

Lower Cape Fear Water & Sewer Authority  
Regular Board Meeting Minutes

March 12, 2018

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Chairman Sneed called to order the Authority meeting scheduled on March 12, 2018 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, Trent Burroughs, Wayne Edge, Larry Johnson, Al Leonard, William Milliken, Phil Norris, Charlie Rivenbark, Larry Sneed, William Sue; Skip Watkins and Frank Williams

**Present Electronically by Telephone:** Jackie Newton

**Absent:** Bill Saffo,

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

**Guest:** Chad McEwen, Pender County Assistant County Manager; Glenn Walker, Brunswick County Water Resources Manager and John Malone, Cape Fear Public Utility Authority Water Resources

**PLEDGE OF ALLEGIANCE:** Chairman Sneed led the Pledge of Allegiance.

**APPROVAL OF CONSENT AGENDA**

**C1 - Minutes of Regular Board Meeting March 12, 2018**

**C2 - Kings Bluff Monthly Operations and Maintenance Report**

**C3 - Bladen Bluffs Monthly Operations and Maintenance Report**

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

**OLD BUSINESS**

**OB1- Resolution Requesting State of North Carolina to Halt All Discharges into the Cape Fear River by Operator of Fayetteville Works in the Interest of Public Safety**

Chairman Sneed explained the presented resolution is the same resolution which the City of Wilmington, New Hanover County and Cape Fear Public Utility Authority (CFPUA) approved and that he had requested it be modified and be presented to the Authority's board for consideration of approval. The resolution notes the inability of the operator of Fayetteville Works to manage and operate the facility without discharging GenX into the Cape Fear River and it requests the State, as the issuer of discharge permits, to require the operator to halt all operations resulting in the discharge of GenX and other fluorochemical compounds into the river. Chairman Sneed stated the operator is aware of its continued discharges which occur in one form or another either through spills in their waste water system or by storm water runoff. Until they control all such discharges it is reasonable to make this request of the State.

**Motion:** Director Rivenbark **MOVED**; seconded by Director Watkins, approval of the *Resolution Requesting State of North Carolina to Halt All Discharges into the Cape Fear River by Operator of Fayetteville Works in the Interest of Public Safety*.

Board discussion ensued about the wording to "halt operations" in the last paragraph of the resolution because to "halt operations" could impact jobs whereas to "halt the discharge" is directed at the desired result. It was noted the presented resolution is not requesting all operations be halted, but only those resulting in the production and discharging of fluorochemical compounds into Cape Fear River which is the water source for downstream users. Chairman Sneed commented, the State has already ordered the discharges to halt and the operator has shown they are incapable of compliance so the purpose of this resolution is to acknowledge their inability of compliance necessitating advancement to the next step of halting the processes which result in the discharges. It was noted the dispersing of GenX into the air needs to be halted as well. The comment was made that this company has left devastation in their history of doing business and they continue to ignore the facts as demonstrated in this situation. It is time to say no more. The State or Federal

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government should take the lead in protecting our water sources; however, in the absence of that the Authority must take a stand and this resolution makes that statement. Upon approval, this resolution will be sent to the North Carolina Department of Environmental Quality (NCDEQ) as were those approved by the City of Wilmington, New Hanover County and CFPUA.

Director Williams **MOVED**; seconded by Director Blanchard, amending the last paragraph of the presented resolution to read:

Now Therefore Be It Resolved, that the Board of Directors for the Lower Cape Fear Water & Sewer Authority requests that NCDEQ immediately require all tenants of the Fayetteville Works site to halt the discharge of fluorochemical compounds into the Cape Fear River and into the air.

Upon vote, the **MOTION CARRIED** with 9 in the affirmative and 4 in the negative (Directors Burroughs, Edge, Rivenbark and Watkins).

**OB2- Protection and Maintenance of the Booster Pump Station (Tony Boahn, P.E., McKim & Creed)**

During January's winter weather event, the booster pump station failed to perform when needed due to freeze damage. Additionally, the station has incurred sun damage to electrical components and some lightening damage. As a result of this, members from the Authority, CFPUA and Pender County met on February 27<sup>th</sup> to discuss how to protect and maintain the station which is exposed to the elements. Mr. Boahn presented a PowerPoint presentation summarizing the meeting. The current challenges and concerns were identified including: the need for protection from the elements; adequate space and protection for operation and maintenance of the facility and consideration of future upgrades or capacity improvements. The options considered for the station's protection are: a "skinny" building over the pump footprint; complete building enclosure; modular enclosure for each pump or a shed-type enclosure (roof with open walls). The advantages and disadvantages of each option were considered including such factors as electrical requirements (lights, exhaust, heat trace); HVAC concerns (pump exhaust, heat, fumes, etc.); doors, access, pump removal and fuel storage tank locations. Ultimately the group's preference was the option of a shed-type roof with open walls. This structure would protect the equipment from sun damage and heat tracing could be used for freeze protection. Additionally it would provide the ability to install some type of lightening surge arrester plus it would meet the needs of routine operation and maintenance. The pumps' engine exhaust would be vented through the roof. This structure can be designed with open walls with an option for future upgrade of adding walls. In response to a question regarding the need for the booster pump station once the parallel transmission main is built, Mr. Boahn commented the parallel main is only 14 miles, which is approximately the first half of the total transmission main, and it ends at the booster station. He said it will still be needed for delivery of water to the HWY 421 customers at the needed pressure. He explained the downstream users have to have the booster station in place for permits in order to ensure they can actually obtain the raw water at the required pressure. The booster station, which was installed in 2011, has never been needed to increase pressure until this January; however, with the increase in demand the station will be utilized. Mr. Boahn said the next steps are to estimate the cost, consult and meet with the customers and then make a decision on a technical memorandum or design.

**Motion:** Director Sue **MOVED**; seconded by Director Williams, that McKim & Creed should proceed to get estimates on the group's preference of a shed-type enclosure for protection of the booster pump station. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

**OB3 - Parallel Raw Water Transmission Main Project – Next Design Meeting March 23, 2018 at 9:00 a.m.**

Executive Director Betz recalled the design meetings were delay due to the dialog of the past several months regarding the size of the transmission main and the associated cost distribution. In principal those details are decided and now the various agreements can be prepared. The design meetings are now resuming on March 23<sup>rd</sup> at 9:00 a.m. at Cape Fear Public Utility Authority. Mr. Boahn added the major step going forward is completion of the design memorandum.

**NEW BUSINESS**

**NB1 - Finance Committee Comments (Chairman Larry Sneed)**

**A. First South Bank Certificate of Deposit**

**B. American Water Works Association Annual Conference & Exposition, Las Vegas, Nevada; June 11-14,**

Committee Chairman Sneed reported the Finance Committee met prior to the regular board meeting. He briefed the board on the Authority's First South Bank Certificate of Deposit (CD) which matures on April 22<sup>nd</sup>. It is the committee's recommendation not to reinvest in the CD at this time in order for Executive Director Betz to research interest rates and bring back a recommendation to the board. The committee also reviewed preliminary budget figures which indicate the

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estimated water usage and corresponding revenue is increasing. Expenses are remaining fairly level. At this point, it is anticipated there will not be an increase in the water rate for the Authority's customers. Chairman Sneed reported the AWWA Annual Conference & Exposition is scheduled for June 11-14, 2018 in Las Vegas, Nevada and inquired if any board member was interested in attending.

**NB2 - Evaluation Committee Comments (Chairman Norwood Blanchard)**

The Evaluation Committee also met prior to the regular board meeting. Committee Chairman Blanchard reported the documents and instructions for the Executive Director's annual evaluation will be emailed to the Board and should be completed and returned to him preferably by April 1<sup>st</sup> but no later than April 23<sup>rd</sup>.

**EXECUTIVE DIRECTOR REPORT**

**EDR1 - Reimbursement of SmartBall Inspection**

Executive Director Betz reported that through the cooperation of Brunswick County, the County was able to provide reimbursement of \$216,000.00 to the Authority for the SmartBall main inspection by means of a grant received from the state. The Authority is now restored to its pre-hurricane financial levels.

**DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS**

Director Sue shared he has been reading a very interesting book from the *After the Republic* series which was authored by a member of the Authority's Board of Directors, Director Frank Williams.

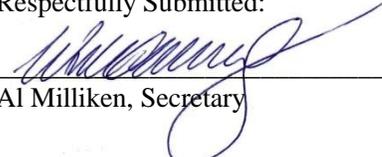
**PUBLIC COMMENT**

None

**ADJOURNMENT**

There being no further business, Chairman Sneed adjourned the meeting at 9:44 a.m.

Respectfully Submitted:

  
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Al Milliken, Secretary