

Lower Cape Fear Water & Sewer Authority
Regular Board Meeting Minutes

February 8, 2021

Vice-Chairman Rivenbark called to order the Authority meeting scheduled on February 8, 2021 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 Milliken gave the invocation.

Roll Call by Chairman Leonard:

Present: Norwood Blanchard, Patrick DeVane, Wayne Edge, Harry Knight, William Milliken, Charlie Rivenbark, William Sue, and Frank Williams

Present by Internet or Telephone: Al Leonard, Jackie Newton, Phil Norris, Bill Saffo, and Rob Zapple

Absent: Chris Smith

Staff: Tim H. Holloman, Executive Director; Matthew Nichols, General Counsel; Tony Boahn P.E., McKim & Creed, and Allison Covington, Financial Administration Assistant

Guests Present: John Malone, John Nichols, Glenn Walker, Elizabeth Meyer, Anthony Colon, and, Heidi Cox.

PLEDGE OF ALLEGIANCE: Vice-Chairman Rivenbark led the Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA

C1 - Minutes of Regular Board Meeting January 11th, 2021

C2 - Kings Bluff Monthly Operations and Maintenance Report

C3 - Bladen Bluffs Monthly Operations and Maintenance Reports

C4- Budget Amendment #4

Motion: Director DeVane MOVED; seconded by Director Knight, approval of the Consent Agenda Items as presented. Upon roll call vote, the **MOTION CARRIED.**

	<u>For</u>	<u>Against</u>	<u>Abstained</u>	<u>Absent</u>
Norwood Blanchard	X			
Wayne Edge	X			
Patrick DeVane	X			
Harry Knight	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Al Milliken	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Chris Smith				X
Bill Sue	X			
Frank Williams	X			
Rob Zapple	X			
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NEW BUSINESS

NB1- Discussion of Take or Pay

For information purposes, Executive Director Holloman explained that under the Take or Pay contract, if our customers projected a certain amount of usage for the year and they fall below the projection, they would have to make up the difference at the end of the year. The floor was opened for discussion. Director Blanchard questioned the idea of the Take or Pay. He felt that if any customer fell under projected usage severely that it would be due to a natural disaster and, they shouldn't be penalized for that. Executive Director Holloman stated that those kinds of situations can be added to the contract as exceptions. Director Williams stated that he is not convinced that there is a current need, but he is also not convinced that there will not be a future need. He also feels that now is the time to research it because there is currently not a need for it.

ENGINEER'S COMMENTS

None.

ATTORNEY COMMENTS

None.

EXECUTIVE DIRECTOR REPORT

EDR1 – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending January 31, 2021

Executive Director Holloman reported that during the Month of January 2021, Brunswick slightly below projections, while Pender County and CFPUA were above projections, but we are overall only \$938 below projections for this time of year.

EDR2 – Operating Budget Status, Second Quarter Ending December 31, 2020

Executive Director Holloman reported that the operating expenditures and revenues are on track for the year averaging 48-53% usage for the year.

EDR3 – Kings Bluff Raw Water Pump Station Local Water Supply Plan for Calendar Year 2020, submitted January 19, 2021

Executive Director Holloman reported that the Kings Bluff report has been submitted and the Bladens Bluff report is scheduled to be submitted next month.

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

Executive Director Holloman announced that next month there will be a Finance Committee meeting at 8:00 and the regular meeting at 9:00. During the regular meeting, William Rivenbark from the School of Government will be giving a presentation on the general financial information as it pertains to Lower Cape Fear Water Authority. There will also be a Long Range Planning committee meeting after the regular meeting. He also informed the Board that the mileage reimbursement rate has been decreased from .575 cent per mile to .56 per mile.

PUBLIC COMMENT

None

ADJOURNMENT

There being no further business, Director Rivenbark adjourned the meeting at 9:35 a.m.

Respectfully Submitted:

Norwood Blanchard, Secretary