

**AGENDA**  
**Lower Cape Fear Water & Sewer Authority**  
**1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina**  
**8:30 a.m. – Finance Committee Meeting**  
**May 10th, 2021**

**MEETING CALL TO ORDER: CHARIMAN LEONARD**

**PRESENTATION: PRELIMINARY 2nd DRAFT OF FISCAL 2021-2022 BUDGET**

**DISCUSSION: DIRECTORS COMMENTS AND QUESTIONS**

**ACTION/DIRECTION: RECOMMEND TO FULL BOARD FOR CONSIDERATION AT ITS REGULAR MEETING TO FOLLOW AND FOR APPROVAL AT THE JUNE 7<sup>TH</sup> 2021 MEETING**

**ADJOURNMENT**

**AGENDA**  
**Lower Cape Fear Water & Sewer Authority**  
**1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina**  
**9:00 a.m. – Regular Monthly Board Meeting**  
**May 10, 2021**

**MEETING CALL TO ORDER:** Chairman Leonard

**INVOCATION**

**PLEDGE OF ALLEGIANCE**

**APPROVAL OF CONSENT AGENDA**

- C1** - Minutes of Regular Board Meeting April 12, 2021
- C2** - Kings Bluff Monthly Operations and Maintenance Report
- C3** - Bladen Bluffs Monthly Operations and Maintenance Reports
- C4**- Retainer for Engineering Services Agreement: McKim & Creed in the amount of \$21,000 for Fiscal Year 2021-2022
- C5**- Retainer for General Counsel Services Agreement: Matthew Nichols, Attorney at Law in the amount of \$195 per hour for FY 2021-22
- C6**- Minutes of March 15, 2021 Long Range Planning Meeting
- C7**-Line-item adjustments for March

**PUBLIC HEARING: PRESENTED DRAFT BUDGET FOR FISCAL YEAR 2021-2022 BUDGET AND BUDGET ORDINANCE**

- A. Public Hearing:
  - Motion to open Public Hearing in accordance with North Carolina General Statute Section 159-12
  - Motion to close Public Hearing
- B. Review of Fiscal Year 2021-2022 Budget and Budget Ordinance for Consideration of Approval On June 14, 2021.
  - Motion to close Public Hearing

**NEW BUSINESS**

**NB1** - Finance Committee Comments and Review of Draft Recommended Budget for Fiscal Year 2021-2022(Finance Committee 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 April 30, 2021
- EDR2**- Operating Budget Status, Ending March 31<sup>st</sup>, 2021.
- EDR3**-Report on Activities

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

## **PUBLIC COMMENT**

## **ADJOURNMENT**

*The next board meeting of the Lower Cape Fear Water & Sewer Authority is scheduled for Monday, June 7th at 9:00 a.m. in the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.*

## **AGENDA ITEM**

To: CHAIRMAN MILLIKEN AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: May 10, 2021

Re: Consent Agenda

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

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Please find enclosed the 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 on individually, if so desired.

**C1-** Minutes of Regular Board Meeting April 12<sup>th</sup>, 2021

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

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

**C4-** Retainer for Engineering Services Agreement McKim & Creed in the amount of \$21,000 for Fiscal Year 2021-2022

**C5-** Retainer for General Counsel Services Agreement: Matthew A Nichols, Attorney at Law in the amount of \$195 per hour for the Fiscal Year 2021-2022

**C6-** Minutes of March 15, 2021 Long Range Planning Meeting

**C7-** Line-Item Adjustments for March

Lower Cape Fear Water & Sewer Authority  
Regular Board Meeting Minutes

Item C1

April 12, 2021

Chairman Leonard called to order the Authority meeting scheduled on April 12, 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, Al Leonard, William Milliken, Jackie Newton, Charlie Rivenbark, William Sue, Frank Williams, and Rob Zapple

**Present by Internet or Telephone:** Bill Saffo

**Absent:** Phil Norris, 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:** Buddy Harris, Chad McEwen, Matt Hourihan, John Malone, John Nichols, Glenn Walker, Elizabeth Meyer, Anthony Colon, and, Heidi Cox.

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

**APPROVAL OF CONSENT AGENDA**

**C1 - Minutes of Regular Board Meeting March 8<sup>th</sup>, 2021**

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

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

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

	For	Against	Abstained	Absent
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			
	12	0	0	2

**NEW BUSINESS****NB1- 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 2020**

The Authority has prepared, submitted, and received approval of its 2020 Local Water Supply Plan from the NCDEQ. Executive Director Holloman request the Board adopt a resolution that approves the 2020 Local Water Supply Plan and authorize its submittal to the NCDEQ.

**Motion:** Director Sue MOVED; seconded by Director Williams, approval of 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 2020. Upon roll call vote, the **MOTION CARRIED.**

	For	Against	Abstained	Absent
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			
	12	0	0	2

**NB2- Attendance Policy for Regular Meetings**

Chairman Leonard stated that the Authority has acted in caution during the last year as it pertains to the safety of the Board and the public during the COVID 19 pandemic. As restrictions are being lifted, Chairman Leonard wanted the board to discuss opening the monthly Board meetings to in person access to the public. Attorney Matt Nichols reference the North Carolina Act put in place for remote meetings during declared emergency. He discovered that outside of this Act, the Authority does not have an attendance policy in place. He created and distributed a policy option very similar to the one used in Montgomery County Government

**Motion:** Director Knight MOVED; seconded by Director Williams, approval of the Attendance Policy for Regular Meetings, with the adjustment to Section A (Authorized Circumstances for Remote Participation). Part 1- Reason "h" will be "an unavoidable scheduling conflict" instead of "a scheduling conflict," and remote participation under section A (Authorized Circumstances for Remote Participation) being limited to 5 times during a calendar year, and Upon roll call vote, the **MOTION CARRIED.**

	For	Against	Abstained	Absent
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			
	12	0	0	1

**NB3- Take or Pay Discussions Regarding the Consideration of Adopting such a policy for LCFWASA**

Executive Director Holloman encouraged the board to consider establishing a policy to protect the Authority's solidity. Director Blanchard, Sue, and Milliken did not feel that a policy was necessary for the Authority to put in place and could possibly harm the customers in the event of a natural disaster or unexpected anomaly. Director Zapple and Newton felt that the Authority should consider adopting a policy in order to hold the customer's accountable for their obligations to the Authority. Chairman Leonard recommended that further discussion should be referred to the Long Range Planning Committee.

**Motion:** Director Blanchard MOVED; seconded by Director Newton, referral of the Take or Pay Discussion to the Long Range Planning Committee for further discussion. Upon roll call vote, the **MOTION CARRIED.**

	For	Against	Abstained	Absent
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			
	12	0	0	1

**NB4- Consider Approval of Purchasing and Installing a new HAVAC unit to replace the Existing Unit.**

Executive Director Holloman stated that there was a need to replace HAVAC unit in the Lower Cape Fear Authority office. The unit has already exceeded its useful life and has been experiencing some trouble functioning properly. Purchase and installation for the unit would be \$7,131 and would be covered by funds already in Office Maintenance & Repair line item 4055-01.

**Motion:** Director Sue MOVED; seconded by Director Williams, approval of the purchase and installation of a new HAVAC unit. Upon roll call vote, the **MOTION CARRIED.**

	For	Against	Abstained	Absent
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			
	12	0	0	1

**NB5- Consider Approving the Finance Committee's recommendation acquire the Video Equipment to Accompany the Existing Audio Upgraded Equipment this Fiscal Year .**

To increase quality of the audio equipment, Executive Director Holloman wants the Board to consider purchasing compatible video equipment. The will provide better remote accessibility to the Board and public who unable to attend in person. The cost of the video equipment upgrade is approximately \$3,500.

**Motion:** Director Williams MOVED; seconded by Director Sue, approval of the purchase of the video equipment to accompany the existing audio upgraded equipment. 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			
	12	0	0	2

**NB6- Authorizing the Transferring of Administrative Funds Due from Smithfield Foods- Budget Amendment #5**

It was discovered that for the past nine years that the Authority has been collecting Administrative Reimbursement fees from Bladen Bluffs but not transferring the funds into our Operating Fund. This Amendment would be a one-time transfer of \$238,584 would cover all fees due to the Authority over the past 8 years. All fees due for administrative reimbursement for the current fiscal year to date (\$69,592) have been transferred. The current monthly administrative charge is \$7,574.

**Motion:** Director Blanchard MOVED; seconded by Director Sue, approval of the Transferring of Administrative Funds due from Smithfield Foods. 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			
	12	0	0	2

**NB7- Authorizing the Executive Director to Enter Into a Purchase Agreement for an Authority Vehicle for Kings Bluff -Budget Amendment #6**

Kings Bluff was budgeted to purchase a new vehicle for FY 20/21 and has spent over \$5,000 in the maintenance of the current vehicle being use at the plant this year alone. The Amendment would establish an Operating Capital Line and authorize up to \$60,000 to be spent to purchase a new vehicle.

**Motion:** Director Edge MOVED; seconded by Director Knight, approval of the Executive Director to enter into a Purchase Agreement for an Authority Vehicle for Kings Bluff. 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			
	12	0	0	2

**NB8- Resolution Recognizing National Drinking Water Week**

For more than 40 years the American Water Works Association and its members have used Drinking Water Week as a unique opportunity for both water professionals and the communities they serve to recognize the vital role water plays in the community. It is annually celebrated during the first full week in May. Executive Director Holloman feels the Authority recognize this celebration.

**Motion:** Director Williams MOVED; seconded by Director Blanchard, approval of the Resolution to Recognize National Drinking Water Week. 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			
	12	0	0	2

**ENGINEER'S COMMENTS**

Tony Boahn reported that the 54-Inch Parallel Raw Water Main project was progressing ahead of schedule.

**ATTORNEY COMMENTS**

None.

**EXECUTIVE DIRECTOR REPORT****EDR1 – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending March 31, 2021**

Executive Director Holloman reported that during the Month of March 2021, Brunswick and Pender County were slightly below projections, while CFPWA were above projections, We are overall only \$12,613.91 over projections for this time of year.

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

None.

**PUBLIC COMMENT**

None

**ADJOURNMENT**

There being no further business, Director Rivenbark adjourned the meeting at 11:35 a.m.

Respectfully Submitted:

\_\_\_\_\_  
Norwood Blanchard, Secretary

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COUNTY OF BRUNSWICK  
PUBLIC UTILITIES DEPARTMENT  
Kings Bluff Pump Station



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

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TO: Tim Holloman

FROM: Jack Hogan

DATE: 5/3/2021

SUBJECT: Monthly maintenance report for April 2021

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Mr. Holloman,

The Maintenance and Operations of the king's bluff facility for the month of April 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 removed 2 sheds off the right of way located off Port Royal Rd.

KB personnel moved dog pins that were placed on the right of way off Port Royal Rd.

KB personnel completed full PM on # 1 & 3 HVAC units located at the VFD building.

KB personnel completed PM on # 1 & 2 EMD generator radiators.

KB personnel completed draining and flushing of the # 3 surge tank at KBPS and back in service afterwards.

KB personnel are currently working on removal and replacement of the drain valves on # 1 & 2 surge tanks at KBPS that have failed.

KB personnel completed pressure washing of the KBPS buildings and parking lot.

Thank You,  
Jack Hogan  
Kings Bluff Pump Station



To: Tim Holloman - LCFWASA

From: James Kern – Bladen Bluffs SWTP ORC

Date: 5/3/21

Subject: April 2021 Operations

During the month of April, Bladen Bluffs SWTP operated a total of 18 days, treating 44.153 million gallons of water.

We used:

28.869 lbs. of aluminum sulfate (Alum)

7.613 lbs. of sodium hydroxide (Caustic)

1.005 lbs. of sodium hypochlorite (2.018 gallons of 6% Chlorine Bleach)

**James Kern**  
**Water Treatment Plant**  
**Supervisor**



(910) 862-3114  
(910) 862-3146  
(910) 733-0016 mobile  
[jkern@smithfield.com](mailto:jkern@smithfield.com)

Bladen Bluffs Surface Water Treatment  
Plant  
17014 Highway 87 West  
Tar Heel, NC 28392  
[www.smithfieldfoods.com](http://www.smithfieldfoods.com)

## Monthly Operating Reports (MORs) Summary

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

<b>Year:</b> <u>2021</u>	<b>PWS Name:</b> <u>Bladen Bluffs Water System</u>	<b>PWSID# :</b> <u>NC5009012</u>
<b>Month:</b> <u>April</u>	<b>Facility Name:</b> <u>Bladen Bluff</u>	

### Combined Filter Effluent (CFE) Turbidity

Samples exceeding 1 NTU (count): <u>0</u>	Number of samples required: <u>96</u>
Samples exceeding .3 NTU (count): <u>0</u>	Number of samples taken: <u>96</u>
Samples exceeding .3 NTU (pct): <u>0.0%</u>	Highest single turbidity reading NTU: <u>0.098</u>
	Monthly average turbidity NTU: <u>0.049</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>96</u>
Minimum EPRD concentration <u>0.8100</u>	Number of samples taken <u>96</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>
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### Contact Time (CT) Ratio

Lowest CT ratio reading <u>20.16</u>	Number of CT ratios required <u>18</u>
Number of CT ratios below 1.0 <u>0</u>	Number of CT ratios calculated <u>18</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 April, 2021 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: 5/3/2021

### ISSUE:

### PLAN OF ACTION:

Air on finished water line (from GAC)	Replacing air relief valves on eff. line
Running spare cl2 lines to settled/finished	Getting quotes
Fire system supply redesign	IN PROGRESS
River bank eroding	Informed Tim
Sump pump check valve needs replacement	Scheduled repair
Lagoons need grass pulled	Scheduling
Electric to lagoon lights needs repaired	FIXED
Chlorine pump #2 dampener replacement	Ordered parts
Need safety drain mat in high service pump room	COMPLETE



ENGINEERS

SURVEYORS

PLANNERS

April 28, 2021

211640

Mr. Tim Holloman, Executive Director  
 Lower Cape Fear Water & Sewer Authority  
 1107 New Pointe Blvd Suite 17  
 Leland, NC 28451

**Re: Proposal for Professional Consulting Engineering Services  
 Lower Cape Fear Water & Sewer Authority  
 FY 2022-2023 Annual Retainer Services**

Dear Mr. Holloman:

McKim & Creed appreciates the opportunity to provide this proposal for professional consulting services for the fiscal year 2022-2023. This proposal is based on the project tasks as outlined below.

#### **Task 1 – Monthly Authority Meetings**

McKim & Creed will attend the Monthly meetings of the Authority and assist the Executive Director and Board of Directors by providing technical guidance and responding to general questions with respect to the Authority's facilities during the meetings. The standard service for this item will be \$250 per month (lump sum).

#### **Task 2 – Technical Evaluations & On-Call Services**

Frequently, the Authority receives requests for technical evaluations concerning their capabilities and capacity to meet the needs of its members or public and private entities within the five-county area (Bladen, Columbus, New Hanover, Pender, and Brunswick). At the request and direction of the Executive Director and the Board of Directors, McKim & Creed will provide technical evaluations or assistance for specific issues concerning the Authority's facilities and customers.

Based on recent year's activities we recommend a not to exceed ceiling of \$4,000 for the 12-month period of service. We will provide such assistance to the Authority on an hourly not to exceed basis or fixed fee basis at the discretion of

243 North Front Street

Wilmington, NC 28401

910.343.1048

Fax 910.251.8282

www.mckimcreed.com

P:\PW21\211640 LCFWSA FY 22-23 Annual Services\Proposal FY 2022-2023.doc

Mr. Tim Holloman, Executive Director  
 Lower Cape Fear Water and Sewer Authority  
 April 28, 2021  
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the Executive Director and the Board of Directors. McKim & Creed will obtain approval from the Executive Director prior to commencing work on an item.

### **Task 3 – Kings Bluff Raw Water Facilities Annual Inspection Report**

The consultant will review the activities related to the Authority's raw water pumping facilities for the Kings Bluff system and meet with the O&M Contractor's staff to prepare a summary report concerning current conditions and O&M conducted over the past fiscal year. This summary will constitute the Annual Inspection Report for the Authority for the Kings Bluff Raw Water Facilities.

### **Task 4 – Bladen Bluffs Water Treatment Facilities Annual Inspection Report**

The consultant will review the activities related to the Authority's Bladen Bluffs Surface Water Treatment Facility, located in Tar Heel, NC. We will meet with plant operations staff to prepare a summary report concerning current conditions and O&M conducted at the facility over the past fiscal year. This summary will constitute the Annual Inspection Report for the Authority for the Bladen Bluffs Water Treatment Facilities.

### **Task 5 – Annual Capital Improvements Plan Update**

The consultant will prepare an update to the Fiscal Year 2019-2044 Capital Improvements Plan (CIP). Primary tasks will include:

- Review current CIP projects and update year of occurrence and opinion of probable project costs.
- Remove/edit current CIP projects based on current needs of the Authority.
- Add additional CIP projects based on current needs of the Authority.
- Update CIP document for review and comment by Authority staff and Board of Directors
- Prepare Draft and Final CIP document in hard copy and electronic (PDF) format.
- Present updated CIP to the Authority's Board of Directors.



Mr. Tim Holloman, Executive Director  
 Lower Cape Fear Water and Sewer Authority  
 April 28, 2021  
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### Fee Summary

The following summarizes the fees proposed for this project.

Task	Fee Type	Annual Cost
1 - Monthly Assistance	\$250 Per Month	\$3,000
2 – Technical Evaluations	Hourly NTE	\$4,000
3 – Kings Bluff Annual Inspection	Fixed Fee	\$4,000
4 – Bladen Bluffs Annual Inspection	Fixed Fee	\$5,000
5 - Annual Capital Improvements Plan Update	Fixed Fee	\$5,000
<b>Total Estimated Fees</b>		<b>\$21,000</b>

### Miscellaneous Conditions

- 1.5% per month on overdue invoices.
- Either party may terminate with a 30-day notice.

### ACCEPTANCE AND AUTHORIZATION

If this proposal is acceptable, please sign below as indicated and return one executed copy to our office. Upon receipt, McKim & Creed will consider this as the authorization to proceed.

We appreciate the opportunity to provide these services and look forward to our continuing work with the Authority. If you have any questions, please do not hesitate to contact me.

Sincerely,

McKIM & CREED, Inc.



Tony Boahn, PE  
 Vice-President

Enclosure: McKim & Creed, Inc. Engineering Division General Conditions  
 (01/2011-01)

Mr. Tim Holloman, Executive Director  
Lower Cape Fear Water and Sewer Authority  
April 28, 2021  
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Accepted by:

**LOWER CAPE FEAR WATER & SEWER AUTHORITY**

NAME: Al Leonard

SIGNATURE: \_\_\_\_\_

TITLE: Chairman, Board of Directors

DATE: \_\_\_\_\_

**E-Verify Requirement.** As a condition of payment for services rendered under this agreement, Engineer shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (requirement that employers use E-Verify). Further, if Engineer provides the services to the Client utilizing a subcontractor, Engineer shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes as well. Engineer shall verify by affidavit compliance with the terms of this section upon request of Client.

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act, this the \_\_\_\_ day of \_\_\_\_\_, 2021

\_\_\_\_\_  
Finance Officer, Lower Cape Fear Water and Sewer Authority

**McKim & Creed, Inc.  
Engineering Division  
General Conditions  
(01/2011-1)**

**Billing and Payment.** Invoices will be submitted by McKim & Creed, Inc. (the "Engineer") to the Client monthly for services performed and expenses incurred pursuant to this Agreement. Payment of each such invoice will be due upon receipt and considered past due if not paid within thirty (30) days of the date of the invoice. Any retainers shall be credited on the final invoice.

**a) Interest.** A service charge will be added to delinquent accounts at 18 percent per annum (1.5 percent per month).

**b) Suspension of Services.** If the Client fails to make any payment due the Engineer for services and expenses within thirty (30) days of the invoice date on the project(s) covered by this agreement or any other project(s) being performed by Engineer for Client, the Engineer may suspend services under this Agreement until it has been paid in full for all past due amounts owed by Client for services and expenses. The Engineer shall have no liability whatsoever to the Client for any costs or damages occurring as a result of such suspension caused by any such breach of this Agreement by Client.

**c) Collection Costs.** In the event legal action is necessary to enforce the payment provisions of this Agreement, the Engineer shall be entitled to collect from the Client any judgment or settlement sums due, reasonable attorneys' fees, court costs.

**d) Termination Of Services.** The failure of the Client to make payment to the Engineer in accordance with the payment terms set forth herein shall constitute a material breach of this Agreement and shall entitle the Engineer, at its option, to terminate the Agreement. Any material breach of this Agreement by the Client shall, at the Engineer's option and in its sole discretion, constitute a breach of and default under any and/or all other agreements between the Client and Engineer.

**Confidentiality.** The Engineer agrees to keep confidential and not to disclose to any person or entity, other than the Engineer's employees, sub-consultants and the general contractor and subcontractors, if appropriate, any data and information not previously known to and generated by the Engineer or furnished to the Engineer and marked CONFIDENTIAL by the Client. These provisions shall not apply to information in whatever form that comes into the public domain, nor shall it restrict the Engineer from giving notices required by law or complying with an order to provide information or data when such order is issued by a court, administrative agency or other authority with proper jurisdiction, or if it is reasonably necessary for the Engineer to defend itself from any suit or claim.

~~The Client agrees that the technical methods, techniques and pricing information contained in any proposal submitted by the Engineer pertaining to this project or in this Agreement or any addendum thereto, are to be considered confidential and proprietary, and shall not be released or otherwise made available to any third party without the express written consent of the Engineer.~~

**Consequential Damages.** Notwithstanding any other provision of the Agreement, neither party shall be liable to the other for any consequential damages incurred due to the fault of the other party, regardless of the nature of the fault or whether it was committed by the Client or the Engineer, their employees, agents, sub-consultants or subcontractors. Consequential damages include, but are not limited to, loss of use and lost profit.

**Non-Contingency.** The Client acknowledges and agrees that the payment for services rendered and expenses incurred by the Engineer pursuant to this Agreement is not subject to any contingency unless the same is expressly set forth in this Agreement. Payments to the Engineer shall not be withheld, postponed or made contingent on the financing, construction, completion or success of the project or upon receipt by the Client of offsetting reimbursement or credit from other parties causing Additional Services or expenses. No withholdings, deductions or offsets shall be made from the Engineer's compensation for any reason.

**Opinions of Cost.**

(a) Since the Engineer has no control over the cost of labor, materials, equipment or services furnished by others, or over methods of determining prices, or over competitive bidding or market conditions, any and all opinions as to costs rendered hereunder, including but not limited to opinions as to the costs of construction and materials, are estimates only and shall be made on the basis of its experience and qualifications and represent its best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but the Engineer cannot and does not guarantee that proposals, bids or actual costs will not vary from opinions of probable cost prepared by it and the Engineer shall have no liability whatsoever if the actual cost differs from the Engineer's estimate. If at any time the Client wishes greater assurance as to the amount of any cost, Client shall employ an independent cost estimator to make such determination. Engineering services required to bring costs within any limitation established by the Client will be paid for as additional services hereunder by the Client.

**Termination.** The obligation to provide further services under this Agreement may be terminated by either party upon seven (7) days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. In the event of any termination, the Engineer shall provide a final statement of charges due and will be paid for all services rendered to the date of termination, all expenses subject to reimbursement hereunder, and other reasonable expenses incurred by the Engineer as a result of such termination. In the event the Engineer's compensation under this Agreement is a fixed fee, upon such termination the amount payable to the Engineer for services rendered will be determined using a proportional amount of the total fee based on a ratio of the amount of the work done, as reasonably determined by the Engineer, to the total amount of work which was to have been performed, less prior partial payments, if any, which have been made.

**Reuse of Documents.** All documents, including but not limited to drawings and specifications, prepared by the Engineer pursuant to this Agreement are related exclusively to the services described herein. They are not intended or represented to be suitable for reuse by the Client or others on extensions of this project or on any other project. Any reuse without written verification or adaptation by the Engineer for specific purposes intended will be at the Client's sole risk and without liability or legal exposure to the Engineer. The Client releases the Engineer harmless from all claims that the Client may have against the Engineer and arising out of any unauthorized reuse.

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**Engineering Division**  
**General Conditions**  
**(01/2011-1)**

**Limitation of Liability.** In performing its professional services hereunder, the Engineer will use that degree of care and skill ordinarily exercised, under similar circumstances, by reputable members of its profession practicing in the same or similar locality. No other warranty, express or implied, is made or intended by the Engineer's undertaking herein or its performance of services hereunder. THE CLIENT UNDERSTANDS AND AGREES THAT THE ENGINEER HAS NOT MADE AND IS NOT MAKING ANY PROMISE, WARRANTY OR REPRESENTATION EXCEPT THE WARRANTIES EXPRESSLY MADE HEREIN, AND THE ENGINEER EXPRESSLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER IMPLIED WARRANTIES. Under no circumstances shall the Engineer be liable for extra costs or other consequences due to changed conditions or for costs related to the failure of the contractor or material men to install work in accordance with the plans and specifications. The Engineer shall not be liable for errors in judgment or for any loss or damage, which occurs for any reason beyond the control of the Engineer. ~~No action may be instituted hereunder more than one year after the cause of action accrued or should have been discovered by reasonable diligence.~~ The provisions of this paragraph shall survive the termination of this Agreement.

**Controlling Law.** This Agreement is to be governed by the law of the State of North Carolina. ~~The parties agree that any suit or action related to this Agreement shall be instituted and prosecuted in the courts of the County of Wake, State of North Carolina, and each party waives any right or defense relating to such jurisdiction or venue.~~

**Binding Effect.** This Agreement shall bind, and the benefits thereof shall inure to the respective parties hereto, their legal representatives, executors, administrators, successors and permitted assigns.

**Merger; Amendment.** This Agreement constitutes the entire agreement between the Engineer and the Client with respect to its subject matter, and all negotiations and oral understandings between the parties are merged herein. This Agreement can be supplemented and/or amended only by a written document executed by both the Engineer and the Client.

**Ownership Of Instruments Of Service.** All reports, plans, specifications, field data, notes and other documents, including all documents on electronic media, prepared by the Engineer as instruments of service shall become the property of the Owner. The Owner shall retain all common law, statutory and other reserved rights, including the copyright thereto. If the Owner uses any reports, plans, specification, field data, notes or other documents ("documents") for any project other than the specific project for which the documents were intended, then Owner waives any claims for damages related to these other projects.

**Photographs.** Photographs of any completed project embodying the services of the Engineer provided hereunder may be made by the Engineer and shall be considered as its property, and may be used by it for publication.

**Assignment.** Neither party to this Agreement shall transfer, sublet or assign any rights under or interest in this Agreement, including but not limited to fees that are due or fees that may be due, without the prior written consent of the other party.

**Archiving of Project Documentation.** Engineer shall maintain copies of printed project documentation for a period of three years from substantial completion of Engineer's services. Engineer shall maintain copies of all electronic media related to the project for a period of one year from substantial completion of Engineer's services. Requests for reproduction of project documentation after these periods have expired will be considered additional services and will be invoiced at the Engineer's prevailing hourly rates at the time of the request, plus expenses.

**Betterment.** If, due to the Engineer's error, any required item or component of the project is omitted from the Engineer's construction documents, the Engineer shall not be responsible for paying the cost to add such item or component to the extent that such item or component would have been otherwise necessary to the project or otherwise adds value or betterment to the project. In no event will the Engineer be responsible for any cost or expense that provides betterment, upgrade or enhancement of the project.

**Electronic Files.** Because data stored on electronic media can deteriorate undetected or be modified without the Engineer's knowledge, the Client agrees that it will accept responsibility for the completeness, correctness, or readability of any electronic media delivered to the Client after an acceptance period of 30 days after delivery of the electronic files, and that upon the expiration of this acceptance period, Client will release, indemnify and save harmless the Engineer from any and all claims, losses, costs, damages, awards or judgments arising from use of the electronic media files or output generated from them. The Engineer agrees that it is responsible only for the printed and sealed drawings and documents, and if there is a conflict between these printed documents and the electronic media, the sealed documents will govern. Engineer makes no warranties, express or implied, under this agreement or otherwise, in connection with the Engineer's delivery of electronic files.

**Certifications, Guarantees and Warranties.** The Engineer shall not be required to sign any documents, no matter by whom they may be requested, that would result in the Engineer's having to certify, guarantee or warrant the existence of conditions which the Engineer cannot ascertain. The Client also agrees that it has no right to make the resolution of any dispute with the Engineer or the payment of any amounts due to the Engineer in any way contingent upon the Engineer's signing any such certification.

**Corporate Protection.** It is intended by the parties to this Agreement that the Engineer's services in connection with the project shall not subject the Engineer's individual employees, officers or directors to any personal legal exposure for the risks associated with this project. Therefore, and notwithstanding anything to the contrary contained herein, the Client agrees that as the Client's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against the Engineer, a North Carolina corporation, and not against any of the Engineer's employees, shareholders, officers or directors.

**Job-Site Safety.** Neither the professional activities of the Engineer, nor the presence of the Engineer or its employees and sub-consultants at a construction site, shall relieve the General Contractor and any other entity of their obligations, duties and responsibilities including, but not limited to, construction means, methods, sequence, techniques or procedures necessary for performing, superintending or coordinating all portions of the Work of construction in accordance with the contract documents and any health or safety precautions required by any regulatory

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**Engineering Division**  
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agencies. The Engineer and its personnel have no authority to exercise any control over any construction contractor or other entity or their employees in connection with their work or any health or safety precautions. The Client agrees that the General Contractor is solely responsible for job-site safety, and warrants that this intent shall be made evident in the Client's agreement with the General Contractor. ~~The Client also agrees that the Client, the Engineer and the Engineer's consultants shall be indemnified and shall be made additional insured under the General Contractor's general liability insurance policy.~~ The Client, upon written request of the Engineer, agrees to use its best efforts to add the Engineer as an additional insured on the contractor's general liability and auto liability policies.

**Scope of Services.** Services not set forth as Basic Services or Additional Services and listed in this Agreement are excluded from the scope of the Engineer's services and the Engineer assumes no responsibility to perform such services.

**Severability And Survival.** Any provision of this Agreement later held to be unenforceable for any reason shall be deemed void, and all remaining provisions shall continue in full force and effect. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between the Client and the Engineer shall survive the completion of the services hereunder and the termination of this Agreement.

**Shop Drawing Review.** If included in the scope of services to be provided, the Engineer shall review and approve Contractor submittals, such as shop drawings, product data, samples and other data, as required by the Engineer, but only for the limited purpose of checking for conformance with the design concept and the information expressed in the contract documents. This review shall not include review of the accuracy or completeness of details, such as quantities, dimensions, weights or gauges, fabrication processes, construction means or methods, coordination of the work with other trades or construction safety precautions, all of which are the sole responsibility of the Contractor. The Engineer's review shall be conducted with reasonable promptness while allowing sufficient time in the Engineer's judgment to permit adequate review. Review of a specific item shall not indicate that the Engineer has reviewed the entire assembly of which the item is a component. The Engineer shall not be responsible for any deviations from the contract documents not brought to the attention of the Engineer in writing by the Contractor and approved by the Engineer. The Engineer shall not be required to review partial submissions or those for which submissions of correlated items have not been received.

**Specification Of Materials.** The Client understands and agrees that products or building materials, which are permissible under current building codes or ordinances may, at some future date, be banned or limited in use in the construction industry because of presently unknown hazardous characteristics. The Client agrees that if the Client directs the Engineer to specify any product or material, after the Engineer has informed the Client that such product or material may not be suitable or may embody characteristics that are suspected of causing or may cause the product or material to be considered a hazardous substance in the future, the Client waives all claims as a result thereof against the Engineer. ~~The Client further agrees that if any product or material specified for this project by the Engineer shall, at any future date be suspected or discovered to be a health or safety hazard, the Client hereby releases the Engineer from any and all~~

~~liabilities and waives all claims against the Engineer relating thereto.~~

**Standard Of Care.** Services provided by the Engineer under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances in the same geographic area.

**Suspension Of Services.** If the project is suspended for more than thirty (30) calendar days in the aggregate, the Engineer shall be compensated for services performed and charges incurred prior to such suspension and, upon resumption of services, the Engineer shall be entitled to an equitable adjustment in fees to accommodate the resulting demobilization and re-mobilization costs. In addition, there shall be an equitable adjustment in the project schedule based on the delay caused by the suspension. If the project is suspended for more than ninety (90) calendar days in the aggregate, the Engineer may, at its option, terminate this Agreement upon giving notice in writing to the Client.

**Unauthorized Changes To Documents.** In the event the Client consents to, allows, authorizes or approves of changes to any plans, specifications, construction documents or electronic media, and these changes are not approved in writing by the Engineer, the Client recognizes that such changes and the results thereof are not the responsibility of the Engineer. Therefore, the Client releases the Engineer from any liability arising from the construction, use or result of such changes. ~~In addition, the Client agrees, to the fullest extent permitted by law, to indemnify and hold the Engineer harmless from any damage, liability or cost (including reasonable attorneys' fees and costs of defense) arising from such changes.~~

**Compensation for Additional Services.** The undertaking of the Engineer to perform professional services under this Agreement extends only to those services specifically described herein. If upon the request of the Client, the Engineer agrees to perform additional services hereunder, the Client and the Engineer shall negotiate and agree upon an additional fee to be paid to the Engineer for completion of the agreed upon Additional Services. The Engineer will be under no obligation to begin or complete requested Additional Services until the additional fee has been negotiated and agreed upon in writing by the Client and the Engineer.

**Hourly Billing Rates.** All services to be billed on an hourly basis under this agreement will be billed using the Engineer's prevailing billing rate schedule at the time services are provided. If a specific rate schedule is to be used for this Agreement, it shall expire no later than one year from the date of this Agreement and will be replaced with the prevailing rate schedule in effect at that time.

**Priority Over Form Agreements.** The parties agree that the provisions of this Agreement shall control and govern over any Work Orders, Purchase Orders or other documents, which the Client may issue to Engineer in regard to the project(s) which is (are) the subject of this Agreement. The Client may issue such documents to Engineer for its convenience for accounting or other purposes, but any such Orders will not alter the terms of this Agreement, regardless of any contrary language appearing therein.

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**Paragraph Headings.** The paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

**Third Parties.** Nothing in this Agreement shall be construed as giving any person, firm, corporation or other entity other than the parties to this Agreement and their respective successors and permitted assigns, any right, remedy or claim under or in respect of this Agreement or any of its provisions.

**Default.** The Client shall be in default under this Agreement if (i) it fails to pay in full any invoice from the Engineer on the due date or fails to make any other payment due to the Engineer under this Agreement, (ii) it fails to observe or perform any other term, condition or covenant under this Agreement, (iii) it breaches any warranty or representation made under this Agreement, (iv) it dissolves, terminates or liquidates its business, or its business fails or its legal existence is terminated or suspended, (v) any voluntary or involuntary bankruptcy, reorganization, insolvency, receivership, or other similar proceeding is commenced by or against the Client, or (vi) it becomes insolvent, makes an assignment for the benefit of creditors, or conveys substantially all of its assets.

**Design Without Construction Phase Services.** If the services to be provided by Engineer hereunder do not include construction observation and/or construction administration services, or if such services are included in Engineers contracted services and Client later decides to perform these services itself or decides to retain other consultants or individuals to perform these services, Engineer assumes no responsibility for interpretations of the Engineer's services or for any construction observation, construction administration and/or supervision performed by Client or other parties and Client waives any and all claims against Engineer for any losses, claims, costs or damages of any kind whatsoever that may be in any way connected thereto.

~~In addition Client agrees, to the fullest extent permitted by law, to indemnify and hold Engineer harmless from any loss, claim, damage or cost, including reasonable attorneys' fees and costs of defense, arising or resulting from the performance of construction observation, construction administration and/or supervision by Client, its employees, agents or consultants, and including any and all claims arising from the modification or adjustment of, or any clarifications or interpretations of, the Engineer's Work by others.~~

~~Unless, in the Engineer's sole opinion, appropriate levels of construction observation and construction administration services are contracted for and performed by Engineer, Engineer will not be responsible to provide any engineering or other certifications related to the construction or installation of any improvements.~~

**Reliance on Data Provided by Others.** Engineer shall be entitled to reasonably rely on the accuracy of information provided to it by Client or any of Client's other consultants or sub-consultants. Engineer shall not be responsible to extensively review the information provided to insure the accuracy thereof. Client agrees to not hold Engineer responsible for errors or omissions in Engineer's work that are directly attributable to errors or incorrect data provided to Engineer by Client or Client's other consultants. Client further acknowledges that any redesign or corrective efforts required by Engineer resulting from incorrect information provided by Client or Client's other consultants will be paid for by the Client as additional services.

**Credit and Financial Obligations.** Prior to commencement of the work, Engineer may require that Client provide reasonable credit information and other documentation to confirm that the Client has made financial arrangements to fulfill the Client's payment obligations under this Agreement. Engineer may also require such information at any time during the performance of Engineer's services should the Client fail to make payments per this Agreement, a change in the scope materially changes the contract sum, or Engineer identifies in writing a reasonable concern regarding the Client's ability to make payment when payment is due. The Client may be required to furnish this information prior to further commencement or continuation of services by Engineer and Engineer shall not be responsible for the cost of any delay occurring as a result of such a request.

**Markup on Expenses.** Unless specified otherwise in our proposal, all sub consultant costs and other project related costs incurred by Engineer will be billed with a 15% markup. Company vehicle mileage and internal reproduction costs will be billed at the Engineer's prevailing rate for those items. Personal vehicle mileage costs incurred on the project by employees of Engineer will be billed at the prevailing IRS mileage rate in effect at the time of travel.

**SUE Technical Standards.** Quality Level A information obtained by direct exposure of the existing utilities can greatly increase the level of confidence with respect to the location of underground utilities at a particular jobsite. Utility exposure (Quality Level A) permits three-dimensional measurements to be taken on utilities for accurate location at each test hole. The overall level of confidence with respect to the location of site utilities can be raised by increasing the number of test holes examined; however, Engineer provides no guarantee of the location of utilities on the site other than at the locations where test holes have been established.

Quality Level B services include the horizontal, above ground detection, marking and mapping of underground utilities. Geophysical prospecting methods are used to indicate the presence and surface position of buried utilities. Utilities are identified and marked in the field in order to be surveyed and mapped. Quality Level B information should not be used for construction purposes, or where exact horizontal and vertical measurements are required.

The accuracy of Quality Level B designating information and depth of cover readings obtained by utilizing Geophysical and Ground Penetrating Radar equipment and techniques are subject to field and soil conditions beyond our control. Engineer will make reasonable efforts to provide comprehensive and correct positional utility marks to the limits obtainable by the instrumentation used and the existing ground conditions; however, Engineer provides no guarantee that all existing utilities on a particular site will be properly located using these methods.

Utilizing Engineer's SUE services does not relieve any party from their obligation to contact the utility damage prevention system before digging begins. Utility marks placed on the ground by Engineer are not to be used for construction purposes.

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**INSURANCE.** Engineer shall take out and maintain during the life of this Contract the following insurance:

- a. Statutory Workers Compensation insurance;
- b. Comprehensive General Liability insurance in an amount of \$1,000,000.00 for each occurrence and \$2,000,000.00 aggregate;
- c. Automobile Insurance in an amount of \$1,000,000.00

Client shall be named as an additional insured on the Comprehensive General Liability and Automobile insurance policies. Prior to commencing work, Engineer shall provide evidence that the required insurance is in place. Each policy shall provide that Client shall receive not less than thirty days prior written notice of any cancellation, non-renewal or reduction of coverage of any of the policies.

**LAW OFFICE OF  
MATTHEW A. NICHOLS**

3205 Randall Parkway, Suite 104  
Wilmington, NC 28403

Ph: (910) 508-7476  
Email: matt@mattnicholslaw.com

April 26, 2021

Via email: ThollomanLcfwasa@atmc.net

Mr. Tim Holloman, Executive Director  
Lower Cape Fear Water and Sewer Authority  
1107 New Pointe Blvd., Suite 17  
Leland, NC 28451

Dear Tim:

This letter is written in response to your request regarding my representation of Lower Cape Fear Water and Sewer Authority (the "Authority") in fiscal year 2021-2022 and the anticipated cost of doing so.

I will be pleased to serve as general counsel for the Authority for fiscal year 2021-2022 if the Board of Directors wishes for me to continue in that capacity. I will do so at my existing hourly rate of \$195.00 per hour, and my paralegal's hourly rate will remain at \$75.00 per hour.

I anticipate the total charges for fiscal year 2021-2022 will be approximately \$15,000. This total estimated fee assumes only limited additional work with Authority easement matters. If additional work is required, the annual fee will be higher. If you need additional information, please contact me.

Respectfully submitted,



Matthew A. Nichols

MN/nc



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**Lower Cape Fear Water & Sewer Authority****Long Range Committee Meeting Minutes****March 8, 2021**

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Chairman Leonard called to order the Finance Committee Meeting on March 8, 2021 at 10:15 a.m. The meeting was held at the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

**Present:** Al Leonard, Norwood Blanchard, and Charlie Rivenbark

**Present by Internet/Telephone:** Phil Norris, Patrick DeVane, Harry Knight, Al Milliken, Chris Smith, Frank Williams, John Nichols, and Kenny Keel

**Absent:** None

**Staff:** Tim Holloman, Executive Director, Tony Boahn, and Allison Covington, Financial Administrative Assistant

**Guest:** None

**A) NEEDS**

Executive Director Holloman discussed areas of focus for the Committee that he felt needed to take priority. The first area was establishing operating procedures.

**B) OPERATING PROCEDURES**

There are currently 10 members appointed by the Chairman, with voting privileges limited to LCFWASA Directors. The agenda will be prepared by the staff. Members of the Committee are allowed to bring additional staff such as Finance, Director, or Elected Officials they deem necessary for discussion or observation.

**C) EVALUATE CAPITAL IMPROVEMENT PLAN**

Executive Director Holloman stated that the first action would be to thoroughly review the plan. The next action would be to remove or add items needed. Third, the Committee would suggest changes to the Board. Upon Board approval, Executive Director Holloman would inform the engineer of the direction to take in completing the annual report. These items are to be completed by the end of August.

Once the Capital Improvement Plan is in place, it will be aligned with rates to recommend to the Finance Committee by February 2022 for the upcoming fiscal year.

**D) QUESTIONS OR CONCERNS**

Director Williams and Director Blanchard expressed the need for non-Director members and staff to be at all meetings moving forward. Executive Director Holloman stated that the meetings will be open in person and virtually to all members and support staff.

Committee member Kenny Keel asked for clarification of the significance or normal growth and system expansion and if it related to the Authority or the partners. Executive Director Holloman stated that it related to the partners because growth in the partners county would affect their percentage in responsibility of the added infrastructure needed to accommodate that growth. John Nichols mentioned that the existing water supply agreements may have some information regarding this.

**ADJOURNMENT**

There being no further business, Chairman Leonard adjourned the meeting at 10:45 a.m.

Respectfully Submitted,

  
\_\_\_\_\_  
Tim Holloman, Executive Director

The next Finance Committee Meeting of the Lower Cape Fear Water & Sewer Authority is scheduled for Monday, May 10, 2021 9:00 a.m. in the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

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**CONSENT AGENDA (CA-7)****Lower Cape Fear Water & Sewer Authority**

**CONSENT ITEM-** Background: Line-Item adjustments are made to more closely align revenues and expenditures to actuals without exceeding or decreasing the approved or amended budget

**LINE ITEM ADJUSTMENTS FOR 3/31/21**

<b>Operating Fund:</b>	<b>Line Item Budget Amount prior to Adjustment</b>	<b>Decrease</b>	<b>Increase</b>	<b>Budget Amount as of 3/31/21</b>
<b>REVENUE</b>				
<b>EXPENSES</b>				
4015-01 – Payroll Taxes	\$ 17,702		\$ 2,000	\$ 19,702
4029-01 – Retirement Employer	\$ 20,290		\$ 2,000	\$ 22,290
4038-01- Insurance Group	\$ 44,460		\$ 6,000	\$ 50,460
4055-01- Office Expense	\$ 20,000		\$ 9,000	\$ 29,000
4520-01 – Utilities	\$ 882,550	\$(19,000)		\$ 863,550
<b>Total</b>	<b>6,195,795</b>	<b>\$(19,000)</b>	<b>\$19,000</b>	<b>\$ 6,195,795</b>

## **AGENDA ITEM**

To: CHAIRMAN LEONARD AND BOARD MEMBERS

From: TIM HOLLOMAN, EXECUTIVE DIRECTOR

Date: May 10, 2021

Re: Public Hearing Prior to Approval of Fiscal Year 2021 – 2022 Budget and Budget Ordinance

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Please find enclosed for consideration of approval, appropriations for the listed funds for operation of the Authority for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022.

**Public Hearing:** In accordance with North Carolina General Statute Section 159-12 (b), prior to adopting the budget ordinance, the Board shall hold a public hearing at which time any persons who wish to be heard on the budget may appear. A legal notice of the public hearing on the budget was published on April 19<sup>th</sup> and 26<sup>th</sup>, 2021 in Star-News and on the Authority's web page.

Written public comment regarding the Fiscal Year 2021-2022 Budget may be submitted to Executive Director Holloman at [THollomanLcfwasa@atmc.net](mailto:THollomanLcfwasa@atmc.net) until 4:30 p.m. on June 4<sup>th</sup>.

- A. Operating Fund Appropriations in the Amount of \$6,368,067
- B. Operating General Fund Appropriations in the Amount of \$1,695,358.98
- C. Enterprise Fund/Capital Project Fund Appropriations in the Amount of \$671,396.00
- D. Renewal and Replacement Appropriations Fund in the Amount of \$115,723.00
- E. Right of Way Fund Appropriations in the Amount of \$281,301.00

### Motions to Open Public Hearing

1. A motion is made by \_\_\_\_\_ to open a public hearing on the FY 2021-2022 Budget.
2. The motion is seconded by \_\_\_\_\_.

### Motions to Close Public Hearing

1. A motion is made by \_\_\_\_\_ to close the public hearing.
2. The motion is seconded by \_\_\_\_\_.

Executive Director Holloman will briefly review the recommended budget as recommended by the Finance Committee

**Action Requested:** No action is required at this time. The Budget is being presented for consideration of approval/disapproval on June 7, 2021 at 9:00 a.m.

**NEW BUSINESS (NB-1)**

**Lower Cape Fear Water & Sewer  
Authority**

## **AGENDA ITEM**

To: CHAIRMAN LEONARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: 5/10/2021

Re: FY 2021-2022 Draft Fiscal Year Budget

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

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Background: The Finance Committee has met and reviewed drafts since March and recommend the FY 2021-2022 Budget as presented during the Public Hearing for adoption on June 7<sup>th</sup>, 2021.

**Action Requested:** Motion to Approve or Disapprove

June 7th, 2021

Chairman Leonard and Directors:

I am pleased to present the FY 2021-2022 Budget for the Lower Cape Fear Water and Sewer Authority for your review and consideration. The enclosed FY 21-22 Budget has been prepared in accordance with the North Carolina General Statute 159 Article 3 entitled "*The Local Government Budget and Fiscal Control Act.*"

The Public Hearing on the annual budget will be held during the regularly scheduled monthly meeting of the Authority Board at 9:00 AM on Monday May 10, 2021 in the conference room of the Authority's offices located 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

A legal notice of the public hearing on the budget was published on April 19 and 26th, 2021 in accordance with the General Statutes.

The Authority's annual budget outlines the revenues that the Authority expects to receive during the fiscal year and also outlines the expenditures that are expected to be made during the fiscal year. The core business of the Authority is providing raw water from the Cape Fear River to the Authority's customers. The Authority also continues to work with Smithfield Foods in the operation of the Bladen Bluffs Regional Water Treatment Plant.

The region served by the Authority continues to be one of the fastest growing regions in the nation. The counties served by the Authority have increased in population from 456,941 in 2010 to an estimated population of 545,634 in 2021. This represents a 20% increase in population served by the Authority's customers.

## **FY 20-21 ACCOMPLISHMENTS**

### **54" PARALLEL RAW WATER TRANSMISSION MAIN**

Based upon a Memorandum of Understanding (MOU) executed by the Authority, Brunswick County and Cape Fear Public Utility Authority (CFPUA), the design of a new 54" parallel raw water main from the Kings Bluff Pump Station to the Authority's raw water storage tank located near Brunswick County's Northwest Water Treatment Plant was completed. The project to construct the new 54" main was bid and the project was awarded to Garney Construction Company with a low bid of \$37,203,838. The cost of the project is being funded by Brunswick County

and CFPUA based upon the requirements contained in the MOU. Construction began in FY 19-20 and the pipeline is currently scheduled to be in service before the end of FY 21-22. Garney has installed 53,000 linear feet of the pipeline for total amount of \$26.8 MM. Garney is on schedule to complete the installation of the 54" pipe around July 1. They will still need to make all of the interconnections to the existing lines, install meter vault, and pressure control valves. Budgetary estimate for work completed by June 30th is \$32.9 MM.

When completed, the project will increase the available capacity in the Kings Bluff Raw Water Transmission System from 45 million gallons per day (mgd) to 62 mgd without any improvements to the Kings Bluff Pump Station.

### **CAPITAL IMPROVEMENT PLAN ALIGNED WITH RATES**

For the first time, the Authority took steps to align the CIP to be supported by adequate rates to stabilize various funds and levels to anticipate unexpected emergencies as well as long term needs. A Long-Range Planning Committee was established to make recommendations to the full Board on what needs to be included in Capital Planning and when the rates should be adjusted to support the need for construction, refurbish or expansion.

### **REMOTE ATTENDANCE POLICY**

After emerging from the pandemic, the Authority recognizes the need to address in person and remote attendance at meetings. The Authority adopted a policy regarding attendance to conform to the North Carolina General Statutes and comply with the Authority's existing By-Laws. The Authority continued to expand the video and audio upgrades to make this more effective.

### **RECORD KEEPING**

All documents were scanned for digital access, including minutes and the Authority now has the capability to share and research documents as well as insure against loss of historical documents.

### **BLADEN BLUFFS CAPE FEAR RIVER BANK REPAIR PROJECT**

In FY 19-20, FEMA awarded the Authority \$502,770 for the repair of damage to the bank of the Cape Fear River near the intake structures for the Bladen Bluffs Regional Water Treatment Plant. The Authority contracted with McKim and Creed for the design of the repairs to the bank. The project was bid in December 2019

and Wells Brothers Construction was the lowest responsive, responsible bidder with a bid of \$221,780. Administrative costs were \$13,552.25 and Engineering costs were \$59,491.61 This project was closed out in September of 2020 and the final FEMA Payment of \$54,289.77 was received in March of 2021. FEMA has yet to do the final inspection as of April 7, 2021.

## **US ARMY CORPS OF ENGINEERS CAPE FEAR LOCK AND DAM DISPOSITION STUDY**

In January 2020, the U. S. Army Corps of Engineers completed their study of the Cape Fear River Locks and Dams and determined that they were no longer needed for commercial navigation which was their federally mandated purpose. As a part of their study, the Corps of Engineers developed three options for the future of the Cape Fear River Locks and Dams. These options are; Corps of Engineers to retain ownership but perform no maintenance; transfer ownership to an interested third party or transfer ownership to a responsible state agency. As the Authority relies on Lock and Dam No. 1 to create a pool of water that results in a safe yield of 106 mgd for potable water usage, the Authority has determined that of the alternatives, transfer to a third party was the best long term option for the Authority and its customers. Negotiations among the utilities and the NC DEQ continue as to which entity would be the best option for ownership of the Cape Fear River Locks and Dams. Any further action on this was halted due to COVID and the resolution is something that the Authority is monitoring even though no movement is expected for three to four years.

## **FISCAL YEAR 2021-2022 FUND DESCRIPTION**

The Authority maintains five has five funds that it maintains. The funds and their purposes are as follows:

### **BLADEN BLUFFS OPERATING FUND**

While the Authority owns the Bladen Bluffs Regional Water Treatment Plant and is responsible for the debt associated with the construction of the plant, Smithfield Foods operates the facilities and pays all costs associated with the operation of the facility including the debt service. The Authority receives the bills associated with operation of the facility, pays the vendors, then submits a consolidated bill to Smithfield Foods on a monthly basis per the December 19, 2009 Agreement with Smithfield Foods.



The debt service principal for the Bladen Bluffs Regional Water Treatment Plant for FY 21-22 is \$850,000 to be paid December, 2021. The interest rate on the remaining principal is variable and it is estimated that \$297,500 in interest will be paid based upon current interest rates.

In FY 21-22, expenditures by Smithfield on the operation of the Bladen Bluffs Regional Water Treatment Plant are expected to be \$3,193,827.

The Authority charges approximately 30% of some of the personnel costs and direct costs to Smithfield in recognition of personnel's work performed on Bladen Bluffs Regional Water Treatment Plant related issues such accounts payable, accounting of expenditures, and management of capital projects. On other direct costs such as insurance and audits, Smithfield pays their proportionate share of the costs.

## **KINGS BLUFF OPERATING FUND**

### **REVENUES**

In FY 21-22, the projected water revenues reflect an increase of 6% in the demand over the FY 20-21 projections. The projected water demand for FY 21-22 is 10.12 billion gallons or 27.75 million gallons per day (mgd). By Board approval, the raw water rate increases to FY 21-22 at \$0.3300 per 1,000 gallons. This rate and the projected flow will generate \$3,053,024 in operating revenue.

### **EXPENDITURES**

The Authority owns the Kings Bluff Raw Water Pump Station and associated transmission system. While the Authority contracts with Brunswick County for the daily operation of the station, the Authority is responsible for paying for a number of direct costs associated with station operation such as electric charges from Duke Energy, fuel costs associated with the main generators, debt service on capital improvements, and major capital expenditures for repairs of station equipment.

In FY 21-22 costs associated with the administration of the Authority is recommended to increase from \$578,473 to \$616,744. The increase is not due to any one major area, just general operating costs across the board.

In FY 21-22, the cost for operating the Kings Bluff Pump Station and the debt service on the improvements that have been constructed at the facility are expected to increase from \$2,576,397 to \$3,103,940. This year the Operating Fund will be

transferring \$75,000 to Renewal and Replacement. \$325,000 is for VFD replacement and Argo purchase.

Debt service payment to New Hanover County started in FY 20-21. The the initial payment to New Hanover County was \$390,000. And the second payment of \$390,000 will take place in FY 2021-22. Final payment of \$174,000 will be in FY 22-23

### **RENEWAL AND REPLACEMENT FUND**

The purpose of this fund is to pay the cost of equipment that needs to be replaced at the Kings Bluff Pump Station. In FY 21-22 there will be no appropriations from this fund because the balance is \$40,720.00. There is an anticipated transfer from the Operational Fund of \$75,000 to bring the R & R fund up to \$115,00 by end of FY 21-22. Over a ten-year period, the projected balance should be \$3,000,000.00 at a minimum.

### **ENTERPRISE FUND**

The Enterprise Fund is the main source of funds for capital projects and major repairs. There are no projects that are budgeted for this fund in FY 21-22. A Capital Project Ordinance would be approved if the need for an additional project arises in FY 21-22.

### **RIGHT OF WAY FUND**

The Right of Way Maintenance Fund was funded by a developer and will be used to repair the roadway constructed with the Authority's easement in Brunswick County. We do not anticipate any expenditures from this fund in FY 21-22.

### **CONCLUSION**

Also, I would like to thank the Finance Committee and the Board for their support and recognition of what resources are needed to keep the Authority moving forward. Furthermore, planning to accommodate future growth and promote business retention and recruitment to the Cape Fear Region is of top concern for the Board.

Respectfully Submitted,

Tim H. Holloman  
Executive Director



**BUDGET ORDINANCE**  
**FY 2021-2022**  
**Lower Cape Fear Water & Sewer Authority**

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**BE IT ORDAINED** by the Governing Board of the Lower Cape Fear Water & Sewer Authority:

Section 1: The following amounts are hereby appropriated in the **Operating Fund** for the operation of the Authority and its activities for the fiscal year beginning July 1, 2021, and ending June 30, 2022:

**APPROPRIATIONS**

Administration	\$616,744
Operating	
Sales Tax Expense	70,000
Operating Capital Expense	325,000
Bladen Bluffs Expense	1,889,330
Utilities/Energy – Kings Bluff Pump Station	787,710
O&M Expense – Kings Bluff	453,609
Transfer to R&R - Kings Bluff R&R Expense	75,000
Series 2012 Revenue Bond-Principal Expense (ST)	601,443
Series 2012 Revenue Bond-Interest Expense (ST)	11,731
Series 2010 Revenue Bond-Principal Expense (BB)	850,000
Series 2010 Revenue Bond-Interest Expense (BB)	297,500
421 Relocation New Hanover County Loan Principal	390,000
<b>TOTAL APPROPRIATIONS</b>	<b><u><u>\$6,368,067</u></u></b>

Section 2: It is estimated the following revenues will be available in the **Operating General Fund** for the fiscal year beginning July 1, 2021, and ending June 30, 2022:

**REVENUES**

**Operating Revenues**

Brunswick County	\$ 1,488,852
Cape Fear Public Utility Authority	1,296,405
Pender County	179,822
Hwy 421	40,000
Praxair	4,314
Bladen Bluffs Revenue	3,194,127
Bladen Bluffs Admin Reimbursement	92,546
Sales Tax Refund	70,000

**Non-Operating Revenues**

Interest	2000
Other Revenue	0
Bladen Bluffs FEMA Admin Reimbursement	0
Renewal and Replacement Fund Appropriated	0

<b>TOTAL REVENUES</b>	<b><u><u>\$ 6,368,067</u></u></b>
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Section 3: The Board of Directors of the Lower Cape Fear Water & Sewer Authority hereby establishes a raw water rate of \$0.3300 per 1,000 gallons as of July 1, 2021 for raising the necessary revenue to balance the appropriations noted in Section 1.

Section 4: The following amount is hereby appropriated in the **Operating General Fund** for the fiscal year beginning July 1, 2021, and ending June 30, 2022:

**APPROPRIATIONS**

Operating General Fund – Appropriated for Future Expenditures	\$ 1,695,359
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 1,695,359</b>

Section 5: It is estimated the following revenue will be available in the **Operating General Fund** for the fiscal year beginning July 1, 2021, and ending June 30, 2022:

**REVENUES**

Operating General Fund - Fund Balance	\$ 1,695,359
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 1,695,359</b>

Section 6: The following amount is hereby appropriated in the **Enterprise Fund** for the fiscal year beginning July 1, 2021, and ending June 30, 2022:

**APPROPRIATIONS**

Enterprise Fund - Reserve for Future Expenditures	\$ 671,396
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 671,396</b>

Section 7: It is estimated the following revenue will be available in the **Enterprise Fund** for the fiscal year beginning July 1, 2021, and ending June 30, 2022:

**REVENUES**

Enterprise Fund - Fund Balance Appropriated	\$ 671,396
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 671,396</b>

Section 8: The following amounts are hereby appropriated in the **Renewal and Replacement Fund (R&R)** for the fiscal year beginning July 1, 2021, and ending June 30, 2022:

**APPROPRIATIONS**

R&R - Reserve for Future Expenditures	\$ 40,723
R&R - Kings Bluff R&R Expense	75,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 115,723</b>

Section 9: It is estimated the following revenues will be available in the **Renewal and Replacement Fund** for the fiscal year beginning July 1, 2021, and ending June 30, 2022:

**REVENUES**

R&R - Fund Balance Appropriated	\$ 40,723
Transfer In From Operating Fund	75,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 115,723</b>

Section 10: The following amount is hereby appropriated in the **Right of Way Maintenance Fund** for the fiscal year beginning July 1, 2021, and ending June 30, 2022:

**APPROPRIATIONS**

Right of Way Fund - Reserve for Future Expenditures	\$ 281,302
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 281,302</b>

Section 11: It is estimated the following revenue will be available in the **Right of Way Maintenance Fund (ROW)** for the fiscal year beginning July 1, 2021, and ending June 30, 2022:

**REVENUES**

ROW - Fund Balance Appropriated	\$ 281,302
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 281,302</b>

**Section 10:** Copies of this Budget Ordinance shall be furnished to the Finance Officer to be kept on file for direction in the disbursement of funds. This budget acknowledges and approves any transfers between funds expected as revenue from one fund or account specifically in reference to the Bladen Bluffs Administrative transfers as reflected in this budget and any funds in associated Kings Bluff Funds including the Revenue and Replacement Fund, Enterprise Fund, and Right of Way Fund.

**Adopted this 7<sup>th</sup> day of June, 2021**

\_\_\_\_\_  
Al Leonard, Chairman

ATTEST:

\_\_\_\_\_  
Norwood Blanchard, Secretary

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LOWER CAPE FEAR WATER AND SEWER AUTHORITY  
FISCAL YEAR 2021-2022 BUDGET

ACCOUNT NO.	REVENUES	FY 19-20 APPROVED BUDGET	FY 19-20 ACTUALS	FY 20-21 AMENDED BUDGET	FY 20-21 ACTUAL @ 3/31/2020	PROPOSED FY 21-22 BUDGET		FY 21-22 TOTAL COMBINED BUDGET
						KINGS BLUFFS	BLADEN BLUFFS	
	<b>OPERATING</b>							
3001-01	Brunswick County	\$ 1,290,309	\$ 1,290,309	\$ 1,315,872	\$ 970,791	\$ 1,488,852		\$ 1,488,852
3002-01	Cape Fear Public Utility Authority	\$ 1,102,127	\$ 1,102,127	\$ 1,162,726	\$ 862,649	\$ 1,296,405		\$ 1,296,405
3003-03	Pender County	\$ 141,838	\$ 141,838	\$ 175,975	\$ 118,530	\$ 179,822		\$ 179,822
3004-01	Stehphan/Invista	\$ 69,432	\$ 69,432	\$ 46,642	\$ 26,035	\$ 40,000		\$ 40,000
3005-01	Praxair, Inc.	\$ 2,975	\$ 2,975	\$ 2,989	\$ 1,278	\$ 4,314		\$ 4,314
3006-01	Bladen Bluffs Reimbursement for Plant Operation Costs	\$ 2,390,689	\$ 2,390,689	\$ 3,079,409	\$ 2,081,204		\$ 3,194,127	\$ 3,194,127
3006-02	Bladen Bluffs Administrative Reimbursement	\$ 37,000	\$ 37,000	\$ 81,972	\$ 68,166	\$ 92,546		\$ 92,546
3007-01	Sales Tax Refund			\$ 67,200	\$ 67,220		\$ 70,000	\$ 70,000
	<b>Subtotal</b>	\$ 5,034,370	\$ 5,034,370	\$ 5,932,785	\$ 4,195,873	\$ 3,101,940	\$ 3,264,127	\$ 6,366,067
	<b>Non-Operating</b>							
3105-01	Interest		\$ 8,775	\$ 25,321	\$ 1,965	\$ 2,000	\$ -	\$ 2,000
3120-01	Other Revenue (Insurance Proceeds/FEMA)	\$ -	\$ 71,372	\$ 31,000	\$ 73,891	\$ -	\$ -	\$ -
3125-01	Federal Tax Subsidy	\$ 8,775			\$ -	\$ -	\$ -	\$ -
3170-01	Transfer In	\$ -			\$ -	\$ -	\$ -	\$ -
3900-01	Renewal and Replacement Fund Appropriated	\$ -		\$ 192,189	\$ -	\$ -	\$ -	\$ -
2900-00	Fund Balance Appropriated	\$ -	\$ 174,473	\$ 14,500	\$ 14,500	\$ -	\$ -	\$ -
	<b>Subtotal</b>	\$ 8,775	\$ 254,620	\$ 263,010	\$ 90,356	\$ 2,000	\$ -	\$ 2,000
	<b>TOTAL REVENUES</b>	\$ 5,043,145	\$ 5,288,990	\$ 6,195,795	\$ 4,286,229	\$ 3,103,940	\$ 3,264,127	\$ 6,368,067

LOWER CAPE FEAR WATER AND SEWER AUTHORITY  
FISCAL YEAR 2021-2022 BUDGET

ACCOUNT NO.	EXPENDITURES	FY 19-20 APPROVED BUDGET	FY 19-20 ACTUALS	FY 20-21 AMENDED BUDGET	FY 20-21 ACTUAL @ 3/31/2020	PROPOSED FY 21-22 BUDGET		FY 21-22 TOTAL COMBINED BUDGET
						KINGS BLUFFS	BLADEN BLUFFS	
	Administration							
4001-01	Salaries	\$ 167,169	\$ 163,169	\$ 171,506	\$ 127,729	\$ 118,027	\$ 50,583	\$ 168,610
4010-01	Per Diem and Mileage Board Members	\$ 50,000	\$ 62,500	\$ 58,600	\$ 46,173	\$ 43,750	\$ 18,750	\$ 62,500
4012-01	Vehicle Allowance	\$ -	\$ 1,000	\$ 5,200	\$ 3,800	\$ 3,640	\$ 1,560	\$ 5,200
4019-01 & 4024-01	FICA Taxes	\$ 15,823	\$ 16,823	\$ 19,702	\$ 14,662	\$ 12,577	\$ 5,390	\$ 17,967
4029-01	Retirement	\$ 15,663	\$ 12,663	\$ 22,290	\$ 16,293	\$ 12,865	\$ 5,514	\$ 18,379
4035-01	401K Plan	\$ 4,926	\$ 3,626	\$ 5,475	\$ 4,010	\$ 3,331	\$ 1,427	\$ 4,758
4036-01	Miscellaneous Payroll Expenses	\$ 2,250	\$ 2,250	\$ 2,900	\$ 1,861	\$ 2,900	\$ -	\$ 2,900
4038-01	Group Insurance	\$ 40,039	\$ 40,039	\$ 50,460	\$ 41,381	\$ 28,637	\$ 12,273	\$ 40,910
4039-01	Property and Liability Insurance	\$ 143,382	\$ 112,982	\$ 138,000	\$ 103,881	\$ 60,900	\$ 26,100	\$ 87,000
4046-01	Attorney	\$ 15,000	\$ 53,226	\$ 40,000	\$ 13,121	\$ 21,000	\$ 9,000	\$ 30,000
4047-01	Auditor	\$ 12,000	\$ 12,000	\$ 8,200	\$ 8,200	\$ 6,300	\$ 2,700	\$ 9,000
4048-01	Engineer	\$ 30,656	\$ 58,156	\$ 70,500	\$ 8,320	\$ 49,000	\$ 21,000	\$ 70,000
4049-01	Information Technology			\$ 3,000	\$ 680	\$ 7,000	\$ 3,000	\$ 10,000
4055-01	Office Maintenance/Repair/Common Charge	\$ 21,000	\$ 31,400	\$ 14,000	\$ 8,847	\$ 17,000	\$ -	\$ 17,000
4058-01	Office Utilities			\$ 5,000	\$ 4,063	\$ 7,000	\$ -	\$ 7,000
4059-01	Office Expenses (telephone, Printing, Adv)			\$ 29,000	\$ 25,834	\$ 35,000	\$ -	\$ 35,000
4070-01	Travel and Training	\$ 10,072	\$ 15,841	\$ 15,000	\$ 9,796	\$ 15,000	\$ -	\$ 15,000
	Phone Allowance					\$ 520	\$ -	\$ 520
4075-01	Vehicle Expense							
4080-01	Miscellaneous Expense	\$ 7,000	\$ 7,000	\$ 17,000	\$ 6,551	\$ 15,000	\$ -	\$ 15,000
	<b>Subtotal</b>	<b>\$ 534,980</b>	<b>\$ 592,675</b>	<b>\$ 675,833</b>	<b>\$ 445,202</b>	<b>\$ 459,447</b>	<b>\$ 157,297</b>	<b>\$ 616,744</b>
	<b>Operating</b>							
4501-01	Sales Tax Expense	\$ 37,000	\$ 37,000	\$ 56,000	\$ 41,159		\$ 70,000	\$ 70,000
4510-01	Bladen Bluffs O & M	\$ 1,200,000	\$ 1,200,000	\$ 1,882,430	\$ 1,366,637		\$ 1,889,330	\$ 1,889,330
4515-01	Bladen Bluffs Hurricane Florence			\$ -		\$ -		\$ -
4520-01	Utilities/Energy Kings Bluff	\$ 743,660	\$ 768,319	\$ 863,550	\$ 486,446	\$ 787,710		\$ 787,710
4530-01	Contract O & M Kings Bluff	\$ 432,000	\$ 595,491	\$ 453,609	\$ 239,673	\$ 453,609		\$ 453,609
4537-01	O&M Kings Booster Pump Bluff Pump Station							
4541-01	Combined Enterprise Funded Series 2010 Principal	\$ 371,457	\$ 371,457	\$ 589,940		\$ -		\$ -
4542-01	Combined Enterprise Funded Series 2010 Interest	\$ 20,876	\$ 20,876	\$ 23,232	\$ 11,616	\$ -		\$ -
4543-01	Combined Enterprise System Ref Series 2012 Principal	\$ 578,656	\$ 578,656	\$ 790,000	\$ 790,000	\$ 601,443		\$ 601,443
4544-01	Combined Enterprise System Ref Series 2012 Interest	\$ 34,516	\$ 34,516	\$ 275,000	\$ 19,776	\$ 11,730		\$ 11,731
4545-01	Bladen Bluffs Debt Service Principal	\$ 740,000	\$ 740,000				\$ 850,000	\$ 850,000
4546-01	Bladen Bluffs Debt Service Interest	\$ 350,000	\$ 350,000				\$ 297,500	\$ 297,500
	Operating Capital Expense					\$ 325,000		\$ 325,000
4998-05	Transfer to R&R - Kings Bluff R&R Expense			\$ 196,201		\$ 75,001		\$ 75,000
2041-01	421 Relocation New Hanover County Loan Principal			\$ 390,000	\$ 390,000	\$ 390,000		\$ 390,000
	<b>Subtotal</b>	<b>\$ 4,508,165</b>	<b>\$ 4,696,315</b>	<b>\$ 5,519,962</b>	<b>\$ 2,955,307</b>	<b>\$ 2,644,493</b>	<b>\$ 3,106,830</b>	<b>\$ 5,751,323</b>
	<b>TOTAL EXPENDITURES</b>	<b>\$ 5,043,145</b>	<b>\$ 5,288,990</b>	<b>\$ 6,195,795</b>	<b>\$ 3,400,509</b>	<b>\$ 3,103,940</b>	<b>\$ 3,264,127</b>	<b>\$ 6,368,067</b>



## WATER REVENUE ESTIMATES AND WATER RATE CALCULATION

Raw Water Customer	FLOWS		
	FY 19-20 Actual	FY 20-21 Projected	FY 20-21 Actual (as of 12-31-2019)
Brunswick County	5,106,757	4,749,000	2,716,801
CFPUA	4,600,486	4,056,000	1,664,859
Pender County	586,486	522,000	300,972
Stephan	277,010	256,000	115,678
Praxair	11,000	11,000	4,000
	10,581,739	9,594,000	4,802,310
			10,128,456

FY 21-22  
Projected

4,522,777  
3,928,500  
1,410,631  
255,548  
11,000

Raw Water Customer	REVENUES		
	FY 19-20 Actual	FY 20-21 Projected	FY 20-21 Actual (as of 12-31-2020)
RATE PER 1,000 GALLONS	\$ 0.2717	\$ 0.2717	\$ 0.2717
Brunswick County	\$ 1,387,506	\$ 1,290,303	\$ 738,155
CFPUA	\$ 1,249,952	\$ 1,102,015	\$ 452,342
Pender County	\$ 159,348	\$ 141,827	\$ 81,774
Stepan	\$ 75,264	\$ 69,555	\$ 31,430
Praxair	\$ 2,989	\$ 2,989	\$ 1,087
	\$ 2,875,058	\$ 2,606,690	\$ 1,304,788
			\$ 3,053,024

FY 21-22  
Projected

0.33  
1,488,852  
1,296,405  
179,822  
84,331  
3,614

<b>KINGS BLUFF EXPENSES</b>	
ADMINISTRATION	\$ 459,447
OPERATING INCLUDING DEBT SERVICE	\$ 2,644,493
TOTAL EXPENSES	\$ 3,103,940

<b>KINGS BLUFF REVENUES</b>	
WATER SALES BASED ON CURRENT RATE	\$ 3,053,024
OTHER REVENUES	\$ 92,546
TOTAL REVENUES	\$ 3,145,570

Bunswick County,CFPUA and Pender County water revunues based on 97% of projected sales.

**BRUNSWICK COUNTY**  
**PROJECTED WATER USE**  
**FOR JULY 1, 2021 THROUGH JUNE 30, 2022**  
**WATER RATE OF \$0.33 / 1,000 GALLONS**

<b>Month</b>	<b>Estimated Usage</b>	<b>Cumulative Total</b>
July 2021	530,850,048.20	530,850,048.20
August	449,361,006.61	980,211,054.82
September	411,617,791.56	1,391,828,846.38
October	404,775,039.24	1,796,603,885.61
November	296,785,226.07	2,093,389,111.69
December	290,143,340.54	2,383,532,452.23
January 2022	291,381,528.04	2,674,913,980.27
February	297,993,920.74	2,972,907,901.02
March	284,893,543.10	3,257,801,444.11
April	375,135,182.51	3,632,936,626.63
May	503,430,853.35	4,136,367,479.98
June	526,289,292.41	4,662,656,772.39
<b>TOTAL</b>	<b>4,662,656,772.39</b>	
<b>Annual Daily Average:</b>		<b>Annual Revenue</b> \$ 1,538,676.73

## CAPE FEAR PUBLIC UTILITY AUTHORITY

## PROJECTED WATER USE

FOR JULY 1, 2021 THROUGH JUNE 30, 2022

WATER RATE OF \$0.33 / 1,000 GALLONS

Month	Estimated Usage	Cumulative Total
July 2021	288,000,000.00	288,000,000.00
August	298,000,000.00	586,000,000.00
September	321,000,000.00	907,000,000.00
October	316,000,000.00	1,223,000,000.00
November	246,000,000.00	1,469,000,000.00
December	361,000,000.00	1,830,000,000.00
January 2022	415,000,000.00	2,245,000,000.00
February	372,000,000.00	2,617,000,000.00
March	431,000,000.00	3,048,000,000.00
April	402,000,000.00	3,450,000,000.00
May	316,000,000.00	3,766,000,000.00
June	284,000,000.00	4,050,000,000.00
<b>TOTAL</b>	4,050,000,000.00	
<b>Annual Daily Average:</b>	11,095,890.41	<b>Annual Revenue</b>
	\$	1,336,500.00

PENDER COUNTY

PROJECTED WATER USE

FOR JULY 1, 2021 THROUGH JUNE 30, 2022

WATER RATE OF \$0.33 / 1,000 GALLONS

Month	Estimated Usage	Cumulative Total
July 2021	53.08	53.08
August	52.68	105.76
September	50.20	155.96
October	47.43	203.39
November	44.41	247.80
December	43.25	291.05
January 2022	41.33	332.38
February	40.67	373.05
March	44.24	417.29
April	45.49	462.78
May	48.74	511.52
June	50.25	561.77
TOTAL	561.77	
Annual Daily Average:		Annual Revenue
		1.54 \$ 0.19

Employee	PERSONNEL COST			Notes
	Adopted FY 20-21	Salary	Proposed FY 21-22	
Executive Director	\$ 110,000.00	\$ 112,200.00	2% COLA	
Administrative Assistant	\$ 53,206.00	\$ 46,410.00	2% COLA	
Part-Time	\$ -	\$ 10,000.00		
	\$ 163,206.00	\$ 168,610.00		
Board Per Diem and Mileage				
	\$ 62,500.00	\$ 62,500.00		
Executive Director				
Administrative Assistant				
Part-Time				
Board Members				
	\$ 8,415.00	\$ 9,593.10	8.55 % of Salary	
	\$ 4,070.26	\$ 3,968.06	8.55 % of Salary	
	\$ -	\$ 855.00	8.55% of Salary	
	\$ 3,515.85	\$ 3,550.95	8.55% of Salary	
	\$ 16,001.11	\$ 17,967.11		
Executive Director				
Part-Time				
Administrative Assistant				
	\$ 11,990.00	\$ 12,734.70	11.35%	
	\$ 1,135.00	\$ 1,135.00		
	\$ 5,075.85	\$ 5,267.54	11.35%	
	\$ 17,065.85	\$ 19,137.24		
Executive Director				
Administrative Assistant				
	\$ 18,130.00	\$ 18,130.00	Assumes Coverage of Employee	
	\$ 18,130.00	\$ 18,130.00	Assumes Coverage of Employee	
	\$ 36,260.00	\$ 36,260.00		
Executive Director				
Administrative Assistant				
	\$ 3,300.00	\$ 3,366.00	3.0% of the salary	
	\$ 1,596.18	\$ 1,392.30	3.0% of the salary	
	\$ 4,896.18	\$ 4,758.30		

## BOARD MEMBER COST

## Board Member Salaries and Mileage Reimbursement

Salary for Board Member per meeting	\$	300
Salary for Chairman Per Board Meeting	\$	330
Total Salary Costs	\$	50,760.00
Current Board Total Mileage		875
Current IRS Mileage Rate	\$	0.560 per mile
Total Mileage Cost Per Year	\$	5,880.00

## Total for Budget

\$ 56,640.0

Round to \$50,000 increase of committee meetings outside of normal meetings

Social Security	\$	3,883
Breakfast	\$ 174.65 per month	2,095.80
	\$	62,618.9

## BLADEN BLUFFS ADMINISTRATIVE COST CALCULATION

Employee	Allocation	Bladen Bluffs Allocation
<b>SALARY</b>		
Executive Director	\$112,200.00	
Administrative Assistant	\$46,410.00	
Part Time	\$10,000.00	
	\$168,610.00	<b>\$50,583.00</b>
Board Per Diem, Mileage and Expense	\$62,618.00	<b>\$18,785.40</b>
<b>VEHICLE ALLOWANCE</b>		
Executive Director	\$5,200.00	<b>\$1,560.00</b>
<b>FICA</b>		
Executive Director	\$9,593.10	
Administrative Assistant	\$3,968.05	
Part Time	\$855.00	
Board Members	\$3,580.20	
	\$17,996.35	<b>\$5,398.91</b>
<b>RETIREMENT</b>		
Executive Director	\$12,229.80	
Administrative Assistant	\$1,090.00	
Part Time	\$5,058.69	
	\$19,137.24	<b>\$5,741.17</b>
<b>HEALTH INSURANCE</b>		
Executive Director	\$18,130.00	
Administrative Assistant	\$18,130.00	
	\$36,260.00	<b>\$10,878.00</b>
<b>401K</b>		
Executive Director	3366	
Administrative Assistant	1392.3	
	4758.3	<b>1427.49</b>
		<b>\$83,495.97</b>

## BLADEN BLUFFS ADMINISTRATIVE COST CALCULATION

Employee	Allocation Percentage	SALARY	BLADEN BLUFFS ALLOCATION
Executive Director		\$ 110,000.00	
Administrative Assistant		\$ 53,206.00	
	≈ 30%	\$ 163,206.00	\$ 49,206
Board Per Diem and Mileage	≈ 30%	\$ 58,600.00	\$ 17,580
Executive Director	≈ 30%	Vehicle Allowance \$ 5,200.00	\$ 1,560
Executive Director		FICA \$ 8,415.00	
Administrative Assistant		\$ 4,070.26	
Board Members		\$ 3,580.20	
	≈ 30%	\$ 16,065.46	\$ 4,819
Executive Director		RETIREMENT \$ 12,734.70	
Administrative Assistant		\$ 5,267.54	
	≈ 30%	\$ 18,002.24	\$ 5,364
Executive Director		HEALTH INSURANCE \$ 18,130.00	
Administrative Assistant		\$ 18,130.00	
	≈ 30%	\$ 36,260.00	\$ 10,878
Executive Director		401 K \$ 3,300.00	
Administrative Assistant		\$ 1,596.18	
	≈ 30%	\$ 4,896.18	\$ 1,482



BLADEN BLUFFS ADMINISTRATIVE COST CALCULATION

Estimated Annual Costs for:

ATTORNEY  
ENGINEER  
AUDITOR

\$	1,250
\$	2,800
\$	5,000
\$	83,496
\$	92,546
\$	40,700
\$	133,246

ADMINISTRATIVE COST FROM FIRST SHEET

INSURANCE PROPERTY & LIABILITY

Total cost of Property and Liability Insurance is \$110000.0  
Bladen Bluffs share is based upon percent of  
total cost allocated to that facility:

Total Annual Admin Cost

Department Name: LCFWSA - Reimbursable  
 Department Code: 617150  
 Budget Manager: Director of Public Utilities

COUNTY OF BRUNSWICK  
 Fiscal Year 2020-2021 Budget

Dept.#	Item #	Description	Prior Years Actuals 2018	2019	2020 Amended Budget	2020 Original Budget @ 7/1/19	2020 Actual @ 12/31/2019	% Received/ Expend @ 12/31/2019
617150	332000	State Revenues - Restricted	216,000	-	-	-	-	0%
617150	383927	LCFWSA O and M Reimbursement	368,743	367,518	492,304	390,985	120,836	25% 442,652
		Add New Revenue Line Item In Space Below:						
617150								0%
617150								0%
		<b>Total Revenues</b>	<b>584,743</b>	<b>367,518</b>	<b>492,304</b>	<b>390,985</b>	<b>120,836</b>	<b>25% 442,652</b>
617150	412100	Salary & Wages - Regular	79,687	65,465	100,121	100,121	52,345	52% 103,258
617150	412200	Salaries & Wages - Overtime	5,787	19,200	4,000	4,000	3,032	76% 4,000
617150	412203	Salaries & Wages - Pager on Call	6,687	7,279	6,600	6,600	4,515	68% 9,078
617150	412204	Salary & Wages - Call Back	119	137	3,000	3,000	113	4% 3,000
617150	412400	Salary & Wages - Wage Adj	-	-	-	-	-	0%
617150	412600	Salaries & Wages - Temp / Part	-	-	10,500	27,000	-	0% 27,000
617150	412700	Salary & Wages - Longevity	2,155	1,542	1,282	1,282	-	0% 2,111
617150	412990	Salary and Wages Reimbursements	17,267	23,110	-	-	6,128	0%
617150	417100	Board Meeting Fees	-	-	-	-	-	0%
617150	418100	FICA	7,251	7,209	10,863	10,863	4,478	41% 11,356
617150	418200	Retirement	11,734	11,938	16,112	16,112	8,407	52% 18,472
617150	418300	Health Insurance	13,754	8,733	17,476	17,476	8,059	46% 16,290
617150	418301	Retired Emp Health under 65	-	-	-	-	-	0%
617150	418302	Medicare Suppt & Pharmacy	-	-	-	-	-	0%
617150	418303	Workers Compensation Insurance	5,286	5,924	5,125	5,125	5,124	100% 5,125
617150	418304	Unemployment Insurance	-	-	-	-	-	0%
617150	418306	Life Insurance	129	74	200	200	47	24% 200
617150	418310	Dental Insurance	-	358	576	576	286	50% 696
617150	418400	Disability & Long - Term Ins	250	199	330	330	163	49% 341
617150	418900	Fringe Benefits Reimbursements	6,477	8,616	-	-	2,313	0%
617150	421200	Uniforms	161	445	900	900	-	0%
617150	425101	Fuel - Emergency Generator	-	-	500	500	-	0% 1,200
								0% 14,625

617150	426000	Supplies and Materials	-	418	500	500	62	12%	500
617150	426002	Departmental Supplies	1,545	932	2,000	2,000	1,431	72%	2,000
617150	426010	Computer Software	-	-	500	500	-	0%	500
617151	426200	Operating Equip \$500 - \$4,999	-	-	-	-	-	0%	-
617150	431100	Travel - Mileage	2,129	2,711	2,000	2,000	696	35%	2,000
617150	431200	Travel - Subsistence	-	-	250	250	-	0%	250
617150	431500	Travel - Registrations	-	-	5,500	300	5,200	95%	1,000
617150	432150	Cell Phone Reimbursement	975	713	1,000	1,000	650	65%	1,300
617150	432500	Postage	36	24	50	50	10	20%	50
617150	435100	Repair and Maint - Building	938	-	8,500	8,500	-	0%	8,500
617150	435102	Repair and Maint - Grounds	-	-	300	300	-	0%	300
617150	435200	Repair and Maint - Equipment	143,588	94,645	176,881	55,000	12,802	7%	63,000
617150	435203	Repair and Maint - Instrument	2,852	26,143	24,800	30,000	3,230	13%	30,000
617150	435208	Repair and Maint - Roadways	-	-	2,000	2,000	-	0%	2,000
617150	435217	R and M - Transmission Mains	216,000	-	-	-	-	0%	-
617150	439900	Contract Services	25,974	57,238	26,000	9,500	24,914	96%	9,500
617150	441400	Rent of Equipment	2,780	1,569	4,173	2,000	3,731	89%	2,000
617150	444000	Service and Maint Contracts	31,181	21,548	80,300	83,000	2,829	4%	83,000
617150	449913	CY FEMA Event I	-	-	527	-	526	100%	-
617150	454000	Vehicles On Road	-	-	-	-	-	0%	-
617150	454500	Vehicles Off Road	-	-	-	-	-	0%	-
617150	455000	Equipment	-	-	-	-	-	0%	20,000
617150	458000	Buildings	-	-	-	-	-	0%	-
617150	459000	Improvements	-	1,349	-	-	-	0%	-
Add New Expenditure Line Item In Space Below:									
617150		Total Expenditures	584,743	367,518	512,866	390,985	151,091	29%	442,652
Revenues Over(Under) Expenditures									
			(0)	-	(20,562)	-	(30,255)	-	-

**OPERATING FUND CAPITAL EXPENDITURES**

EQUIPMENT TO BE REPLACED	REPLACEMENT COST
2012 DODGE TRUCK	\$ 60,000
VFD COMPONENT REPLACEMENT	\$ 250,000
VIDEO EQUIPMENT FOR CONFERENCE ROOM	\$ - 6500
COMPUTER NETWORKING	\$ - 15000
PHONE SYSTEM	\$ - 8500
TRANSFER TO RENEWAL AND REPLACEMENT	\$ 75,000
MISCELLANEOUS	\$ 15,000
TOTAL	\$ 400,000

## LOWER CAPE FEAR DEBT SERVICE SCHEDULE

## KINGS BLUFFS RAW WATER PUMP STATION

	Date of Payment	Interest Rates	Old Balance	Principal Payment	Interest Payment	Total Series Payment	Total Bi-Annual Payment	Total Annual Payment
<b>FY 21-22</b>								
Series 2012 SUNTRUST	11/1/2021	1.9500%	601,443.64	0.00	5,864.08	5,864.08	5,864.08	
Series 2012 SUNTRUST	5/1/2022	1.9500%	601,443.64	601,443.64	5,864.08	607,307.72	997,307.72	1,003,171.80
NHC CONTRACT 19-0343	5/1/2022	2.0000%	523,346.60	390,000.00	0.00	390,000.00		
<b>FY 22-23</b>								
NHC CONTRACT 19-0343	5/1/2023	2.0000%	135,346.60	135,346.00	38,712.68	174,058.68	174,058.68	174,058.68

**BLADEN BLUFFS REGIONAL SURFACE WATER TREATMENT SYSTEM**  
**VARIABLE RATE SPECIAL FACILITY REVENUE BONDS (BLADEN BLUFFS PROJECT SERIES 2010)**

Debt service principal and interest payments for the outstanding balance of \$19,940,000 Variable Rate Special Facility Revenue Bonds is made by Smithfield Farmland with the liability held in the name of the Authority. The December 1, 2021 bond principal payment will be \$850,000. Smithfield pays the interest and annual bond payments directly to the Trustee. Interest is calculated at a weekly rate and paid monthly.

**NEW HANOVER COUNTY HWY 421 WATER MAIN RELOCATION LOAN  
REQUESTS FOR FUNDING FROM NEW HANOVER COUNTY**

Period Ending	County Interest Owed	LCFWSA Interest Payment	County Principal Owed	LCFWSA Principal Payment	LCFWSA Total Payment	Fiscal Yr Totals
8/1/2020	\$25,666.66	\$25,666.66	\$0.00	\$0.00	\$25,666.66	
2/1/2021	\$26,400.00	\$26,400.00	\$480,000.00	\$337,933.34	\$364,333.34	390,000.00
8/1/2021	\$19,200.00	\$19,200.00	\$0.00	\$0.00	\$19,200.00	
2/1/2022	\$19,200.00	\$19,200.00	\$480,000.00	\$351,600.00	\$370,800.00	390,000.00
8/1/2022	\$9,600.00	\$9,600.00	\$0.00	\$0.00	\$9,600.00	
2/1/2023	\$9,600.00	\$9,600.00	\$480,000.00	239,634.63	\$249,234.63	258,834.63
<b>6 Payments</b>	<b>109,666.66</b>	<b>\$109,666.66</b>	<b>1,440,000.00</b>	<b>\$929,167.97</b>	<b>\$1,038,834.63</b>	<b>\$1,038,834.63</b>

Proceeds Distributed to LCFWSA	915,346.00
Closing Costs Paid from Proceeds	13,821.97
Total Loan Distributed for LCFV	929,167.97
Total Par Amount	1,440,000.00
Remaining Proceeds	510,832.03
Total Principal & Interest Paid	1,549,666.66
Less: Remaining Proceeds	510,832.03
Amount of repayment required	1,038,834.63

**LOWER CAPE FEAR WATER AND SEWER AUTHORITY  
5 YEAR CAPITAL IMPROVEMENT PLAN**

KINGS BLUFF CIP PROJECTS	0.33 FY2022	0.33 FY2023	0.38 FY 2024	0.38 FY2025	0.38 FY 2026	PROJECT TOTALS
INTERMEDIATE BOOSTER PUMP STATION SHELTER		\$600,000.00	\$300,000.00			\$900,000.00
ENGINEERING AND PERMITTING		\$250,000.00				\$250,000.00
SURVEYING		\$60,000.00				\$60,000.00
VFD	\$250,000.00					\$250,000.00
V,TRW PUMP		\$250,000.00				\$250,000.00
ROW MAINTENANCE		\$35,000.00	\$35,000	\$35,000.00	\$35,000.00	\$140,000.00
ROW CLEARING			\$225,000.00	\$225,000.00	\$0.00	\$450,000.00
SCADA UPGRADE				\$125,000.00		\$125,000.00
REBUILD EXISTING HIGH SERVICE PUMP MOTORS						
TRANSFER TO RENEWAL AND REPLACEMENT	\$75,000.00	\$120,000.00	\$675,000.00	\$350,000.00	\$320,000.00	\$1,540,000.00
ANTI VORTEXING			\$50,000.00	\$50,000.00		\$150,000.00
4TH PUMP/BACKWASH/WALKWAY			\$360,000.00	\$360,000.00	\$360,000.00	\$1,080,000.00
REPLACE GENERATOR RADIATORS				\$680,000.00	\$680,000.00	\$1,360,000.00
WALKWAY REPLACEMENT AND AIR BACKWASH BUILDING						
VEHICLE REPLACEMENT/ARGO/FORKLIFT	\$60,000.00	\$70,000.00	\$50,000.00			\$180,000.00
<b>TOTALS KINGS BLUFF PROJECTS</b>	<b>\$385,000.00</b>	<b>\$1,385,000.00</b>	<b>\$1,695,000.00</b>	<b>\$1,825,000.00</b>	<b>\$1,445,000.00</b>	<b>\$6,735,000.00</b>
KINGS BLUFF CIP-SOURCES	FY 2022	FY2022	FY 2024	FY 2025	SOURCE TOTALS	
OPERATING CAPITAL	\$385,000.00	\$1,385,000.00	\$1,335,000.00	\$785,000.00	\$405,000.00	\$4,295,000.00
CAPITAL RESERVES						
DEBT PROCEEDS						
GRANT			\$360,000.00	\$1,040,000.00	\$1,040,000.00	\$2,440,000.00
OTHER SOURCE					\$0.00	\$0.00
<b>TOTAL KINGS BLUFF SOURCES</b>	<b>\$385,000.00</b>	<b>\$1,385,000.00</b>	<b>\$1,695,000.00</b>	<b>\$1,825,000.00</b>	<b>\$1,445,000.00</b>	<b>\$6,735,000.00</b>

# Lower Cape Fear Water & Sewer Authority



## Regular Board Meeting

April 12, 2021

wifi:

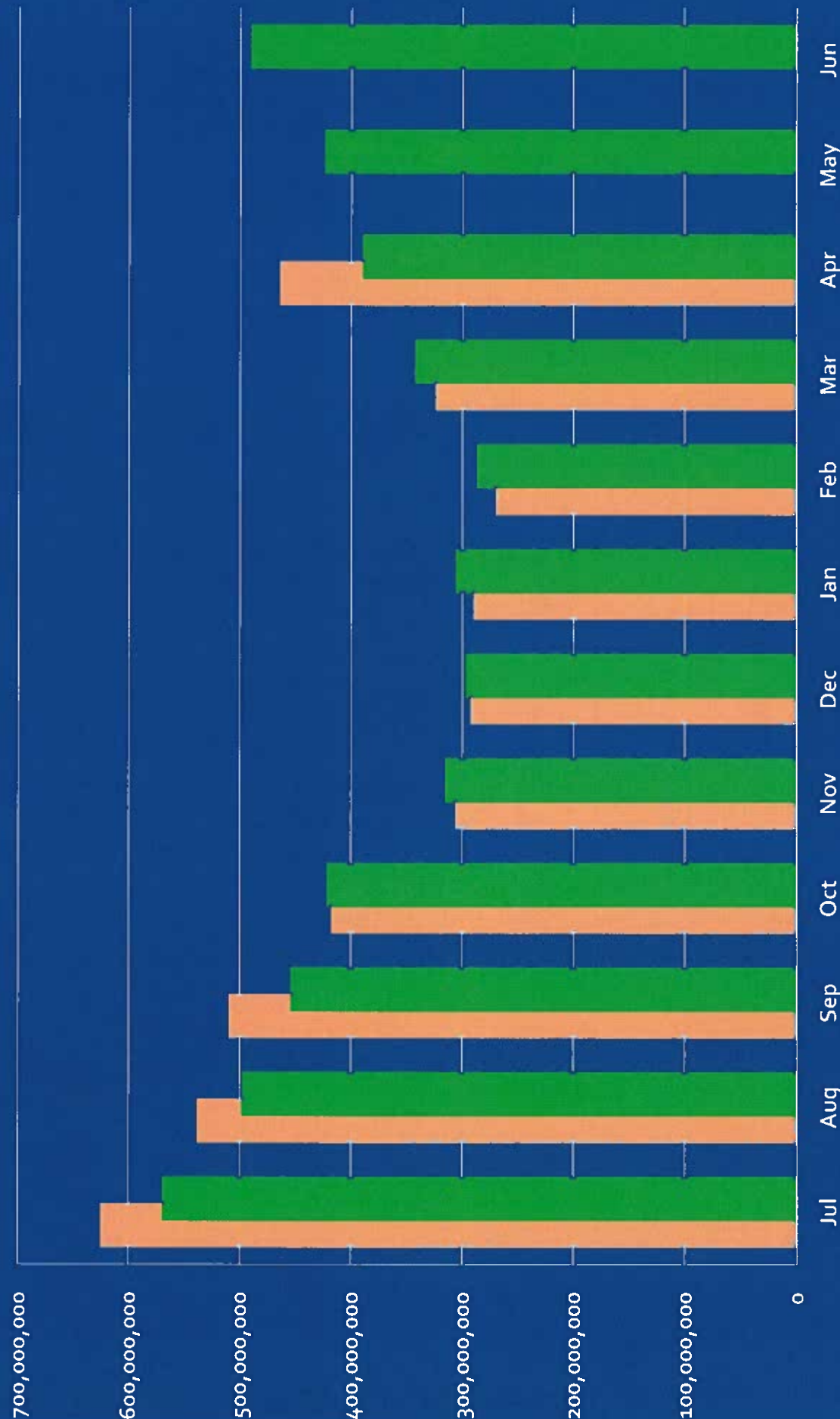
Network Name = **BladenBluffs**

Password = **kingsbluff1**



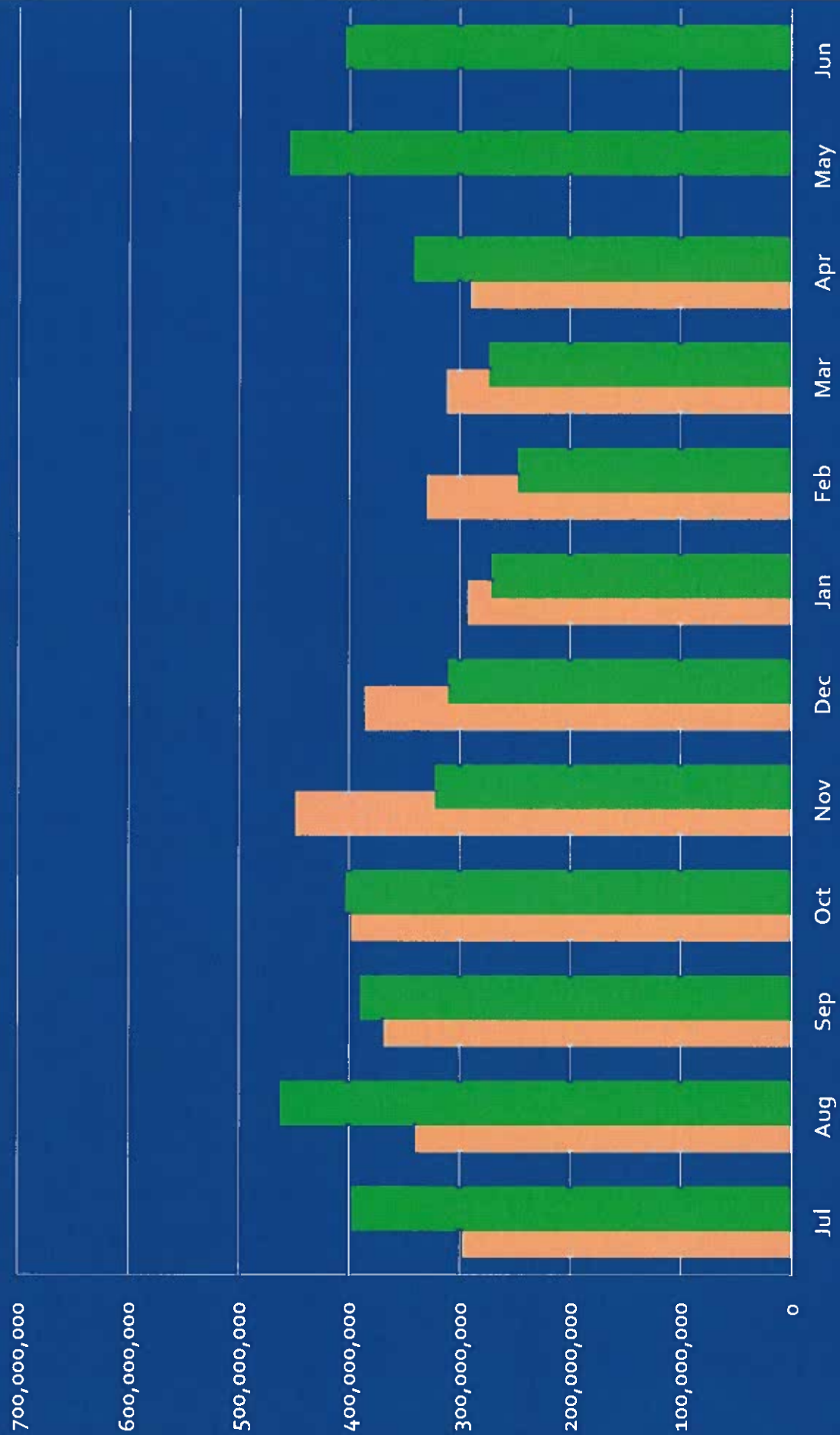
# Brunswick - Monthly Water Usage

## Comparison of **Actual** to **Projected**



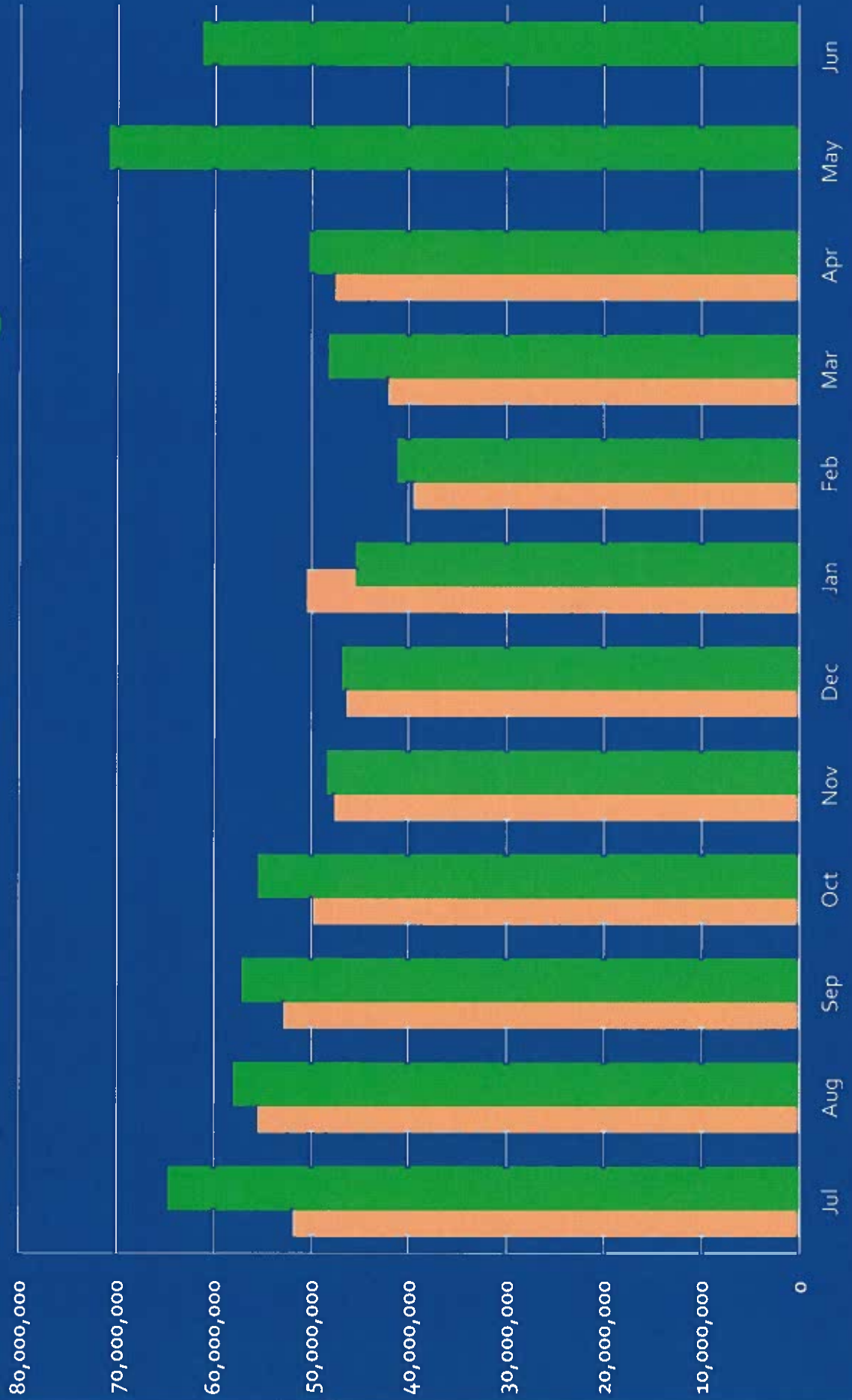
# CEPUDA - Monthly Water Usage

## Comparison of **Actual** to **Projected**



# Pender - Monthly Water Usage

## Comparison of **Actual** to **Projected**



# FY 20/21 - Monthly Revenue

## Comparison of Actual to Projected





# FY 20/21 - Monthly Revenue

## Comparison of Actual to Projected

Month	Monthly Projected Revenue	Monthly Actual Revenue	Over/Under Budget Per Month	Total to Date Over/Under Budget
Jul	\$ 286,455.18	\$ 267,576.45	(\$18,878.73)	\$16,278.27
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	\$ 176,275.59	\$944.95	
Feb	\$ 162,438.53	\$ 176,825.38	\$14,386.85	
Mar	\$ 186,673.77	\$ 185,839.09	(\$834.68)	
Apr	\$ 218,693.18	\$ 222,357.55	\$3,664.37	
May	\$ 264,178.52	-		
Jun	\$ 265,862.86	-		
	\$ 2,715,404.00	\$ 2,201,640.90		



## OPERATING FUND BUDGET PERFORMANCE

Jul-1 through Mar-31

Income	Approved	Amended	Jul 1- Mar 31	Jul 1- Mar 31	Jul 1- Mar 31	Budget As of 3/3
	Annual Budget	Annual Budget	Kings Bluff	Bladen Bluffs	OF BUDGET	
<b>3000-01 - OPERATING REVENUE</b>						
3001-01 - 01 Bruns County Public Utility	1,303,072	1,315,872	970,791		970,791	74%
3002-01 - 01 CFPUA	1,162,726	1,162,726	862,649		862,649	74%
3003-01 - 01 Pender County	175,975	175,975	118,530		118,530	67%
3004-01 - 01 HWY 421 - Invista	70,642	46,642	26,035		26,035	56%
3005-01 - 01 Praxair, Inc	2,989	2,989	1,278		1,278	43%
3006-01 - 01 Bladen Bluffs Revenue	2,454,409	3,079,409		2,081,204.29	2,081,204	68%
Bladen Admin Reimb	81,972	81,972		68,166	68,166	83%
3007-01 - Sales Tax Refund Revenue	56,000	67,200		67,220.00	67,220	100%
<b>Total 3000-01 - OPERATING REVENUE</b>	<b>5,307,784</b>	<b>5,932,784</b>	<b>1,979,282</b>	<b>2,216,590</b>	<b>4,195,873</b>	<b>71%</b>
<b>3100-00 - OF NONOPERATING REVENUE</b>						
3120-00 - Revenue-Other						
Interest & Investment Revenue	25,321	25,321	1,965		1,965	8%
FEMA Reimbursement	25,000	31,000	62,410		62,410	201%
Refunds / Insurance Proceeds/ Other			11,481		11,481	
3900-01 R&R Fund Appropriated	178,290	192,190				0%
2900-00 Fund Balance	0	14,500	14,500		14,500	100%
<b>Total 3100-00 - OF NONOPERATING REVENUE</b>	<b>228,611</b>	<b>263,011</b>	<b>90,356</b>	<b>0</b>	<b>90,356</b>	<b>34%</b>
<b>Total Income</b>	<b>5,536,395</b>	<b>6,195,795</b>	<b>2,069,638</b>	<b>2,216,590</b>	<b>4,286,229</b>	<b>69%</b>
<b>Expense</b>						
<b>4000-01 - ADMINISTRATION EXPENDITURES</b>						
4001-01 - Salary - gross	163,206	171,506	90,825	36,905	127,729	74%
4010-01 - Per Diem= mileage+per diem pay	58,600	58,600	32,988	13,185	46,173	79%
4012-01 - Vehicle Allowance	5,200	5,200	2,000	1,800	3,800	73%
4015-01 - Payroll Taxes	16,002	19,702	11,048	3,614	14,662	74%
4029-01 - Retirement Employer's Part	17,790	22,290	12,270	4,023	16,293	73%
4035-01 - 401K Employer PD Contribution	4,925	5,475	2,899	1,112	4,010	73%
4036-01 - Payroll Processing Exp	2,900	2,900	1,861		1,861	64%
4038-01 - Insurance Group	36,260	50,460	33,222	8,159	41,381	82%
4039-01 - Insurance, Property	120,000	138,000	77,934	25,947	103,881	75%
4046-01 - Attorney	40,000	40,000	13,121		13,121	33%
4047-01 - Auditor	7,000	8,200	5,400	2,800.00	8,200	100%
4048-01 - Engineer	50,000	70,500	3,320	5,000	8,320	12%
4049-01 - Information Technology	0	3,000	680		680	23%
4055-01 - Office Maint/Repair/General	14,000	14,000	8,847		8,847	63%
Office Utilities	3,000	5,000	4,063		4,063	81%
Office Expense	9,100	29,000	25,834		25,834	89%
4070-01 - Travel & Training	15,000	15,000	9,796		9,796	65%
4080-01 - Miscellaneous Expenses	17,000	17,000	6,551		6,551	39%
<b>Total 4000-01 - ADMINISTRATION EXPENDITURES</b>	<b>579,983</b>	<b>675,833</b>	<b>342,656</b>	<b>102,544</b>	<b>445,200</b>	<b>66%</b>
<b>4500-01 - OPERATING EXPENDITURES</b>						
4501-00 - Sales Tax Expense - Other	56,000	56,000		41,159.00	41,159	73%
4510-01 - Bladen Bluffs Expenses	1,257,430	1,882,430		1,366,636.76	1,366,637	73%
4520-01 - Utilities-Energy Pump Station	925,000	863,550	486,446		486,446	56%
4530-01 - Kings Bluff O&M Expenses	453,609	453,609	239,673		239,673	53%
4535-01 Kings Bluff Hurricane Other FEMA			-		0	
4543-01 - Series 2012 Bond Principal (ST)	589,940	589,940	-		0	0%
4544-01 - Series 2012 Bond Interest (ST)	23,232	23,232	11,616		11,616	50%
4545-01 - Series 2010 Bond Principal (BB)	790,000	790,000		790,000	790,000	100%
4546-01 - Series 2010 Bond Interest (BB)	275,000	275,000		19,775.57	19,776	7%
4998-05- Transfer to R&R- KB R&R Expense	196,201	196,201		0	0	0%
4547-01- 421 Relocation NHC Loan Principal	390,000	390,000		364,333	364,333	93%
4548-01- 421 Relocation NHC Loan Interest				25,667	25,667	
<b>Total 4500-01 - OPERATING EXPENDITURES</b>	<b>4,956,412</b>	<b>5,519,962</b>	<b>737,735</b>	<b>2,217,571</b>	<b>2,955,307</b>	<b>54%</b>
<b>Total Expense</b>	<b>5,536,395</b>	<b>6,195,795</b>	<b>1,080,392</b>	<b>2,320,115</b>	<b>3,400,507</b>	

### Executive Director Highlighted Activities:

- Letters sent requesting support of HB 459 to allow Authorities to have permanent license tags on their vehicles again
- Continue working on Authority Comparisons with Bill Rivenbark and the UNC Financial Center
- Advertising continues for the current vacancy of the Administrative assistant position
- Renewed participation in the Lower Cape Fear River Basin Research Project
- Contacted each partner with monthly update
- Prepared 50<sup>th</sup> Anniversary Plaques for each member of the Authority to be presented at their Board meetings



**AGENDA**  
**Lower Cape Fear Water & Sewer Authority**  
**1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina**  
**10:15 a.m. – Long Range Planning Committee Meeting**  
**May 10th, 2021**

**MEETING CALL TO ORDER: CHAIRMAN LEONARD**

**PRESENTATION: CAPITAL IMPROVEMENT PLAN REVIEW OF DRIVERS AND DISCUSSIONS**

**PRESENTATION: TAKE OR PAY INITIAL PRESENTATION AND DISCUSSION**

**FUTURE MEETINGS FOR: JUNE 7<sup>TH</sup>, JULY 12<sup>TH</sup> AND AUGUST 9<sup>TH</sup>**

**ADJOURNMENT**