

Lower Cape Fear Water & Sewer Authority
Regular Board Meeting Minutes

August 14, 2017

Chairman Blanchard called to order the Authority Meeting scheduled on August 14, 2017 at 9:00 a.m. and welcomed everyone present. The meeting was held at the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina. Director Norris gave the invocation.

Present: Norwood Blanchard, Wayne Edge, Larry Johnson, Al Leonard, William Milliken, Jackie Newton, Phil Norris, Charlie Rivenbark, Bill Saffo, Larry Sneed, William Sue, Skip Watkins and Frank Williams

Present Electronically by Telephone: None

Absent: Trent Burroughs

Staff: Don Betz, Executive Director; John Wessell, General Counsel; Tony Boahn P. E., McKim & Creed and Amy Scruggs, Administrative Assistant

Guest: Glenn Walker, Brunswick County Water Resources Manager; Heidi Cox, NC DENR Assistant Regional Engineering Supervisor, Public Water Supply Section Division of Water Resources and Brayton Willis

PLEDGE OF ALLEGIANCE: Chairman Blanchard led the Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA

C1 - Minutes of Regular Board Meeting July 10, 2017

C2 - Kings Bluff Monthly Operations and Maintenance Report

C3 - Bladen Bluffs Monthly Operations and Maintenance Report

A. Request for General Permit NCG590000 in Lieu of NPDES NC088781

Motion: Director Leonard **MOVED**; seconded by Director Milliken, approval of the Consent Agenda Items as presented. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

OLD BUSINESS

OB1 - SmartBall Transmission Main Inspection Final Report (Tony Boahn, P.E., McKim & Creed)

Mr. Boahn provided a summary of the SmartBall Inspection Report conducted by Pure Technologies on the first 14-mile, 48-inch pipeline route. A copy of the report is hereby incorporated as a part of these minutes. Receivers positioned on the pipeline, pinged the location of the SmatBall as the acoustical device moved through the line listening for leaks. Two pressure loggers were installed with one at the Kings Bluff Raw Water Pump Station and another at the Brunswick County meter vault in order to observe spikes or drops in pressure over several days which could indicate a problem. It took approximately 6.5 hours to complete the field test. During the test the water velocity in the line was about 3.5 feet per second with an average pressure of about 60 psi. Mr. Boahn noted that in the current process of designing the parallel pipeline this is good information in that it provides a model of what is actually happening in the field. The only finding from the inspection was a minor leak detected at the 3 million-gallon ground tank. The station is pumping approximately 16,000 gallons per minute and the leak is less than 2 gallons per minute. It is the conclusion of Pure Technologies that a valve at the ground tank is not seated properly. Mr. Boahn agrees with the conclusion and recommends excavating the valve and tee for visual inspection. Since this is not a major concern, he recommends the excavation occurs in late September or October, which is after the Authority's peak water use season. Mr. Boahn noted there are no guarantees but all evidence indicates the pipe, which was installed in 1983, is in excellent condition. Executive Director Betz noted a copy of the report was provided to Brunswick and Pender Counties and to Cape Fear Public Utility Authority and is available to board members upon request. A copy will also be provided to Brunswick Regional Water & Sewer H2GO. He recommended there is no need for the Authority to exercise the optional re-inspection of the pipeline for a period of two years following the initial inspection as offered by Pure Technologies.

OB2 – Status Report on Design Progress of the Kings Bluff Raw Water Parallel Transmission Main Project (Tony Boahn, P.E., McKim & Creed)

Mr. Boahn provided an update to the design of the Kings Bluff Raw Water Parallel Transmission Main Project. He explained the basic scope includes a Preliminary Design Memorandum, geotechnical investigations, survey and subsurface

utility engineering and final design and permitting. He provided a brief explanation of each. With the Preliminary Design Memorandum process the project partners are working through the design criteria for pipe size and material to be bid upon. The geotechnical investigations is extremely important for providing proper bedding and backfill for the pipeline and the investigation and evaluation for this project covers fourteen miles through three counties with farmland, wetlands and five water body crossings, a thirteen tracks wide rail yard crossing at International Paper and thirteen North Carolina Department of Transportation (NCDOT) roadway crossings. The survey and subsurface utility engineering addresses topography and project easements including the location of easements and determining where the pipe lays within the easements. There are ninety-five existing easements included in this project. In response to questions about the existing easements, it was explained the easement is seventy-five feet wide with the Authority's original 48-inch main located approximately twenty-five feet inside the easement leaving fifty feet for installation of the parallel main completely within the existing easement. Mr. Boahn noted a few temporary easements may be needed. Mr. Wessell said there has been questions concerning if additional pipes may be constructed in the easement. He has reviewed several easements documents and it seems very clear that "pipes" plural can be located in the easement. As this work is in process, specific issues are being addressed such as to use open cut or bore under NCDOT roadways, overlapping easements with the Piedmont Natural Gas (PNC) main at International Paper and a Duke Power overhead structure conflict. Pulling all this together leads to the actual design and permitting of the project for construction. Actual construction is estimated to take from twenty-four to thirty months. Notice to Proceed occurred June 30, 2017 and the schedule moving forward is as follows.

- * Preliminary Design Memorandum - September 30, 2017
- * 30% Design - December 15, 2017
- * 60% Design - April 13, 2018
- * 90% Design - August 31, 2018
- * Final Design & Permits - October 12, 2018

NEW BUSINESS

NB1 - Closed Session in Accordance with N.C.G.S. Sec.143-318.11(a) (3) to Preserve Attorney-Client Privilege (John Wessell, General Counsel)

Executive Director Betz recommended **Item NB1** be moved to the end of the agenda.

Motion: Director Sue **MOVED**; seconded by Director Williams, to amend the agenda. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

EXECUTIVE DIRECTOR REPORT

In response to a question expressed at the June Board Meeting, Executive Director Betz presented a Bladen Bluffs Regional Surface Water System Maintenance Report received from Buddy Harris illustrating how maintenance items are being managed. A schedule of regular maintenance items is prepared on a weekly basis with corresponding notations of action plan steps taken, or are in process or completed. A second schedule of engineer identified maintenance items is handled in the same manner. This report was received after distribution of the agenda; however, going forward this report will be provided.

EDR1 - Duke Energy Curtailment Events July 13th and 21st

Executive Director Betz reported the Authority participated in two curtailments of energy use in the month of July. With the July 13th curtailment one of the Authority's two generators experienced a motor problem; therefore, the second generator provided power for operation of the pump station during both curtailments. General Electric repaired the motor part which should be re-installed this week. Energy cost for operating the pump station is the Authority's largest operational expenditure. Executive Director Betz provided an example of how participation in the curtailments provides a significant savings. During June 13th through July 18th, total charges for this period were \$88,227.54. This is the highest energy bill ever received. With a deduction of credits totaling \$18,687.77, the resulting invoiced amount was \$69,539.77. Participation in the curtailment program provided a total credit of \$11,025.00 with the remaining amount of \$7,662.77 being an EE Opt-Out credit.

EDR2 - NC Rural Water Association Leadership Summit 2017: August 31st – September 1st

Executive Director

The NCRWA Leadership Summit is located in Wilmington and any board member interested in attending should contact Amy Scruggs.

EDR3 – Status Report on the Cary, Apex, Morrisville Interbasin Transfer (IBT) Modification Administrative Appeal

Executive Director Betz reported the Authority received notification regarding a change in the Superior Court Judge assignment from Judge Spainhour to Judge Richard Doughton. The appeal hearing is scheduled for September 14, 2017.

EDR4 - Update of Bank Signature Cards

The Authority is in process of updating the account signature cards for its accounts with SunTrust Bank.

NEW BUSINESS

NB1 - Closed Session in Accordance with N.C.G.S. Sec.143-318.11(a) (3) to Preserve Attorney-Client Privilege (John Wessell, General Counsel)

Due to a possible conflict of interest, Director Sneedeen recused himself from the closed session and resultant action taken by the Board.

Motion: Director Watkins **MOVED**; seconded by Director Newton, acceptance of Director Sneedeen recusal and that the Board go into closed session in accordance with North Carolina General Statute Section 143-318.11(a) (3). Upon vote, the **MOTION CARRIED UNANIMOUSLY.**

At 9:29 a.m. the board went into closed session. At 9:44 a.m. the board returned to open session.

Motion: Director Leonard **MOVED**; seconded by Director Rivenbark, authorization of the Chairman to appoint a subcommittee to meet with General Counsel and the Executive Director in order to advise the Board and that the subcommittee is authorized to conference with legal firms as needed. Upon vote, the **MOTION CARRIED UNANIMOUSLY.**

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

None

PUBLIC COMMENT

None

ADJOURNMENT

There being no further business, Chairman Blanchard adjourned the meeting at 9:46 a.m.

Respectfully Submitted:



Wayne Edge, Secretary