies on hand	\$1,944,934.23

(*CD held for future enforcement)

YTD Receipts**

Fees Received	\$230,875
Interest Income	<u>\$ 9,063</u>
Total Receipts	\$239,938

YTD Expenditures**

Postage	\$ 3,093
Printing	\$ 15,380
Travel – Board	\$ 5,369
Travel – Staff	\$ 3,112
Telephone	\$ 1,457
Misc Expense	\$ 0
Bank Charges	\$ 765
Accounting	\$ 2,950
Salaries	\$ 35,334
Payroll Taxes	\$ 2,780
Insurance	\$ 5,000
Office Expense	\$ 2,047
Depreciation	\$ 189
Office Rent	\$ 2,500
Investigations	\$ 0
Hearing Expense	\$ 0
Meeting Expense	\$ 4,846
Web Expense	\$ 268
Legal Fees	<u>\$ 4,332</u>
Total Expenditures	\$ 89,422

(**Fiscal year runs July 1 – June 30th)