

Lower Cape Fear Water & Sewer Authority  
Regular Board Meeting Minutes

April 13, 2020

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Chairman Milliken called to order the Authority meeting scheduled on April 13, 2020 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 Sue gave the invocation.

**Present:** Norwood Blanchard, William Milliken, Charlie Rivenbark and William Sue

**Present Through Video Conferencing:** Trent Burroughs, Wayne Edge, Patricia Kusek, Al Leonard, Jackie Newton, Phil Norris, Larry Sneed, Bill Saffo and Frank Williams

**Absent:** Larry Johnson,

**Staff:** Jerry Pierce, Interim Executive Director; Tim H. Holloman, Executive Director; John Wessell, General Counsel (via video); Tony Boahn P.E., McKim & Creed and Amy Scruggs, Administrative Assistant

**Guests:** None

**PLEDGE OF ALLEGIANCE:** Director Rivenbark led the Pledge of Allegiance.

**APPROVAL OF CONSENT AGENDA**

**C1 - Minutes of Regular Board Meeting March 9, 2020**

**C2 - Minutes of Special Board Meeting March 27, 2020**

**C3 - Kings Bluff Monthly Operations and Maintenance Report**

**C4 - Bladen Bluffs Monthly Operations and Maintenance Reports**

**C5 - Bladen Bluffs Weekly Report: April 3, 2020**

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

**OLD BUSINESS**

**OB1 - Final Adjusting Change Order for the Kings Bluff Raw Water Pump Station 48-Inch Raw Water Main Relocation, US HWY 421 Project and Associated Amended Capital Project Ordinance**

Interim Executive Director Pierce reported that on April 9<sup>th</sup> the Authority was informed of a leak on the abandoned transmission main and the project's contractor, Ruby Collins, is in process of repairing the leak. In response to questions by the Board, Mr. Boahn noted he leak is a minor issue. Ruby Collins filed a claim for costs associated with two delays in the project's completion. McKim & Creed and the Authority worked with the contractor and it was determined the actual cost incurred by the delays was \$51,598. This represents a reduction of \$45,049 from the original contract amount, resulting in a deductive change order in the final contract amount of \$1,479,226. Interim Executive Director Pierce recommended approval of the change order.

**Motion:** Director Sue **MOVED**; seconded by Director Blanchard, approval of the adjusting change order as presented. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

This project was financed in part by a loan from New Hanover County which allows the Authority to borrow up to \$1,500,000. The loan proceeds received to date totals \$915,346.60. With the project's outstanding balance to be paid being \$252,604.40, Interim Executive Director Pierce inquired if the board prefers to borrow additional funds from the loan or pay the outstanding amount from the Enterprise Fund, fund balance. He recommended approval of the presented amendment to the project's Capital Project Ordinance which factors in the adjusting change order and for payment of the outstanding balance from the Enterprise Fund, fund balance.

**Motion:** Director Blanchard **MOVED**; seconded by Director Sue, approval of the amended Capital Project Ordinance for the Kings Bluff Raw Water Pump Station 48-Inch Raw Water Main Relocation, US HWY 421 Project as presented. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

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**OB2 - Executive Director Employment Agreement**

Interim Executive Director Pierce summarized the terms negotiated in the presented employment agreement between the Authority and Tim Holloman and recommended approval. Upon approval of the agreement Mr. Holloman will begin work on April 20<sup>th</sup>.

**Motion:** Director Sue **MOVED**; seconded by Director Blanchard, approval of the employment agreement between the Authority and Tim Holloman as presented. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

**A) Administer Oath Of Office To: Tim H. Holloman, Executive Director (Chairman Milliken)**

Chairman Milliken administered the Oath of Office to Mr. Holloman as the new Executive Director for Lower Cape Fear Water & Sewer Authority. He was welcomed by members and staff.

**NEW BUSINESS**

**NB1 - Budget Amendment #6**

Based on the budget performance for the period ending March 31, 2020, it was determined adjustments were needed due to unbudgeted expenditures associated mainly with the hiring process for the new Executive Director. The increases in these line items were offset by decreases in expenditure line items performing under the budgeted amounts. This amendment does not increase the budget.

**Motion:** Director Sue **MOVED**; seconded by Director Rivenbark, approval of Budget Amendment #6 as presented. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

**NB2 - Resolution Adopting the Lower Cape Fear Water and Sewer Authority's Local Water Supply Plan for Bladen Bluffs Regional Surface Water System, PWSID 50-09-012 for Calendar Year 2019**

The 2019 Bladen Bluffs Regional Surface Water System Local Water Supply was prepared and Board approval of the presented resolution confirms the plan is in accordance with North Carolina General Statute 143-335(1) by providing appropriate guidance for the future water supplies for the Authority as well as providing data for NC DEQ's development of a state water supply plan. The plan accurately reports the amount of water withdrawn and sold from the Cape Fear River by the Authority. NC DEQ notified the Authority that the submitted plan meets minimum criteria and is considered complete.

**Motion:** Director Saffo **MOVED**; seconded by Director Leonard, approval of Budget Amendment #6 as presented. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

**NB3 - Chairman Designates Personnel Committee to Review Submitted Request for Qualifications, Legal Services**

In response to John Wessell's retirement announcement, a Request for Qualifications (RFQ), Legal Service was published on March 30<sup>th</sup>. Chairman Milliken confirmed the existing Personnel Committee Members wished to remain on the Committee and he appointed them to conduct the selection process by selecting at least 3 of the most qualified applicants for interview by the full Board.

**Motion:** Director Blanchard **MOVED**; seconded by Director Rivenbark, approval for the Personnel Committee to conduct the selection process by reviewing the RFQ submittals and selecting those to be interviewed by the full Board.

There was discussion that John Wessell should be included as a member of the Personnel Committee for the purpose of hiring a new attorney.

**Amended Motion:** Director Blanchard amended his motion and **MOVED**; seconded by Director Rivenbark, approval for John Wessell to be a member of the Personnel Committee for the purpose of hiring a new attorney; and approval for the Personnel Committee to conduct the selection process by reviewing the RFQ submittals and selecting those to be interviewed by the full Board. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

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

**Interim Executive Director Pierce:** Prior to entering Closed Session, Interim Executive Director Pierce briefed the Board on the 54-inch Parallel Transmission Main Project and the Kings Bluff Pump Station permit modification;

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Kings Bluff Pump Station fourth pump and motor design. With April, 24th being his last day of employment, Interim Executive Director Pierce, expressed his appreciation for the Board's support during the past five months he served as Interim Executive Director. In response Director Newton commended him for his excellent, professional service to the Authority. Director Burroughs expressed appreciation for his service and noted that hiring him as Interim Executive Director was one of the best decisions the Board has made. Director Blanchard recommended a resolution of appreciation be prepared, honoring Interim Executive Director Pierce for his service to the Authority.

**PUBLIC COMMENT**

None

**CLOSED SESSION**

**CS1 - Closed Session in Accordance with NCGS§143-318.11(a)(5)(i) to Consider Acquisition of Real Property Pertaining to an Easement Related to Property Located in Brunswick County with the Tax Parcel Number of 01400001**

Chairman Milliken requested a motion for the Board to enter closed session in Accordance with NCGS§143-318.11(a)(5)(i) to Consider Acquisition of Real Property Pertaining to an Easement Related to Property Located in Brunswick County with the Tax Parcel Number of 01400001 and for Directors Burroughs and Leonard to be excused from the Closed Session due to a personal connection relating to this matter.

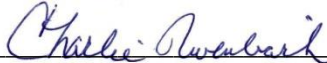
**Motion:** Director Rivenbark **MOVED**; seconded by Director Blanchard, to enter closed session for the reason stated and that Director Burroughs and Director Leonard are excused from the closed session. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

At 9:28 a.m. the Board went into closed session. At 9:37 a.m. the Board returned to open session. No action was taken.

**ADJOURNMENT**

There being no further business, Chairman Milliken adjourned the meeting at 9:39 a.m.

Respectfully Submitted:

  
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Charlie Rivenbark, Secretary