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1970-2020*

Dependable Reliable Cost-Effective Regional

AGENDA

Lower Cape Fear Water & Sewer Authority

1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina

8:00 a.m. – Planning Retreat and Regular Monthly Board Meeting

January 11, 2021

MEETING CALL TO ORDER: Chairman Leonard

PLANNING RETREAT (8:00 TO 9:00 resumes after regular meeting business)

INVOCATION

PLEDGE OF ALLEGIANCE

PRESENTATION TO:

- William A. Milliken, Jr., Brunswick County Representative, by Chairman Al Leonard

APPROVAL OF CONSENT AGENDA

C1 - Minutes of Regular Board Meeting December 14, 2020

C2 - Kings Bluff Monthly Operations and Maintenance Report

C3 - Bladen Bluffs Monthly Operations and Maintenance Reports

OLD BUSINESS

OB1-Consider approving a new raw water rate effective July 1st, 2021

NEW BUSINESS

NB1 - Appointment of FY 2021-2022 Finance Committee by Chairman Al Leonard

NB2- Appointment of FY 2021-2022 Personnel Committee by Chairman Al Leonard

NB3- Appointment of FY 2021-2022 Long Range Planning Committee by Chairman Al Leonard

ENGINEER'S COMMENTS

ATTORNEY COMMENTS

EXECUTIVE DIRECTOR REPORT

**EDR1 – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date
Ending November 30th, 2020**

PUBLIC COMMENT

ADJOURNMENT

*The next board meeting of the Lower Cape Fear Water & Sewer Authority is scheduled for Monday, February 8th at 9:00 a.m. in the Authority's office
located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.*

Lower Cape Fear Water & Sewer Authority

1107 New Pointe Blvd, Suite 17
Leland, North Carolina 28451



phn 910.383.1919 fax 910.383.1949
www.lcfwasa.org

Water is Our Business

LOWER CAPE FEAR PLANNING SESSION

JANUARY 11, 2020

Accomplishments and Milestones in FY 2019-20 and FY 20-21

- **Staff experienced a complete change, with a new director coming on Board in April, a new attorney and a new Finance Administrative Assistant in August**
- **Pipe Installation**
 - **+/- 75,000 LF Total 54"**
 - **38,300 LF Installed (+/51%) 7.26 miles of pipe**
- **Livingston Creek Aerial Crossing**
 - **Still in Progress – high water levels/flooding delays**
- **Bore Encasements**
 - **Road Crossing Completed**
 - **IP Railyard & NC Highway 11 Completed**
- **New Audio Equipment installed to allow for three microphones on Polycom and join with Webex to increase audio quality.**
- **Adopted a cash management Policy**
- **Began looking into expanded ROW maintenance**
- **Finished HWY 421 Relocation Project**
- **Finished Bladen Bluffs bank restoration project**
- **Adopted an Emergency Water Supply Plan**
- **Added a LinkedIn, Twitter and Facebook presence**
 - **LinkedIn used primarily**
 - **Facebook as a secondary source to view meetings (Streamed from Webex)**

Ongoing Issues and Concerns:

- **Storage.** Tony has given us advice on another tank and even ground storage in open lagoons. I think the Board at that time felt the cost benefit ratio was just not there. We might need to look at this as we embark on long range issues. Perhaps it is still not worth the cost, but worth our saying we looked at it again.
- **Gray's Creek.** Don made several trips to Cumberland County to see if the potable water from the Tarheel plant could be sold to an area there that supposedly needed drinking water. Not sure if PWC provided the solution, nothing was done, or anything was done. I think the Board needs to know if this is no longer an issue for us.
- **An Update on the lock and dam.** We spent a lot of time earlier in the year thinking about the options for "somebody" taking them over from the Corps. What's the latest?
- **Pender Commerce Park Status**

Future Needs

- **Long Range Planning Committee to be established to review the CIP and accompany rate needs**
- **In addition to the Long-Range Planning Committee, there are Finance and Personnel Committees. Are there needs for any other?**
- **Computer Server/Email Server**
- **New Phone System**
- **Replacement of second Heating and Air unit (one replaced December 2019)**
- **Video component upgrade to match Audio upgrade**
- **Review policies to make sure they are consistent with LCFWASA parameters and mission**
- **Update Brunswick O and M agreement once pipeline is completed in 2022**
- **Does the LCFWASA look to grow and how?**
 - **Sewer Regional Facilities**
 - **Water Regional Facilities**



TECHNICAL MEMORANDUM

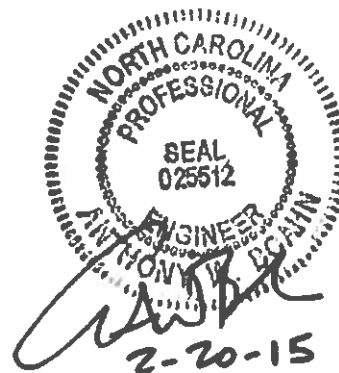
TO: Don Betz, Executive Director
Lower Cape Fear Water and Sewer Authority

FROM: Tony Boahn, PE

DATE: February 20, 2015

RE: Grays Creek Water & Sewer District
Preliminary Water System Evaluation

M&C#: 01675-0039



I. Introduction & Background

The Lower Cape Fear Water and Sewer Authority (Authority), owns and operates, in partnership with Smithfield Farmland Corporation, the Bladen Bluffs Regional Surface Water Treatment System (Bladen Bluffs), which is supplied raw water from the Cape Fear River with a 30 Million Gallon per Day (MGD) capacity intake. The treatment plant is a 6.0 MGD drinking water facility located near the Town of Tarheel in Bladen County, approximately opposite of the Smithfield Farmland Corporation Facility on NC Highway 87. Construction was completed March 1, 2012 and the facility was placed into service on April 1, 2012. Currently Smithfield Farmland Corporation is the sole customer of the treatment plant under an operations and maintenance agreement with the Authority.

The Grays Creek Water District (District) is located in southern Cumberland County and generally bisected north to south via NC Highway 87 (See Figure 1). The District was formed with the intent to provide potable water service to residents and initial studies were centered on service being provided by the Fayetteville Public Works Commission (FPWC). As an alternative to the FPWC options, the Authority is considering providing potable water service to the District via the Bladen Bluffs facility. The scope of this Technical Memorandum provided herein includes development of preliminary costs scenarios for the Authority to provide potable water to the District.

II. Scope of Technical Memorandum

The Authority commissioned McKim & Creed, Inc. to complete this technical memorandum, which includes the following major tasks:

- Determine available parcels and existing buildings that exist in the District.
- Determine length of roadways throughout the district, which will be correlated to approximate pipeline length for potable water systems.
- Evaluate available parcels and buildings to determine approximate customer base.
- Estimate demand projections based on NCDENR Public Water Supply requirements.
- Develop approximate sizing of pipelines and infrastructure based on water districts similar in scope and nature.
- Based on the approximate pipeline lengths, sizes, etc. develop an opinion of probable project costs for providing water to the District. The total District system as well as three (3) phases will be evaluated under this scope of work.
- Develop a preliminary opinion of probable project cost for each phase of the District to generally include:
 - ✓ Opinion of Probable Project Costs (capital)
 - ✓ Estimated Operations & Maintenance Costs (O&M)
 - ✓ Estimated debt service costs
 - ✓ Capacity costs per 1,000 gallons from the Bladen Bluffs facility
 - ✓ Anticipated average customer monthly bill
 - ✓ Anticipated Project Schedule
 - ✓ General exhibit of proposed District and phasing

III. Customer Base and Demand Projections

The Cumberland County Geographic Information System (GIS) Database was utilized to determine the potential customer base in the District. Based on the current from GIS data, the following information provided in *Table 1* was obtained:

Table 1 – District Parcel Counts

| Item | Total |
|---|-------|
| Total No. Parcels With an Existing Structure | 2,977 |
| Total No. Parcels Without an Existing Structure | 548 |
| Total No. All Parcels | 3,545 |

Note: A parcel was defined as a property with an address that was identified in the GIS data base. An existing structure was defined as any structure indicated on the GIS database located on a parcel.

Utilizing the NCDENR Public Water Supply regulations for residential-based systems, the potential average day and peak day demands were compiled and are summarized in *Table 2*.

Table 2 – Projected Potential Customer Water Use

| Customer Base | Average Daily Demand (MGD) | Peak Daily Demand (MGD) |
|---------------------------------|-----------------------------------|--------------------------------|
| 2,977 (Parcels with Structures) | 0.8 | 1.2 |
| 3,545 (Total Parcels) | 0.9 | 1.4 |

It is noted that “parcels with structures” (2,977 customers) is assumed to be the initial available customer base for a new water system in the District and the “total parcels” (3,545 customers) identifies the current, total maximum customers that could potentially be served by the system.

IV. Bladen Bluffs – NC 87 Transmission Main

As previously noted, potable water would be provided to the District via the Authority’s Bladen Bluffs Surface Water Treatment Facility. Preliminary calculations yielded the following primary components will be required to convey potable water from the Bladen Bluffs facility to the District:

- 1 MG Ground Storage Tank
- 1.2 MGD High Service Pump Station
- 7 Miles 12-inch Diameter Transmission Main

The ground tank and high service pump station would be constructed at, or the vicinity of, the Bladen Bluffs facility. The 7-mile transmission main would be constructed along the right of NC 87 to the Cumberland County line and the most southern portion of the District. This transmission system would convey potable water to elevated storage tankage and the distribution system for service to customers in the District (Figure 1 provides a schematic of the proposed transmission system).

V. Distribution System

Based on the customer locations and demand projections, a preliminary distribution system configuration was determined. It is noted that a detailed hydraulic model was not completed and sizing (pipe diameters, etc.) of the system was based on previously constructed water districts similar in scope and nature. Additionally, estimated distribution pipeline lengths were obtained utilizing GIS information from the Cumberland County database. A detailed hydraulic model and a more extensive investigation of pipeline lengths should be accomplished prior to design and construction to verify the assumptions provided in the memorandum.

For the purposes of this document, the evaluation was based on providing a distribution system to serve the entire District. Subsequently, this overall system was then segmented into three (3) general phases with the assumption that the District may be more economically constructed with a

phased approach (Figure 1 provides a schematic view of the proposed phasing). A more detailed evaluation of the customer locations and resultant demands should be accomplished in conjunction with hydraulic modeling to further refine the phasing for the most cost effective phasing configuration.

A summary of the proposed infrastructure for the overall District and each phase is provided in *Table 3*. Note transmission main infrastructure noted in Section IV of this report has also been included.

Table 3 – Preliminary Distribution & Transmission System Components

| Component | Total District | Phase I | Phase II | Phase III |
|---------------------------|-------------------|-------------------|-------------------|-------------------|
| NC 87 Transmission Main | 35,000 LF | 35,000 LF | - | - |
| Distribution Mains | 680,000 LF | 220,000 LF | 300,000 LF | 160,000 LF |
| <i>Total LF Per Phase</i> | <i>715,000 LF</i> | <i>255,000 LF</i> | <i>300,000 LF</i> | <i>160,000 LF</i> |
| 1 MGD Ground Storage Tank | 1 | 1 | - | - |
| High Service Pump Station | 1 | 1 | - | - |
| Booster Pump Station | 2 | - | 1 | 1 |
| 500,Gallon Elevated Tank | 2 | 1 | 1 | - |

Figure 1 provides an overall system schematic and location of the major components noted in *Table 3*.

VI. Opinion of Probable Project Costs

Opinions of probable project costs were developed based on projects similar in scope and nature to the proposed Grays Creek District. *Table 4* provides a summary of costs for the total District as well as each individual phase. Additionally, a scenario for constructing Phases I and II concurrently has also been provided.

Table 4 – Opinion of Probable Project Costs

| Item | Total District | Phase I | Phase II | Phase III | Phase I & II |
|-------------------------------------|---------------------|---------------------|---------------------|--------------------|---------------------|
| Construction | \$24,389,099 | \$9,386,350 | \$8,698,060 | \$6,804,369 | \$18,084,410 |
| 10% Contingency | \$2,438,910 | \$938,635 | \$869,806 | \$680,437 | \$1,808,441 |
| Sub-Total Construction | \$26,828,009 | \$10,324,985 | \$9,567,866 | \$7,484,806 | \$19,892,851 |
| Capitalized Interest | \$1,554,805 | \$598,380 | \$554,501 | \$433,779 | \$1,152,881 |
| Preliminary Engineering Report | \$30,000 | \$30,000 | \$30,000 | \$30,000 | \$30,000 |
| Environmental Assessment | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 |
| Engineering Fees (Basic Services) | \$1,341,400 | \$516,249 | \$478,393 | \$374,240 | \$994,643 |
| Construction Observation | \$750,000 | \$250,000 | \$250,000 | \$200,000 | \$350,000 |
| Land Acquisition | \$150,000 | \$65,000 | \$20,000 | \$65,000 | \$85,000 |
| Legal / Administration | \$60,000 | \$20,000 | \$20,000 | \$20,000 | \$40,000 |
| Geotechnical | \$50,000 | \$20,000 | \$20,000 | \$10,000 | \$40,000 |
| Easement Surveys | \$30,000 | \$10,000 | \$5,000 | \$10,000 | \$15,000 |
| Wetlands Delineation | \$40,000 | \$12,500 | \$15,000 | \$12,500 | \$20,000 |
| Misc. Additional Services | \$60,000 | \$30,000 | \$30,000 | \$30,000 | \$40,000 |
| Meter Purchase (\$75/meter) | \$262,500 | \$69,750 | \$123,675 | \$72,450 | \$193,425 |
| Connection Fee (\$500/Customer) | (\$1,750,000) | (\$465,000) | (\$824,500) | (\$483,000) | (\$1,289,500) |
| Bladen Bluffs Capacity (\$4.64/gal) | \$3,683,541 | \$1,051,733 | \$1,608,533 | \$1,051,733 | \$2,660,267 |
| Total Probable Project Cost | \$33,140,256 | \$12,583,597 | \$11,948,469 | \$9,361,508 | \$24,274,566 |

Note that costs provided for each phase are specific to the phase and is based on the assumption that prior phases have already been constructed. For example, Phase II costs are based on the assumption that Phase I has been constructed and Phase III costs are based on the assumption that Phases I and II have been constructed.

VII. Debt Service and Projected Customer Monthly Bills

Based on the projected costs and demands outlined in this memorandum, an evaluation of debt service for each District phase is presented in *Table 5* below. The annual debt service is based on a USDA loan instrument with a 38-year term payable over 40 years at 4.25% interest.

Table 5, Scenario A is based upon service to parcels identified to contain an existing structure. Under this scenario for the *Total District* construction, a minimum customer bill of \$49.77/month would be required to service the estimated debt. Similarly, Scenario B is based upon service to all parcels within the District and would require a minimum customer bill of \$41.80/month to service the estimated debt. Review of this data indicates that either construction of the *Total District* or the combined *Phase I & II* areas would provide the most economical monthly base rate to customers.

Table 5 – Debt Service Analysis

| | Item | Total District | Phase I | Phase II | Phase III | Phase I & II |
|----------|---------------------------------------|----------------|--------------|--------------|-------------|--------------|
| | Construction Loan Amount | \$33,140,256 | \$12,583,597 | \$11,948,469 | \$9,361,508 | \$24,274,566 |
| | Annual Debt Service | \$1,684,424 | \$639,588 | \$607,307 | \$475,819 | \$1,233,807 |
| Scenario | | | | | | |
| A | Monthly Base Charge (2,977 Customers) | \$47.15 | \$62.70 | \$38.93 | \$46.65 | \$47.82 |
| B | Monthly Base Charge (3,545 Customers) | \$39.60 | \$57.31 | \$30.69 | \$41.05 | \$39.87 |

In addition to debt service, the monthly customer bill must also include usage fees that will provide revenue for operation and maintenance (O&M) of the system. *Table 6* provides a breakdown of typical O&M functions and an estimated monthly cost for each based on actual customer water use per month.

Table 6 – Estimated O&M Costs per 1,000 Gallons Water Use per Customer

| Item | Total District | Phase I | Phase II | Phase II | Phase I & II |
|---|----------------|---------------|---------------|---------------|---------------|
| Bulk WTP Production/1,000 Gallons | \$3.91 | \$3.91 | \$3.91 | \$3.91 | \$3.91 |
| Debt Service Bladen Bluffs (1) | \$0.21 | \$0.06 | \$0.09 | \$0.06 | \$0.15 |
| Capital Reserve/1,000 Gallons | \$0.25 | \$0.25 | \$0.25 | \$0.25 | \$0.25 |
| O&M Transmission/1,000 Gallons | \$0.50 | \$0.50 | \$0.50 | \$0.50 | \$0.50 |
| O&M Distribution/1,000 Gallons | \$0.50 | \$0.50 | \$0.50 | \$0.50 | \$0.50 |
| Billing, Meter Reading, etc. /1,000 Gallons | \$0.65 | \$0.65 | \$0.65 | \$0.65 | \$0.65 |
| Total Cost/1,000 Gallons Usage/1,000 Gallons | \$6.02 | \$5.87 | \$5.90 | \$5.87 | \$5.96 |

- 1) Note that debt service for the Bladen Bluffs facility is prorated on actual average daily demand over a 4 MGD capacity to determine the prorated share of the Smithfield Farmland Corporation \$510,000 annual debt service payment.

As shown in *Table 6*, each customer would be billed approximately \$6.00 per 1,000 gallons of water use per month. Additionally, combining the minimum monthly base charge shown in *Table 5* and the estimated water usage rate shown in *Table 6*, the total monthly average customer bill is estimated in *Table 7*. For the purposes of this memorandum, an average residential water use of 4,500 gallons per day has been used as a basis.

As previously noted, Scenario A assumes water service is provided to parcels with structures identified and Scenario B provides service to all parcels within the District.

Table 7 – Estimated Monthly Customer Bill

| Scenario | Item | Total District | Phase I | Phase II | Phase III | Phase I & II |
|----------|---|----------------|-------------|-------------|-------------|--------------|
| A | Monthly Base Charge (2,977 Customers) | \$49.77 | \$65.33 | \$41.55 | \$49.27 | \$50.44 |
| | Water Usage (4,500 Gals. per month) | \$27.09 | \$26.42 | \$26.56 | \$26.42 | \$26.83 |
| | Total Monthly Bill | \$74 | \$89 | \$65 | \$73 | \$75 |
| | Total Bill without Bladen Bluffs Capacity Fee (1) | \$69 | \$84 | \$60 | \$68 | \$69 |
| | Total Monthly Bill (2) without Depreciation | \$68 | \$83 | \$59 | \$67 | \$69 |
| | Total Monthly Bill without Depreciation & Bladen Bluffs Capacity Fee | \$63 | \$78 | \$54 | \$62 | \$63 |
| | | | | | | |
| B | Monthly Base Charge (3,545 Customers) | \$41.80 | \$59.71 | \$32.76 | \$43.35 | \$42.05 |
| | Water Usage (4,500 Gals. per month) | \$27.09 | \$26.42 | \$26.56 | \$26.42 | \$26.83 |
| | Total Monthly Bill | \$67 | \$84 | \$57 | \$67 | \$67 |
| | Total Bill without Bladen Bluffs Capacity Fee (1) | \$62 | \$79 | \$53 | \$63 | \$62 |
| | Total Monthly Bill (2) without Depreciation | \$61 | \$68 | \$51 | \$61 | \$61 |
| | Total Monthly Bill without Depreciation & Bladen Bluffs Capacity Fee | \$56 | \$73 | \$47 | \$57 | \$56 |

(1) The Bladen Bluffs Capacity fee is \$4.64 per gallon and represents the contractual agreement between the Authority and Smithfield Farmland Corporation for the cost of capacity in the Bladen Bluffs facility, up to 1 MGD. As shown in Table 7, this equals approximately \$5 per customer per month.

(2) Depreciation provided by Smithfield Farmland Corporation was shown at \$613,513 annually, which equates to approximately \$6-\$7 per month per customer. Governmental entities have flexibility in depreciating assets and may not be required for the Grays Creek Water District project.

As previously noted, review of this data indicates that either construction of the Total District or the combined Phase I & II areas would provide the most economical monthly base rate to customers.

As a point of comparison, Table 8 provides a sampling of average monthly water bills for other water systems in eastern North Carolina.

Table 8 – Sample of Average Monthly Water Bills (1)

| Item | Average Monthly Water Bill |
|---|----------------------------|
| Cumberland County – Southpoint Water System | \$55.00 |
| Scotts Hill Water & Sewer District | \$49.10 |
| Pender Rocky Point Topsail Water & Sewer District | \$46.45 |
| Maple Hill Water District | \$37.25 |
| Columbus County | \$40.25 |
| Town of Knightdale | \$46.00 |
| Town of Wendell | \$46.00 |
| Town of Zebulon | \$56.00 |

- 1) Data provided in Table 8 was excerpted from the North Carolina Water and Wastewater Rates Dashboard provided by the UNC School of Government.

VIII. Anticipated Schedule

The following Table 8 presents an anticipated project schedule and major tasks based on a typical USDA project timeline. For the purposes of this memorandum, the timeline presented below is based on the combined Phase I & II project option.

Table 7 – Anticipated Project Schedule

| Item | Major Task | Duration (Months) |
|---|---|-------------------|
| 1 | Preliminary Engineering Report & Environmental Assessment | 9 |
| 2 | Design & Permitting | 12 |
| 3 | Bid & Award Process | 3 |
| 4 | Construction | 18 |
| Total Anticipated Project Timeline | | 42 |

IX. Project Benefits

The proposed project would provide significant benefits to residents of the Gray's Creek Water & Sewer District which will include:

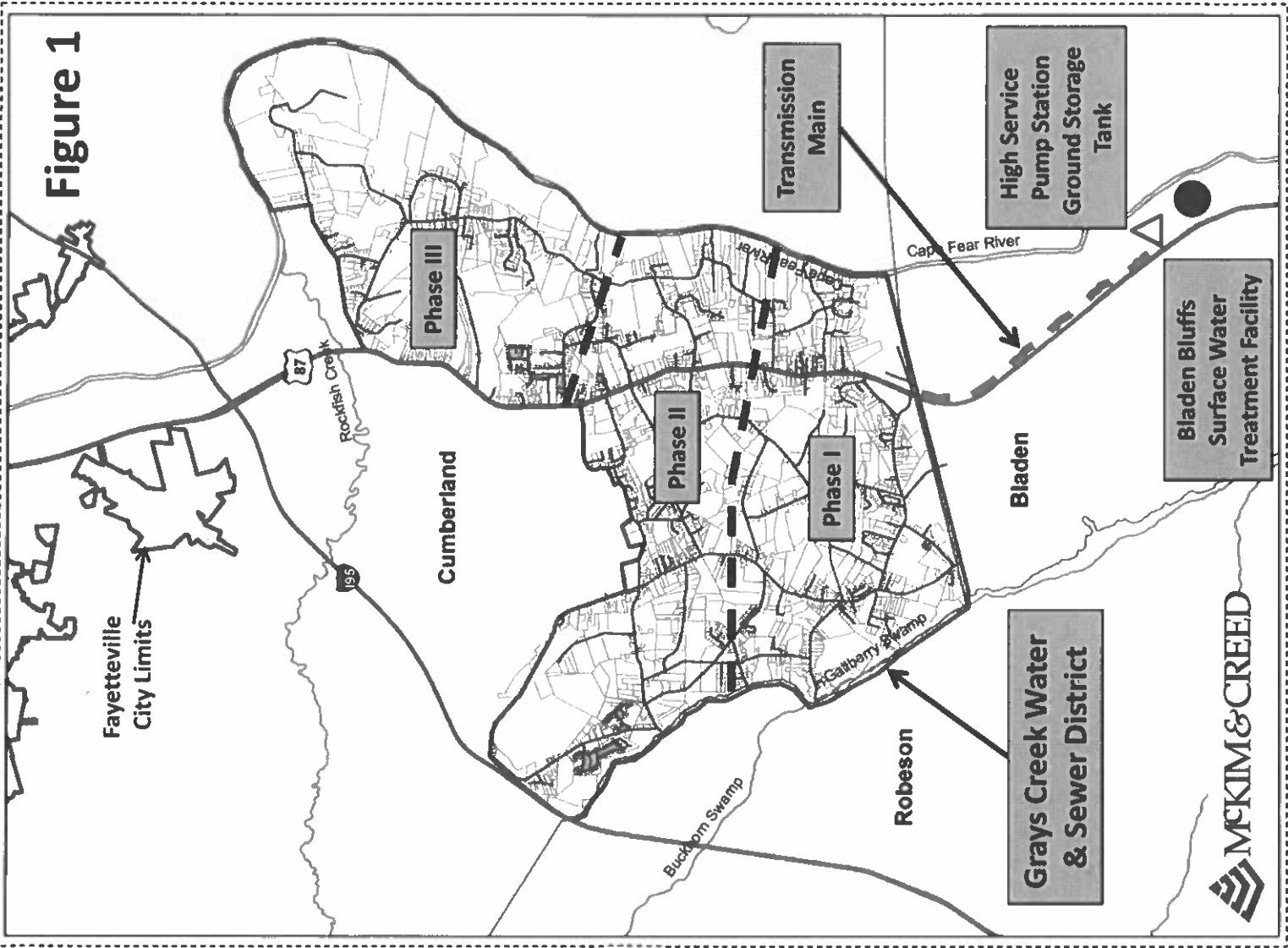
- **Improved Water Quality** – it is our understanding that water quality in the area is poor, exhibiting issues with taste, color, and odor. This is typically a direct result of private wells installed in surficial aquifers or aquifers of low quality source water without treatment. The Bladen Bluffs Surface Water Treatment Facility is a modern, advanced water treatment plant and will provide a water supply that meets all current NCDENR drinking water

standards and would eliminate the issues associated with taste, odor, color, and general poor water quality.

- **Human Health Protection** – private individual wells without treatment are perpetually at risk for contamination and can pose a danger to human health, especially those constructed in surficial, shallow aquifers. Contamination can be of human origin (i.e. leaking underground petroleum storage) or of natural causes (i.e. elevated levels of naturally occurring arsenic). By providing a safe, dependable drinking water supply the threat of well contamination will virtually be eliminated for all residents that are connected to the system.
- **Reduction in Homeowners Insurance Rate** – the distribution system would be constructed with fire hydrants and would meet NCDENR minimum requirements for available fire flow. The availability of a public system with fire flow availability will result in a reduction in homeowner insurance rates.
- **Electrical Savings** – generally, the electrical costs associated with private individual wells ranges from \$9-\$13 per month for an average residential dwelling. By connecting to the public water system, the homeowner would see a savings in monthly electrical costs as the well would no longer be used. As a caveat, some homeowners in rural systems often opt to maintain their well as for irrigation in lieu of the irrigating with treated drinking water.
- **Well Maintenance & Replacement** - a typical well pump has a 10-12 year service life and will require replacement further adding to costs that the homeowner must bear. Connection to a public water supply system will eliminate the need for replacement and associated costs.
- **Softeners & Reverse Osmosis Systems** – homeowners with private wells that produce poor water quality often install and maintain expensive in-home treatment systems such as water softeners and reverse osmosis systems. With the high quality water that will be produced from the Bladen Bluffs facility, these systems will no longer be needed. This will result in electrical savings, maintenance of the systems, and replacement when the systems are no longer functional.

Should the Authority choose to pursue a public drinking water system for Grays Creek, it is recommended that these benefits be communicated to District residents.

END OF TECHNICAL MEMORANDUM



STATE

Cumberland County to spend \$10.5M to send water to GenX contaminated Gray's Creek

Paul Woolverton pwoolverton@fayobserver.com

Published 12:06 p.m. ET Jan. 6, 2020

The Cumberland County Board of Commissioners voted Monday to allocate \$10.5 million toward providing public water to the Gray's Creek area that has been contaminated with the GenX chemical from the Chemours factory.

The plan is to provide drinking water to homes and two schools that have been relying on bottled water since the chemical was found in well water in the vicinity of the plant, which is on the Bladen and Cumberland County line. The vote was unanimous, although Commissioners Charles Evans and Jeannette Council were absent.

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GenX is a PFAS — a perfluoroalkyl substance or polyfluoroalkyl substance — that is a potential carcinogen. It's made at the plant and has been discharged into the Cape Fear River and the air. Chemours has reported it has ended the river discharges and that in 2019 it installed \$100 million of equipment to cut the air emissions by 99%.

Chemours has said it is providing bottled water to more than 600 households whose wells contain PFAS.

The county staff has been in discussion with the public water providers in nearby Bladen County and Robeson County and with the Fayetteville Public Works Commission, County Manager Amy Cannon said, "to determine the best, most feasible option to get water to the schools and to those with contaminated wells."

In 45 to 60 days, the staff is to present the commissioners with more information about the options, a county news release says.

If the county works with the Public Works Commission, water lines would be extended to the area in two phases, according to Cannon's comments at the commissioners' meeting Monday morning.

The initial phase, at \$3 million, would provide water to Alderman Road Elementary School and Gray's Creek Elementary School in southern Cumberland County, Cannon said. A water line would be run to Alderman Road along N.C. 87 from the N.C. 87 intersection at Sand Hill Road, she said.

This could be done in the next 18 months, Cannon said.

In a second phase of \$7.5 million, Cannon said, the line would be further extended down N.C. 87 to properties in the area of County Line Road. "And that's where you get to most of the contamination in the private wells," she said.

County officials are to meet with PWC officials on Tuesday to discuss how to get the water to the schools, Cannon said, and then to define the scope of how water could be extended to the homes.

Commissioner Glenn Adams said there previously had been discussion of having Cumberland County Schools, PWC and the county government each pay a third of the cost of bringing public water to the schools.

Cannon said the county staff recently sought this assistance and was rejected.

"The Public Works Commission is at this point not in a position to add any funding to the project because they really won't pick up a significant amount of customers along the way in that first piece to the schools," she said.

Cannon said schools Superintendent Marvin Connelly told her that "the schools are not in the position to contribute to the project, that they have projects planned for their capital dollars, and it would mean rearranging their priorities and some of their projects, moving down the line."

Connelly disagrees with Cannon's characterization of the schools' position on the matter, schools spokesman Lindsay Whitley said in emails to The Fayetteville Observer on Monday afternoon.

Connelly was not previously aware that the county wanted the Board of Education to contribute to the cost of supplying water to the two schools, he said.

“Right before the winter break, the county manager approached the superintendent about whether funds had been set aside in the school system’s budget for this project,” Whitley said. “After conveying that we had not previously allocated funds for this project, the superintendent agreed to discuss options with his leadership team, which he did earlier today. The school system never declined to support this effort. Dr. Connelly will discuss this matter with the Cumberland County Board of Education at a committee meeting tomorrow.”

Adams said the PWC and schools should contribute.

“To go out there to those schools, and to see police tape around the water fountains — if that’s not a high priority for the school system, I think that we need to reevaluate looking at some of the things that we do,” Adams said.

The Cumberland County Board of Education has been in disagreement with the county commissioners since the summer over the amount of funding the county provides to the schools. In November, commissioners and Board of Education members discussed the dispute and how to resolve it.

Staff writer Paul Woolverton can be reached at pwoolverton@fayobserver.com or 910-486-3512.

ThollomanLcfwasa@atmc.net

From: Holman, Sheila <sheila.holman@ncdenr.gov>
Sent: Monday, April 20, 2020 5:17 PM
To: tHollomanLcfwasa@atmc.net; JerryPierceLcfwasa@atmc.net; admin@lcfwasa.org
Subject: NCDEQ Response to Chairman Milliken re: Cape Fear Locks and Dams
Attachments: 04202020 Holman to Milliken re CF Locks and Dams.pdf

Dear Tim, Jerry and Amy,

I am attaching the Department's response to Chairman Milliken's March 27, 2020 letter to Secretary Michael Regan regarding the Cape Fear Locks and Dams. Can you all share an electronic copy with Chairman Milliken and the other board members? Thank you for your help. I will mail the hard copy, but wanted to provide our response electronically as well. Let me know if you have questions.

Sheila

Sheila Holman
Assistant Secretary for Environment
NCDEQ
1601 Mail Service Center
Raleigh, NC 27699-1601
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NORTH CAROLINA
Environmental Quality

ROY COOPER
Governor

MICHAEL S. REGAN
Secretary

April 20, 2020

Mr. Al Milliken, Jr.
Chairman, Lower Cape Fear Water and Sewer Authority
1107 New Pointe Blvd, Suite 17
Leland, North Carolina, 28451

Dear Chairman Milliken,

I am responding on behalf of Secretary Michael Regan to your March 27, 2020 letter regarding the disposition of the Cape Fear Locks and Dams. You posed a series of questions in an attachment to your letter. The actual transfer of ownership will likely occur in the next 4-5 years and will include Congressional action, an evaluation of whether a federal agency is available to take ownership of the locks and dams, and if not, an assessment of which agency should take ownership. Following that, there will be the actual negotiation of the transfer paperwork. As such, it is difficult at this time to provide the detailed and comprehensive assurances that you request. However – as I do not anticipate a change in North Carolina Department of Environmental Quality's (NCDEQ) priorities given our role in both public water supply and water quality – I would like to share our perspective on the Cape Fear Locks and Dams.

NCDEQ has been participating in the public process conducted by the U.S. Army Corps of Engineers (USACE) as part of their Cape Fear Lock and Dams Disposition Study. Additionally, NCDEQ has taken the lead in coordinating across the various state agencies that have interests in the Cape Fear Locks and Dams. We held a stakeholder meeting in Elizabethtown on December 18, 2019 to bring together various stakeholders and hear their concerns across five focus areas – water supply, water quality, aquatic habitat, fish passage, and recreation. There has been some confusion about NCDEQ's priorities following that meeting. I want to clarify the agency's position that water supply and water quality are the highest priorities when considering the Cape Fear Locks and Dams.

NCDEQ has been working on this issue following the intent of Session Law 2008-186. Session Law 2008-186 indicates that North Carolina Department of Transportation (NCDOT) would negotiate the transfer of the property from USACE to the State of North Carolina. The Council of State is given the responsibility to determine which state agency will serve as the steward for the locks and dams. The Session Law contemplates that the locks and dams are fully refurbished with fish ladders installed at all three locations at the time of the transfer. NCDEQ believes the intent of this legislation is that the three locks and dams were intended to remain in place, again recognizing the important function the systems serve in providing public water supply to the region. The Session Law language would need to be changed if the state is to take ownership of



North Carolina Department of Environmental Quality
217 West Jones Street | 1601 Mail Service Center | Raleigh, North Carolina 27699-1601
919.707.8600

the locks and dams since they are not currently in the condition required by the bill language, nor does USACE have funding to complete the refurbishment and/or provide fish passage at the two other dams. Given the current situation with COVID-19, NCDEQ does not intend to seek legislative changes until the long session in 2021.

NCDEQ has been in contact with our U.S. Congressional delegation to discuss the future of the Cape Fear Locks and Dams. The agency has explored the possibility of an appropriation at the time of the transfer of the locks and dams to North Carolina to cover any of the necessary refurbishment and installation of fish ladders at two of the dams.

With regard to future funding, if the state assumes the responsibility of owning, operating and maintaining the locks and dams, then the agency that the Council of State determines is the new owner of the locks and dams would seek an annual appropriation for the maintenance, and any improvements would be part of the annual capital improvement program request. As with the intent expressed in S.L. 2008-186, DEQ's intent, if deemed the responsible agency, is to ensure a seamless transition with the USACE, continuing to maintain operations in a manner consistent with current strategies. This includes both operation of the locks and dams themselves, as well as adjoining recreational areas.

I trust that you find this letter helpful in understanding NCDEQ's position on the future of the Cape Fear Locks and Dams. Please contact me at (919) 707-8619 if you have additional questions.

Sincerely,



Sheila C. Holman
Assistant Secretary for the Environment
NCDEQ
1601 Mail Service Center
Raleigh, NC 27699-1601
Phone/Fax: 919-707-8619
deq.nc.gov
sheila.holman@ncdenr.gov



AGENDA ITEM

To: CHAIRMAN LEONARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: January 11, 2021

Re: Consent Agenda

Reviewed and Approved as to form: MATTHEW A. NICHOLS, AUTHORITY ATTORNEY

Please find enclosed, items of a routine nature for consideration and approval by the Board of Directors with one motion. However, that does not preclude a board member from selecting an item to be voted upon individually, if so desired.

C1 - Minutes of Regular Board Meeting December 14th, 2020

C2 - Kings Bluff Monthly Operations and Maintenance Report

C3 - Bladen Bluffs Monthly Operations and Maintenance Reports

Action Requested: Motion to approve/disapprove Consent Agenda

Lower Cape Fear Water & Sewer Authority
Regular Board Meeting Minutes

Item C1

December 14, 2020

Chairman Milliken called to order the Authority meeting scheduled on December 14, 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.

Roll Call by Chairman Milliken:

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

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

Absent: none

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 Nichols, Stuart Hill, Jack Hogan, and Thad Hill

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

APPROVAL OF CONSENT AGENDA

C1 - Minutes of Regular Board Meeting November 9th, 2020

C2 - Kings Bluff Monthly Operations and Maintenance Report

C3 - Bladen Bluffs Monthly Operations and Maintenance Reports

C4- Approval of the Authority's 2021 Regular Schedule Meetings Calendar

Motion: Director Blanchard MOVED; seconded by Director Rivenbark, 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 | | | |
| Bill Sue | X | | | |
| Frank Williams | X | | | |
| | 12 | 0 | 0 | 0 |

PUBLIC HEARING

Executive Director, Tim Holloman presented 2 options for alternative rate increase over the next 10 years. He also addressed the upcoming projects scheduled in this same 10 year window. The proposed water rate increase is from .2717 to .33 per 1,000 gallons for Fiscal Year 2021. This proposal is .005 % of the current Brunswick County Utility budget, .002% of the current CFPUA budget and .003% of the Pender County budget. The approximate annual increase per customer would be \$3.48 per year for Brunswick County, \$3.36 per year for Pender County, and \$2.52 per year for CFPUA.

The Executive Director also offered optional responses to the proposed rate increase; which included: 1) No action being taken at all, 2) LCFWASA obtaining loans for Emergency Projects, or 3), following through with one of the two recommended alternatives., and 4). delaying the implementation of the rate increase for one year.

Director Blanchard commented that based on the ED's proposal, the customers increase would only average out to a penny per day. He expressed concern that if LCFWASA was in a situation where there was no money for emergency projects/crisis, the public would not be very forgiving.

Director Williams proposed the LCFWASA establish a Long-Range Planning committee. The committee would include a committee member from each of the entities and engineers so that they can be engaged upfront in the planning.

Motion: Director Blanchard MOVED; seconded by Director Rivenbark, approval of *the Closing of the Public Hearing*. 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 | | | |
| Bill Sue | X | | | |
| Frank Williams | X | | | |
| | 12 | 0 | 0 | 0 |

Motion: Director Knight MOVED; seconded by Director DeVane, approval of *Establishing a Capital Improvement Plan Committee*. Upon roll call vote, the **MOTION CARRIED UNANIMOUSLY**.

| | <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 | | | |
| Bill Sue | X | | | |
| Frank Williams | X | | | |
| | 12 | 0 | 0 | 0 |

NEW BUSINESS**NB1- Presentation of Annual Audit Report for Fiscal Year Ending June 30,**

Auditor Stuart Hill presented the audit on behalf of Thompson, Price, Scott, Adams & Co., P.A. The Auditor stated that there was no material errors found, the internal controls seemed to be proper, there were no major adjustments that needed to be made, and there were no irregularities or illegal acts found.

Motion: Director Blanchard MOVED; seconded by Director Rivenbark, approval of *the Annual Audit Report for FYE June 30, 2020*. 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 | | | |
| Bill Sue | X | | | |
| Frank Williams | X | | | |
| | 12 | 0 | 0 | 0 |

NB 2- Election of Authority's Board of Directors Officers for the Term of January 1, 2021 until December 31, 2021

Motion: Director Williams MOVED; seconded by Director Rivenbark, approval of *the Election of the Authority's Board of Directors Officers for the Term of January 1, 2021*. Upon roll call vote, the **MOTION CARRIED UNANIMOUSLY**.

| | <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 | | | |
| Bill Sue | X | | | |
| Frank Williams | X | | | |
| | 12 | 0 | 0 | 0 |

ENGINEER'S COMMENTS

Tony Boahn reported that the 54-Inch Parallel Raw Water Main project was progressing on schedule, with a 33 month (August 2022) expectancy date of completion. Pipe installation is about 51% complete. The Livingston Creek Aerial Crossing is still in progress due to high water levels and flooding delays. The Bore Encasements road crossing and the IP Railyard & NC Hwy 11 are complete as well.

The final permit package for the 4th pump was submitted to the NCDEQ-PWS on November 30, 2020. The permit approval is anticipated to be between February and March 2021. This approval would move the MGD capacity from 45 MGD to 96 MGD.

ATTORNEY COMMENTS

None.

EXECUTIVE DIRECTOR REPORT**EDR1 – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending November 30, 2020**

Executive Director Holloman reported that during the Month of November 2020, Brunswick County is close to its targeted projections, and CPFUA's usage increase significantly above projections for the month. Pender County is also on target for this time of year. He states that revenue for the year is \$17,000 below projections, and if we have a strong winter, we should decrease that deficit even more.

EDR2- Proposed Budget Calendar

Executive Director Holloman presented the proposed calendar and also stated that some of the proposed meeting would also include Finance Committee meetings and possible Long-Range Planning Committee meetings. He also informed the Board that there will be a full Planning and Budget Retreat during the January 2021 monthly Board meeting.

Motion: Director Rivenbark MOVED; seconded by Director Williams, approval of *the Proposed Budget Calendar*. 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 | | | |
| Bill Sue | X | | | |
| Frank Williams | X | | | |
| | 12 | 0 | 0 | 0 |

CLOSED SESSION

Chairman Milliken requested a motion for the Board to enter closed session in accordance NCGS§143-318.11(a)(3)(i) to discuss a matter with our Attorney a matter within Attorney-Client privilege.

Motion: Director Rivenbark MOVED; seconded by Director Williams, approval to *enter Closed Session*. 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 | | | |
| Bill Sue | X | | | |
| Frank Williams | X | | | |
| | 12 | 0 | 0 | 0 |

At 10:27 a.m. the Board went into closed session. At 10:53 a.m. the Board returned to open session. There was no action.

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

None

PUBLIC COMMENT

None

ADJOURNMENT

There being no further business, Chairman Milliken adjourned the meeting at 10:55 a.m.

Respectfully Submitted:


 Charlie Rivenbark, Secretary

**COUNTY OF BRUNSWICK
PUBLIC UTILITIES DEPARTMENT
Kings Bluff Pump Station**



246 Private Road
Riegelwood, NC 28456
(910) 655-4799 Office
(910) 655-4798 FAX

TO: Tim Holloman

FROM: Jack Hogan

DATE: 1/3/2021

SUBJECT: Monthly maintenance report for December 2020

Mr. Holloman,

The Maintenance and Operations of the king's bluff facility for the month of December was performed as prescribed in the station SOP'S and other items are as follows.

The diesel drive booster pumps along with the standby SCADA generator located at the raw tank and the SCADA generator located at INVISTA / CFPUA vaults off HWY 421 were ran and tested weekly and verified standby ready.

KB personnel completed all locates issued by the 811 system.

KB personnel took # 2 EMD generator out of service for water pumps replacement.

KB personnel completed several flushes of the cooling system # 2 EMD generator engine and radiator before installation of the new water pumps.

KB personnel replaced 1 & 2 left and right-side water pumps on the # 2 EMD generator that had been inspected and determined to be defective.

KB personnel after installation of new water pumps on # 2 EMD generator, the engine and radiator were filled with proper coolant and tested and after testing the generator was put back into standby service.

KB personnel completed yearly PM and oil changes on # 1 & # 2 station air compressors.

KB personnel completed level 2 maintenance on 2012 Ram 3500 A-3.

Thank You,
Jack Hogan



To: Tim Holloman - LCFWASA

From: James Kern – Bladen Bluffs SWTP ORC

Date: 1/5/21

Subject: December 2020 Operations

During the month of December, Bladen Bluffs SWTP operated a total of 23 days, treating 53.602 million gallons of water.

We used:

44,927 lbs. of aluminum sulfate (Alum)

11,254 lbs. of sodium hydroxide (Caustic)

1,841 lbs. of sodium hypochlorite (3,697 gallons of 6% Chlorine Bleach)

James Kern
Water Treatment Plant
Supervisor

(910) 862-3114
(910) 862-3146
(719) 761-0026 mobile
jkern@smithfield.com

Smithfield
Good food. Responsibly.®

Bladen Bluffs Surface Water Treatment
Plant
17014 Highway 87 West
Tar Heel, NC 28392
www.smithfieldfoods.com

Monthly Operating Reports (MORs) Summary

(No user data entry – all values are auto-populated.)

| | | |
|------------------------|---|--------------------------|
| Year: <u>2020</u> | PWS Name: <u>Bladen Bluffs Water System</u> | PWSID#: <u>NC5009012</u> |
| Month: <u>December</u> | Facility Name: <u>Bladen Bluff</u> | |

Combined Filter Effluent (CFE) Turbidity

| | |
|---|--|
| Samples exceeding 1 NTU (count): <u>0</u> | Number of samples required: <u>117</u> |
| Samples exceeding .3 NTU (count): <u>0</u> | Number of samples taken: <u>118</u> |
| Samples exceeding .3 NTU (pct): <u>0.0%</u> | Highest single turbidity reading NTU: <u>0.153</u> |
| | Monthly average turbidity NTU: <u>0.082</u> |

Individual Filter Effluent (IFE) Turbidity

| | | | | |
|---|-----|----------|----|----------|
| 1) Was each filter <u>continuously</u> monitored for turbidity? | Yes | <u>X</u> | No | |
| 2) Was each filter's monitoring results <u>recorded every 15 minutes</u> ? | Yes | <u>X</u> | No | |
| 3) Was there a failure of the continuous turbidity monitoring equipment? | Yes | | No | <u>X</u> |
| 4) Was any individual filter turbidity level > 1.0 NTU in two consecutive measurements ? | Yes | | No | <u>X</u> |
| 5) Was any individual filter turbidity level > 0.5 NTU in two consecutive measurements at the end of 4 hours of operation after the filter has been backwashed or otherwise taken offline ? | Yes | | No | <u>X</u> |
| 6) Was any individual filter turbidity level > 1.0 NTU in two consecutive measurements in each 3 consecutive months ? | Yes | | No | <u>X</u> |
| 7) Was any individual filter turbidity level > 2.0 NTU in two consecutive measurements in 2 consecutive months ? | Yes | | No | <u>X</u> |

Entry Point Residual Disinfectant Concentration (EPRD)

| | |
|--|---------------------------------------|
| Disinfectant Used <u>Chlorine</u> | Number of samples required <u>117</u> |
| Minimum EPRD concentration <u>0.8100</u> | Number of samples taken <u>118</u> |

Distribution Residual Disinfectant Concentration

| | |
|---|----------|
| Number of samples under 0.010 mg/L (without any detectable) excluding where HPC is ≤ 500/mL | <u>0</u> |
|---|----------|

Contact Time (CT) Ratio

| | |
|--|--|
| Lowest CT ratio reading <u>12.96</u> | Number of CT ratios required <u>23</u> |
| Number of CT ratios below 1.0 <u>0</u> | Number of CT ratios calculated <u>23</u> |

Remarks From General Info Worksheet

☒ By checking this box, the ORC certifies that the requirements of 15A NCAC 18C .1301 "General Requirements", .1302 "Tests, Forms, and Reporting", and .1303 "Facility Oversight" have been met for the month of December, 2020 and that records documenting compliance with this rule are maintained on the premises and available for inspection upon request.

NCDENR/DEH
PWSS
Version: V02.10-00

| | |
|---------------------|-------------|
| COMPLETED BY: | James Kern |
| CERTIFICATE GRADE: | A - Surface |
| CERTIFICATE NUMBER: | 120147 |

Bladen Bluffs SWTP Maintenance Report

Date: 1/5/2021

ISSUE:

PLAN OF ACTION:

| | |
|---|--|
| Air on finished water line (maybe from GAC) | Installed new SCADA, will complete soon |
| Need to run spare finished chlorine line | Will contact Halsey |
| Some tiles need replacement | FIXED |
| Fire system supply change to county water | IN PROGRESS |
| Chemical Pump PM due | Rescheduled |
| Truck needs oil change | COMPLETE |
| Settled chlorine line clogged underground | Planning repair (should be a spare line) |
| River bank eroding | Informed Tom |
| Sump pump line from vaults to rapid mix broke | Scheduled repair |
| Sump pump check valve needs replacement | Scheduled repair |

AGENDA ITEM

To: CHAIRMAN LEONARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: January 11, 2021

Re: Consider approving a new raw water rate effective July 1, 2021

Reviewed and Approved as to form: MATTHEW A. NICHOLS, AUTHORITY ATTORNEY

Background: Background: Since February 2019, the Authority directors have been interested in seeing a rate structure based on the funding the Capital Improvement Plan. Generator replacement at Kings Bluff was the factor initiating some of these discussions. The Authority believed that a 10-year raw water rate plan would be optimal so that member agencies could plan with that in mind.

After a presentation by the Executive Director on September 14th, the Finance Committee asked the Director to proceed with presenting the information to the Board at the Regular October meeting. At the regular October Meeting, the Board was presented with a draft rate structure.

At the November 9th meeting, the Board of Directors unanimously set a Public Hearing Date for a proposed rate increase for the December 14th, 2020 meeting. The Director was instructed to proceed with the formal meetings with LCFWASA partners.

On December 14th, 2020, the Public Hearing was conducted and closed. Notice was posted that a vote would be held on January 11, 2021 and this information was posted on LCFWASA website, office posting, and sent to all interested parties. Brunswick County submitted written comments which are included with the documents for this item. These were the only comments received.

Action Requested: Approve a rate effective July 1, 2021.

Lower Cape Fear Water & Sewer Authority



Water Rate and CIP

Review

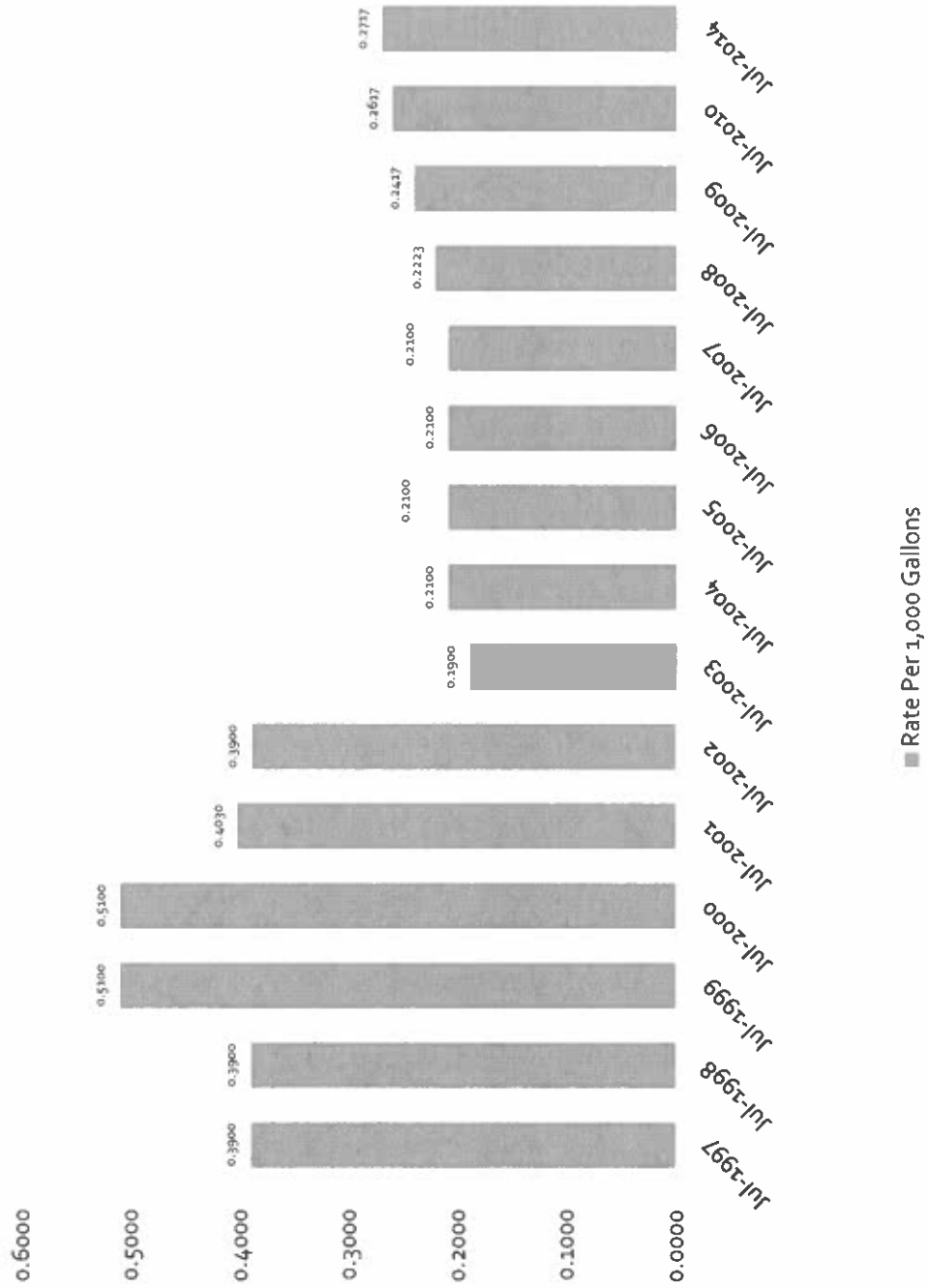
December 14, 2020

wifi: Network Name = **BladenBluffs** Password = **kingsbluff1**

Discussion of Rate Study in Relation to Capital Improvement Plan

- At the LCFWASA February 11, 2019 Board Meeting there was discussion that a Capital Improvement Fund would be built into the rate structure and during the transitions, that effort did not move forward. (Generators were the primary focus)
- Former Director Sneed requested a rate schedule be created to identify where slow increases in rates could be made to pay for some projects without financing. Development of a 10 year water rate plan would be optimal so that member agencies could incorporate that into their plan.
- At the September 9, 2019 meeting former Director Zapple and Director Newton motioned that the Finance Committee conduct a study of the raw water rate structure in correlation to the Authority's Capital Improvement Plan and it carried UNANIMOUSLY.
- Finance Committee meets on September 14th to begin rate review in preparation for the 2021-22 Fiscal Year Budget.

LCFWASA - Historical Water Rates



After
meeting
with
Partners

| Water Rate Listing | | | |
|--------------------|----------|--|---------------|
| | | | Rate Per |
| Begin Date | End Date | | 1,000 Gallons |
| * Jul-1997 | Jun-1999 | | 0.3900 |
| Jul-1999 | Jun-2000 | | 0.5100 |
| Jul-2001 | Jun-2002 | | 0.4030 |
| Jul-2002 | Jun-2003 | | 0.3900 |
| Jul-2003 | Jun-2004 | | 0.1900 |
| Jul-2004 | Jun-2007 | | 0.2100 |
| Jul-2008 | Jun-2009 | | 0.2223 |
| Jul-2009 | Jun-2010 | | 0.2417 |
| Jul-2010 | Jun-2013 | | 0.2617 |
| Jul-2014 | Jun-2020 | | 0.2717 |
| Jul-2021 | Jun-2022 | | 0.3500 |
| Jul-2022 | Jun-2023 | | 0.3500 |
| Jul-2023 | Jun-2024 | | 0.3800 |
| Jul-2024 | Jun-2025 | | 0.3800 |
| Jul-2025 | Jun-2026 | | 0.3800 |
| Jul-2026 | Jun-2027 | | 0.4000 |
| Jul-2027 | Jun-2028 | | 0.4000 |
| Jul-2028 | Jun-2029 | | 0.4000 |
| Jul-2029 | Jun-2030 | | 0.4300 |
| Jul-2030 | Jun-2031 | | 0.4300 |

SEE 11 X 17
WORKSHEET
ALTERNATE 1
AND
ALTERNATE 2

Notes to Annual Needs Table Alt 1.

- ❖ FY21-22 Expenditures(Had to delay from 20-21 due to decrease in projected revenues purchase a vehicle and VFD replacement
- ❖ FY 22-23 35K additional for mowing and 60K for surveying ROW
- ❖ FY23-24 One half of ROW Clearing for the 10 mile section and engineering and surveying for the project. Rebuild Vertical Turbine Raw Water Pump, 50k anti-vortexing Begin Debt Service Project 1
- ❖ Fy24-25 Vertical Frequency Drive replacement, 2nd half of ROW, 50k for anti-vortexing. Begin Debt Service Project 2
- ❖ Set asides for pigging both 48 and 54” lines. These are annual set asides assuming full revenue projections.
- ❖ Set asides for a 20 MGD storage tank, IMP upgrade and a fifth pump have been included and they actually go beyond the 10 year window.
- ❖ Fy29-30 Replaced Debt Service Project 3 with Project 4 project and no expense to acquire ROW for the 10 mile section of pipeline for future parallel line.
- ❖ Additional ROW cutting for 54” parallel ROW delayed one year
- ❖ Vertical Pump Refurbish, Anti-Vortexing pushed back two years.
- ❖ Argo purchase pushed back one years.

Annual increases from Brunswick County and CFPUA have been factored in.

Notes to Annual Needs Table Alt 2.

- ❖ FY21-22 Expenditures(Had to delay from 20-21 due to decrease in projected revenues purchase a vehicle and VFD replacement
- ❖ FY 22-23 35K additional for mowing and 60K for surveying ROW
- ❖ FY23-24 One half of ROW Clearing for the 10 mile section and engineering and surveying for the project. Rebuild Vertical Turbine Raw Water Pump, 50k anti-vortexing Begin Debt Service Project 1
- ❖ Fy24-25 Vertical Frequency Drive replacement, 2nd half of ROW, 50k for anti-vortexing. Begin Debt Service Project 2
- ❖ Set aside only for Intermediate Booster Pump Upgrade
- ❖ No allowance is made for pigging of transmission lines.
- ❖ FY 25-26 Add Debt Service 5 for Fifth Pump(Moved up/Financing)
- ❖ Fy29-30 Replaced Debt Service Project 3 with Project 4 project and no expense to acquire ROW for the 10 mile section of pipeline for future parallel line.
- ❖ Additional ROW cutting for 54" parallel ROW delayed one year
- ❖ Vertical Pump Refurbish, Anti-Vortexing pushed back two years.
- ❖ Argo purchase pushed back one years.

Annual increases from Brunswick County and CFPUA have been factored in.

Other Utility Rate Increases

CFPUA HAS HAD FIVE RATE INCREASES IN 11 YEARS and projects a 6.13% increase over the next two years(7 increases in 13 yrs.)

BRUNSWICK COUNTY HAS 1 IN 20 YEARS GENERAL 11 IN 20 INDUSTRIAL VOLUME

LOWER CAPE FEAR HAS HAD 5 INCREASES IN 18 YEARS

LCFWASA INVESTIGATING 3 FUTURE INCREASES IN THE NEXT 10 YEARS

| | | | | | |
|---|----------------|----------------|--------------|--|--|
| | | | | | |
| Comparison of Current 20-21 Fiscal Year with Customer rate of .3500 | | | | | |
| | | | | | |
| | | | | | |
| Brunswick County | \$1,303,071.00 | \$1,676,761.00 | \$373,690.00 | | |
| CFPUA | \$1,162,726.00 | \$1,416,891.00 | \$254,165.00 | | |
| HWY 421 | \$70,642.00 | \$89,442.00 | \$18,800.00 | | |
| PRAXAIR | \$2,989.00 | \$3,833.00 | \$844.00 | | |
| PENDER | \$139,893.00 | \$189,208.00 | \$49,315.00 | | |
| | \$2,679,321.00 | \$3,376,135.00 | \$696,814.00 | | |

Approximate Monthly Increase per Customer:

| | |
|-------------------|-----------|
| Brunswick(80,000) | .39 per/m |
| Pender(8,983) | .46 per/m |
| CFPUA(71,500) | .30 per/m |

TIME LINE OF RATE REVIEW PROCESS 2020-2021

OCTOBER 2020- PRESENTED TO FULL BOARD

NOVEMBER 2020 BOARD COMMENTS
MEET WITH CUSTOMERS

DECEMBER 2020 PUBLIC HEARING ON PROPOSED
RATES

JANUARY 2021 APPROVE RATE CHANGES EFFECTIVE
JULY 1ST, 2021

Ongoing-Annual Rate Review and Consider adoption of 10 year rate schedule. Years one and two .35, years 3,4 & 5 .38, years 6,7 & 8 .40 and years nine and ten .43.

QUESTIONS ???

OPTIONS:

1. NO ACTION-LIMITED OR NO FUNDING FOR MAINTENANCE, CAPITAL PURCHASES
2. CUSTOMERS PROVIDE FUNDING FOR PROJECTS IN CAPITAL IMPROVEMENT PLAN AND EMERGENCY PURCHASES INCLUDING VEHICLE REPLACEMENT
3. LCFWASA OBTAINS LOANS FOR EMERGENCY PROJECTS OR PLANNED PROJECTS AND INCREASES RATES ACCORDINGLY. PLANNED DEBT WILL RESULT IN A RATE INCREASE ONE YEAR PRIOR TO PLANNED DEBT.
4. LCFWASA WILL OPERATE UNDER THE RATE PLAN AND PROJECTS AS OUTLINED IN THE DECEMBER 2020 PRESENTATION WITH EITHER ALT 1 OR ALT 2
5. SAME AS FOUR BUT DELAY IMPLEMENTATION FOR ONE YEAR.



Flow from Rates:

| | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
|-----------------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Brunswick | 4,662,656,772 | 4,870,449,446 | 5,005,449,446 | 5,140,449,446 | 5,275,449,446 | 5,410,449,446 | 5,545,449,446 | 5,680,449,446 | 5,815,449,446 | 5,950,449,446 |
| Brunswick Growth | 135,000,000 | 135,000,000 | 135,000,000 | 135,000,000 | 135,000,000 | 135,000,000 | 135,000,000 | 135,000,000 | 135,000,000 | 135,000,000 |
| CFPUA | 3,911,472,874 | 3,989,702,332 | 4,069,496,379 | 4,130,538,824 | 4,197,323,989 | 4,264,108,933 | 4,330,894,017 | 4,397,679,081 | 4,464,464,146 | 4,531,249,210 |
| CFPUA Growth | 78,229,457 | 79,794,047 | 61,042,446 | 66,785,064 | 66,785,064 | 66,785,064 | 66,785,064 | 66,785,064 | 66,785,064 | 66,785,064 |
| Pender | 595,669,488 | 607,582,878 | 619,734,536 | 629,030,554 | 638,466,012 | 648,004,002 | 657,763,647 | 667,630,102 | 677,644,554 | 687,809,222 |
| Pender Growth | 11,913,390 | 12,151,658 | 9,296,018 | 9,435,458 | 9,576,990 | 9,720,645 | 9,866,455 | 10,014,452 | 10,164,668 | 10,317,138 |
| HWY 421 & Praxair | 210,798,675 | 210,798,675 | 210,798,675 | 210,798,675 | 210,798,675 | 210,798,675 | 210,798,675 | 210,798,675 | 210,798,675 | 210,798,675 |
| Total Flow from Rates | 9,605,740,658 | 9,905,479,036 | 10,110,817,499 | 10,322,038,022 | 10,533,400,076 | 10,744,905,786 | 10,956,557,305 | 11,168,356,820 | 11,380,306,553 | 11,592,408,756 |
| MGD | 26.32 | 27.14 | 27.70 | 28.28 | 28.86 | 29.44 | 30.02 | 30.60 | 31.18 | 31.76 |

Rate analysis

| Revenues | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Rate | 0.3150 | 0.3150 | 0.3150 | 0.3150 | 0.3150 | 0.3150 | 0.3150 | 0.3150 | 0.3150 |
| Brunswick Sales | \$ 1,511,262 | \$ 1,576,717 | \$ 1,619,242 | \$ 1,661,767 | \$ 1,704,292 | \$ 1,746,817 | \$ 1,789,342 | \$ 1,831,867 | \$ 1,874,392 | \$ 1,916,917 |
| CFPUA Sales | 1,256,756 | 1,281,891 | 1,301,120 | 1,322,157 | 1,343,194 | 1,364,232 | 1,385,269 | 1,406,306 | 1,427,344 | 1,448,381 |
| Pender Sales | 191,389 | 195,216 | 198,145 | 201,117 | 204,134 | 207,196 | 210,303 | 213,458 | 216,660 | 219,910 |
| HWY 421 & Praxair | 66,402 | 66,402 | 66,402 | 66,402 | 66,402 | 66,402 | 66,402 | 66,402 | 66,402 | 66,402 |
| Total Revenues from Rate | \$3,025,808 | \$3,120,226 | \$3,184,908 | \$3,251,442 | \$3,318,021 | \$3,384,645 | \$3,451,316 | \$3,518,032 | \$3,584,797 | \$3,651,609 |
| Other Rev/Admin/Inf per Tim's analysis | \$108,000 | \$108,000 | \$108,000 | \$108,000 | \$108,000 | \$108,000 | \$108,000 | \$108,000 | \$108,000 | \$108,000 |
| Total Revenues | \$3,133,808 | \$3,228,226 | \$3,292,908 | \$3,359,442 | \$3,426,021 | \$3,492,645 | \$3,559,316 | \$3,626,032 | \$3,692,797 | \$3,759,609 |

Expense

| | | | | | | | | | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| King Bluff share of Administration Costs | \$ 448,005 | \$ 461,445 | \$ 475,288 | \$ 489,547 | \$ 504,233 | \$ 519,360 | \$ 534,941 | \$ 550,989 | \$ 567,519 | \$ 584,544 |
| Electric at Kings Bluff | 925,000 | 934,250 | 943,593 | 953,028 | 962,559 | 972,184 | 981,906 | 991,725 | 1,001,642 | 1,011,659 |
| Kings Bluff Expense (Base County Budget) | 430,000 | 442,900 | 456,187 | 469,873 | 483,969 | 498,488 | 513,442 | 528,846 | 544,711 | 561,052 |
| County Budget Special Items: | - | - | - | - | - | - | - | - | - | - |
| - VFD | 250,000 | - | 250,000 | - | - | - | - | - | - | - |
| - Anti-Vortexing | - | - | 50,000 | 50,000 | 50,000 | - | - | - | - | - |
| - Add. R/W Maint. - 10 miles from NWWTP to CFPUA | - | 35,000 | 35,000 | 35,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| - Add. R/W Maint. - Initial R/W Clearing - 10 miles from NWWTP to CFPUA | - | - | 225,000 | 225,000 | - | - | - | - | - | - |
| LCFWSA Special Items: | - | - | - | - | - | - | - | - | - | - |
| - R/W Engineering & Survey | - | 60,000 | - | - | - | - | - | - | - | - |
| - Vehicle (Plant Trucks) | 50,000 | - | 50,000 | - | - | - | - | - | - | - |
| - Argo | - | 50,000 | - | - | - | - | - | - | - | - |
| - Forklift | - | - | 20,000 | - | - | - | - | - | - | - |
| Debt Service: | - | - | - | - | - | - | - | - | - | - |
| Series 2012 Suntrust | 613,172 | - | - | - | - | - | - | - | - | - |
| NHC Contract | 390,000 | 258,835 | - | - | - | - | - | - | - | - |
| Series 2024/2025 \$13,050,000 15 yr @ 2.5% Pay Go CIP: | - | - | - | 1,054,002 | 1,054,002 | 1,054,002 | 1,054,002 | 1,054,002 | 1,054,002 | 1,054,002 |
| Refurbish Ex. Pump at King's Bluff | - | - | - | - | 250,000 | - | - | - | - | - |
| SCADA Upgrades | - | - | - | 125,000 | - | - | - | - | - | - |
| Meter and Valve Upgrade/Replacements | - | - | - | - | - | - | - | 100,000 | - | - |

Total Expense

Transfer to Capital & Replacement Reserve (10 year accumulative \$1.8M)

Revenues Over (Under) Expense (10 yr accumulative \$2M)

Portion of rate Over (under) need

| | | | | | | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| \$ 3,106,176 | \$ 2,242,429 | \$ 2,505,067 | \$ 3,401,450 | \$ 3,379,763 | \$ 3,119,034 | \$ 3,159,292 | \$ 3,300,562 | \$ 3,242,875 | \$ 3,286,258 |
| - | 600,000 | 500,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| \$27,632 | \$385,797 | \$287,840 | -\$142,008 | -\$53,742 | \$273,611 | \$300,024 | \$225,470 | \$349,922 | \$373,351 |
| \$0.00 | \$0.04 | \$0.03 | -\$0.01 | -\$0.01 | \$0.03 | \$0.03 | \$0.02 | \$0.03 | \$0.03 |

Brunswick County recognizes the benefit of a properly funded Capital Improvement Plan and appreciates the efforts of LCFWSA to do so. Rate increases are never popular and require added evaluation in the challenging environment that we currently face. An economic evaluation of LCFWSA's Capital Improvement Plan Engineering Analysis demonstrates that the CIP projects needed within the next 10 years along with a number of other equipment purchases, known improvements not explicitly stated in the CIP, and a \$3.8 million Renewal and Replacement Fund set-aside can be funded by increasing the current rate from 27.17 cents per thousand gallons to 31.5 cents per thousand gallons. Brunswick County Staff has worked closely with LCFWSA staff and believe this to be a viable rate for the near-term and the ten-year planning period. However, it is recommended that the rate model be updated each year to assess its ongoing viability.

As part of the long-term planning committee efforts that has been approved, Brunswick County recommends that staff from each affected member review the Capital Improvement Plan at least annually, if not more frequently, to review the merits and equity of each project. Brunswick County affirms the language within the Rules and Regulations that requires the cost of new and expanded facilities to be borne by the users receiving the benefit of these facilities. Brunswick County looks forward to working with the LCFWSA and other utility members to provide the region the needed water service for its ongoing growth and stability.

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employees, agents or contractors of the Authority, shall repair, change or interfere with them in any way.

ARTICLE IV

Water Rates and Other Charges

Section 4.1. Water Rates. The Authority shall annually, or more frequently, if financial or other conditions dictate, establish Water Rates sufficient to cover all expenses for the ensuing fiscal year as identified in the Annual Budget. Water Rates will be determined in view of water use projections for each ensuing fiscal year provided by Users and on historical water use data. Water Rates thus established shall be billed to Users by the Authority as hereinafter provided on the basis of actual metered water used. The establishment and billing of Water Rates shall also reflect Take or Pay Requirements and the payment of Availability Charges, when applicable.

The Authority shall adopt an Annual Budget for each Fiscal Year in accordance with the Local Government Budget and Fiscal Control Act. Expense components of the Annual Budget shall include:

A. Operating Expense Components.

(i) Current Expenses.

(ii) An operating maintenance reserve.

(iii) Appropriations to repair/replacement reserves for purposes of timely correction of any mechanical/physical deficiencies which arise out of normal system use or which are not correctable from insurance proceeds or other monies readily available to the Authority. The level of such reserves shall be based upon an annual inspection of the system and recommendations by the Authority's consulting engineer.

(iv) Debt Service, including such debt service reserves and other funds, accounts and reserves as may be required by instruments of debt authorization and such other amounts as may be required to comply with the covenants contained in instruments of debt authorization.

(v) An allowance for depreciation based on the Cost of the Water system to be applied as provided for in instruments of debt authorization of the Authority and the Authority ordinance establishing a capital replacement reserve fund pursuant to Chapter 159, Art. 3, Part 2 of the North Carolina General Statutes.

(vi) Such other components as the Authority shall direct in the exercise of good business and operating practices for comparable facilities.

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B. Capital Expense Components.

(i) Reimbursements of Advances for Construction due during the Fiscal Year which are not reimbursed from Current Expenses.

(ii) Such other components regarding Water System development and growth as the Authority shall identify as being necessary or appropriate.

Notwithstanding the foregoing, Water Rates shall always be established so as to comply with Section 3.1 of the Standard Provisions or such other provisions of any Water Supply Agreement controlling the establishment and billing of Water Rates and to comply with any documents of debt authorization.

Section 4.2. Minimum Charge for Fire Protection. Users who connect to the Water System solely for fire protection shall have a monthly Take or Pay Requirement equal to the User's one-day Maximum Allowable Usage.

Section 4.3. System Development Charges. The Authority shall collect from Users who apply for new or expanded service after the effective date of these Rules and Regulations a System Development Charge based on the Cost of the Authority's System Development Charge Facilities existing at the time payment of the charge is due, less the total amount of any grants previously received by the Authority specifically for the construction or acquisition of the System Development Charge Facilities or parts thereof. Each System Development Charge shall equal an amount which bears the same ratio to the Cost of the System Development Charge Facilities, less grants, as the average million gallons per day (mgd) of water requested by a User bears to the total average mgd of water capacity of the Water System as determined from time to time by the Authority's consulting engineer. Adjustments will be made to a System Development Charge if a User uses more water than requested. In such cases where a User provides sufficient guarantee of payment, the User may with the consent of the Authority pay any System Development Charge by periodic payments upon such terms as the Authority deems appropriate, including interest. Notwithstanding the foregoing, the System Development Charge for a User who connects to the Water System solely for the purpose of fire protection shall be calculated based on the User's one-day Maximum Allowable Usage rather than the User's average usage as provided for above.

Section 4.4. Connection Charges. The Authority shall charge each User a Connection Charge representing the Cost of the Ancillary Service Facilities necessary for connection to the Water System. Ancillary Service Facilities shall include, but are not limited to, (i) the tap to the Authority's pipeline, and (ii) the meter installation generally consisting of: (1) a totalizing meter, (2) meter vault and appurtenances, (3) isolation or shut-off valves, (4) electrical service as required, and (5) Backflow device if not provided elsewhere by the User. The Authority shall own Ancillary Service Facilities notwithstanding that the Cost thereof is paid by a User. The Authority shall own Ancillary Service Facilities notwithstanding that the Cost thereof is paid by a User. If any User, following the initial service connection, requests a change in service requiring

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different Ancillary Service Facilities, all Cost associated with the installation of new Ancillary Services Facilities shall be paid by the User.

Section 4.5. Contribution in Aid of Construction. The Authority may require new Users or existing Users who are provided expanded water service to make contributions in Aid of Construction of Improvements to serve such User.

Section 4.6. Availability Charge. The Authority may charge a User an Availability Charge payable in such amount and upon such terms as the Authority deems appropriate.

ARTICLE V

Meters

Section 5.1. Water Service Metered. Each User shall be supplied through a separate meter or, if necessary and at the option of the Authority, through a separate battery of meters. Where a battery of meters is installed, the registrations of such meters shall be combined for billing purposes and shall be subject to a minimum charge equal to the combined minimum charge for the meters comprising the battery setting. Where, however, a user is supplied through more than one service, unless otherwise agreed to by the Authority, the registration of the meter installed on each service shall be billed separately, subject to the minimum charge for each meter.

Section 5.2. Installation. Meters shall be furnished, installed and removed only by the Authority, and the Authority shall determine the location, type and size of meters to be installed. Where meters are installed upon the premises of a User, the User shall provide the Authority's representatives and employees free, reasonable and safe access to the same.

Section 5.3. Maintenance. Meters will be maintained by the Authority at its expense insofar as ordinary wear is concerned, but damage to any meter due to hot water, freezing or other external causes arising out of or caused by the User's facilities, operations, negligence or carelessness shall be paid by the User, except, however, the Authority shall be responsible for damage due to freezing in outside meter vaults.

Section 5.4. Tests. All meters shall be accurately tested before installation. Meters will also be periodically tested in accordance with accepted practice. The Authority may at any time remove any meter for routine tests, repairs or replacement. The Authority shall upon request of a User, and if the User so desires, in the User's presence or that of the User's authorized representative, make, without charge, a test of the accuracy of the meter in use, provided the meter has not been tested by the Authority within a period of three (3) months previous of such request, and that the User will agree to abide by the results of such test in the adjustment of disputed charges. A written report of the results of the test shall be furnished the User.

AGENDA ITEM

To: CHAIRMAN LEONARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: January 11, 2021

Re: Appointment of FY 2021-2022 Finance Committee by Chairman

Reviewed and Approved as to form: MATTHEW A. NICHOLS, AUTHORITY ATTORNEY

Background: The Chairman historically has appointed a Finance Committee to work with staff in preparing the recommended budget for consideration by the full Board.

Please find attached Chairman Leonard's appointments to the Finance Committee which will meet at 8:00 am prior to the 9:00am meeting on March 8, 2021.

Action Requested: For information purposes only

**FINANCE COMMITTEE
FOR FISCAL YEAR 2021-2022**

CHAIRMAN:

AL J. LEONARD

MANAGER, TOWN OF TABOR CITY
POST OFFICE DRAWER 655
TABOR CITY, NC 28463

(910) 653-3458 WORK
(910) 653-3970 FAX
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MR. PHIL NORRIS

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ASH, NC 28420

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CHARLIE RIVENBARK

CITY OF WILMINGTON COUNCILMAN
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WILMINGTON, NC 28403

(910) 200-5244 CELL
(910) 791-0400 ext 115 WORK
charlie@mwmrealestate.com
charlie.rivenbark@wilmingtonnc.gov

AGENDA ITEM

To: CHAIRMAN LEONARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: January 11, 2021

Re: Appointment of FY 2021-2022 Personnel Committee by Chairman

Reviewed and Approved as to form: MATTHEW A. NICHOLS, AUTHORITY ATTORNEY

Background: The Chairman historically has appointed a Personnel Committee to review the Executive Director's annual performance and in regards to other matters on a as needed basis.

Action Requested: For information purposes only

**PERSONNEL COMMITTEE
FOR FISCAL YEAR 2021-2022**

CHAIRMAN:**AL J. LEONARD**

MANAGER, TOWN OF TABOR CITY
POST OFFICE DRAWER 655
TABOR CITY, NC 28463

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al@ses.us.com

CHARLIE RIVENBARK

CITY OF WILMINGTON COUNCILMAN
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WAYNE EDGE

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JACKIE NEWTON

PENDER COUNTY COMMISSIONER
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WILLIAM SUE

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MAYOR BILL SAFFO

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MATT NICHOLS

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AGENDA ITEM

To: CHAIRMAN LEONARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: January 11, 2021

Re: Appointment of FY 2021-2022 Long Range Planning Committee by
Chairman

Reviewed and Approved as to form: MATTHEW A. NICHOLS, AUTHORITY ATTORNEY

Background: The Chairman re-established a Long-Range Planning Committee to review the Capital Improvement Plan in regards to rate setting and prioritizing projects. This committee makes recommendations to the full LCFWASA Board. Staff present for this committee will be Tony Boahn, Tim Holloman, Allison Covington and Matt Nichols

Please find attached Chairman Leonard's appointments to the Long-Range Planning to meet after the regular meeting on March 8, 2021.

Action Requested: For information purposes only

LONG RANGE PLANNING COMMITTEE FOR FISCAL YEAR 2021-2022

AL J. LEONARD

MANAGER, TOWN OF TABOR CITY
POST OFFICE DRAWER 655
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FRANK WILLIAMS

BRUNSWICK COUNTY COMMISSIONER
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910-604-6510 County Number
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frank@pioneerstrategies.com

WILLIAM A. MILLIKEN, JR.

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JOHN NICHOLS

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Brunswick County Utilities Director
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CAREL VANDERMEYDEN

carel.vandermeyden@cfpua.or

Deputy Director CFPUA
910-599-8091 OFFICE

KENNY KEEL

kkeel@pendercountync.gov

Pender County Utilities Director
910-259-0212 OFFICE

AGENDA ITEM

To: CHAIRMAN LEONARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: January 11, 2021

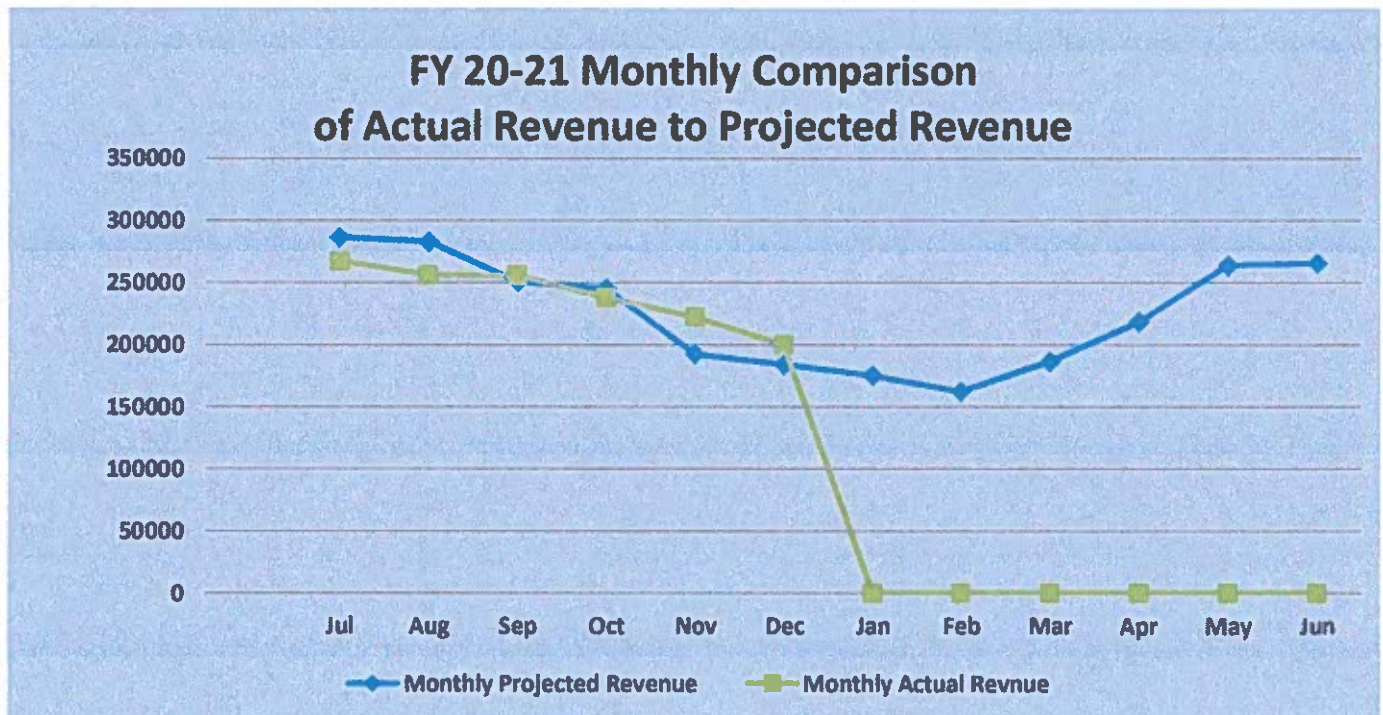
Re: Executive Director's Report

EDR1 - Comments on Customers' Water Usage and Raw Water Revenue for
Month Ending December 31, 2020

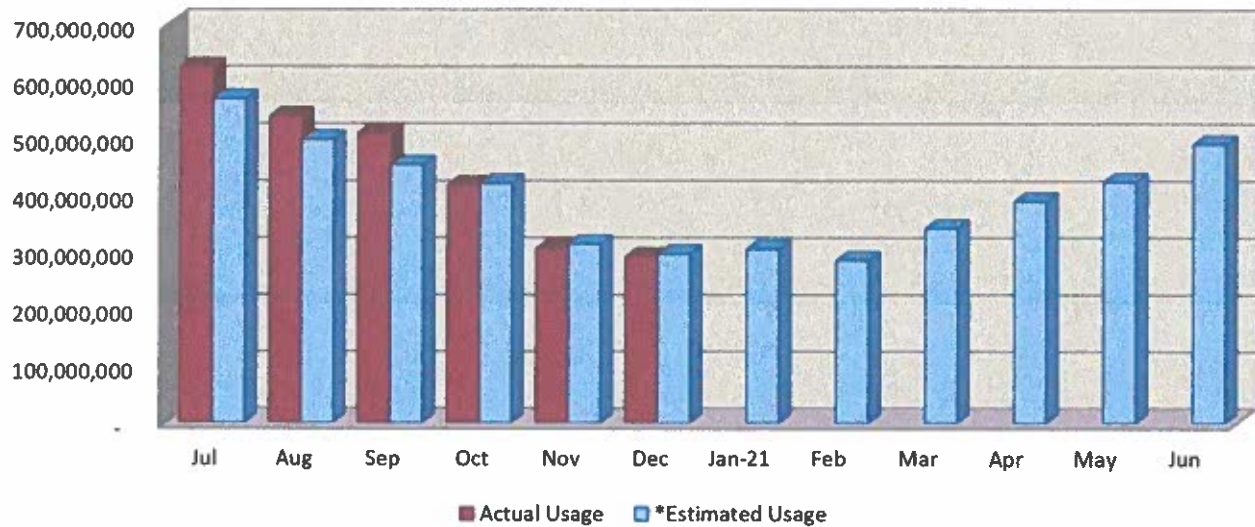
Action Requested: For information purposes

ACTUAL MONTHLY REVENUE COMPARED TO PROJECTED REVENUE

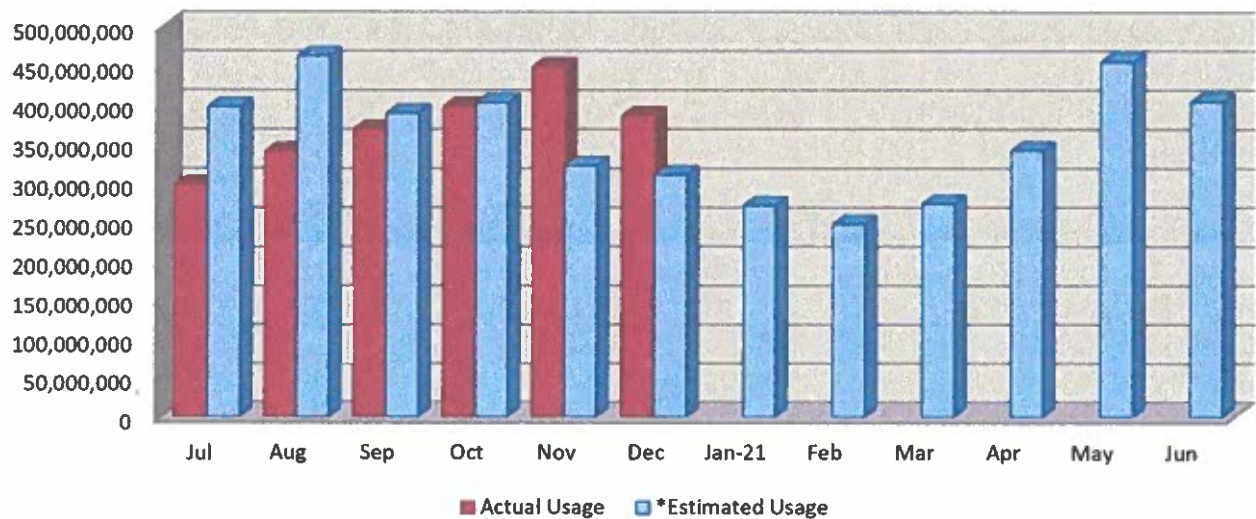
| Month | Monthly Projected Revenue | Monthly Actual Revnue | Over/Under Budget Per Month | Total to Date Over/Under Budget |
|-------|---------------------------|-----------------------|-----------------------------|---------------------------------|
| Jul | \$ 286,455.18 | \$ 267,576.45 | (\$18,878.73) | (\$1,883.21) |
| Aug | \$ 282,861.32 | \$ 256,231.05 | (\$26,630.28) | |
| Sep | \$ 250,903.77 | \$ 255,983.66 | \$5,079.89 | |
| Oct | \$ 245,202.77 | \$ 237,938.65 | (\$7,264.12) | |
| Nov | \$ 192,545.63 | \$ 222,507.61 | \$29,961.98 | |
| Dec | \$ 184,257.82 | \$ 200,105.87 | \$15,848.04 | |
| Jan | \$ 175,330.64 | \$ - | | |
| Feb | \$ 162,438.53 | \$ - | | |
| Mar | \$ 186,673.77 | \$ - | | |
| Apr | \$ 218,693.18 | \$ - | | |
| May | \$ 264,178.52 | \$ - | | |
| Jun | \$ 265,862.86 | \$ - | | |
| | \$ 2,715,404.00 | \$ 1,440,343.28 | | |



Brunswick County Water Usage FY 20-21



CFPUA Water Usage FY 20-21



Pender County Water Usage FY 20-21

