Dependable

Reliable

Cost-Effective

Regional

AGENDA

Lower Cape Fear Water & Sewer Authority 1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina 9:00 a.m. – Regular Monthly Board Meeting September 14, 2020

MEETING CALL TO ORDER: Chairman Milliken

INVOCATION

PLEDGE OF ALLEGIANCE

PRESENTATION TO: Larry Johnson, Recognition of 14 years of Service, by Chairman Milliken

ADMINISTER OATH OF OFFICE TO:

Patrick DeVane, Bladen County Representative, by Chairman Milliken

APPROVAL OF CONSENT AGENDA

- C1 Minutes of Regular Board Meeting August 10, 2020
- C2 Kings Bluff Monthly Operations and Maintenance Report
- C3 Bladen Bluffs Monthly Operations and Maintenance Reports

OLD BUSINESS

None

NEW BUSINESS

- **NB1** Easement Research Pertaining to the Remaining 10-mile Segment of the Kings Bluff 48-inch Raw Water Main Right-of-Way
 - A) A Resolution of Lower Cape Fear Water and Sewer Authority Exempting Lower Cape Fear Water and Sewer Authority from the Provisions of N.C.G.S § 143-64.31
 - **B)** Proposal for Professional Consulting Engineering Service for Boundary Research for the Remaining 10-mile Segment of Kings Bluff 48" Raw Water Main Right-of-Way
 - C) Fiscal Year 2020 2021 Budget Amendment #2
- NB2 Proposed Amendment to the Brunswick County Operation and Maintenance Agreement

EXECUTIVE DIRECTOR REPORT

- **EDR1** Comments on Customers' Water Usage and Raw Water Revenue for Month Ending August 31, 2020
- **EDR2** Status Report on the Bladen Bluffs Regional Surface Water Plant Cape Fear River Bank Restoration Project
- **EDR3-** Finance Committee will begin review of rates in conjunction with the current Capital Improvement Plan.

Lower Cape Fear Water & Sewer Authority



AGENDA Regular Monthly Board Meeting - Lower Cape Fear Water & Sewer Authority September 14, 2020 Page 2

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

PUBLIC COMMENT

CLOSED SESSION

CS1 - Closed Session in Accordance with NCGS§143-318.11(3)(i) Attorney Client Privilege to Review Unauthorized Encroachment on Right-of-Way

ADJOURNMENT

The next board meeting of the Lower Cape Fear Water & Sewer Authority is scheduled for Monday, September 14th at 9:00 a.m. in the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

Consent Agenda (CA)

Lower Cape Fear Water & Sewer Authority

AGENDA ITEM

To: CHAIRMAN MILLIKEN AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: September 14, 2020

Re: Consent Agenda

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

C1 - Minutes of Regular Board Meeting August 10, 2020

C2 - Kings Bluff Monthly Operations and Maintenance Report

C3 - Bladen Bluffs Monthly Operations and Maintenance Reports

Action Requested: Motion to approve/disapprove Consent Agenda

Lower Cape Fear Water & Sewer Authority Regular Board Meeting Minutes

August 10, 2020

Chairman Milliken called to order the Authority meeting scheduled on August 10, 2020 at 9:00 a.m. and welcomed everyone present. The meeting was held at the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina. Director Burroughs gave the invocation.

Roll Call by Chairman Milliken:

Present: Norwood Blanchard, Trent Burroughs, Wayne Edge, Harry Knight, Patricia Kusek, William

Milliken, Charlie Rivenbark, William Sue, and Frank Williams

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

Absent: Larry Johnson

Staff: Tim H. Holloman, Executive Director; Mathew Nichols, General Counsel; Tony Boahn P.E., McKim & Creed, Amy Scruggs, Financial Administration Assistant, Allison Covington, Financial Administration Assistant, and Patrick Flanagan, Cape Fear Council of Governments Regional Planner & Cape Fear RPO Director

Guests Present: John Wessell

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

APPROVAL OF CONSENT AGENDA

- C1 Minutes of Regular Board July 13, 2020
- C2 Kings Bluff Monthly Operations and Maintenance Report
- C3 Bladen Bluffs Monthly Operations and Maintenance Reports
- C4 Bladen Bluffs Weekly Report: July 1, 2020
- C5- Bladen Bluff Weekly Report: August 1, 2020
- <u>C6- Resolution of the Lower Cape Fear Water and Sewer Authority Authorizing the Chairman to Execute and Interlocal Agreement for a Group Self-Insurance Pool for Property and Liability Risk Sharing with the North Carolina League of Municipalities as Administrator of the Fund</u>
- C7- Resolution of the Lower Cape Fear Water and Sewer Authority Authorizing the Chairman to Execute an Interlocal Agreement for a Group Self-Insurance Pool for Workers; Compensation Risk Sharing with the North Carolina League of Municipalities as Administrator of the Agency

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

	For	Against	Abstained	Absent
Norwood Blanchard	X			
Trent Burroughs	X			
Wayne Edge	X			
Larry Johnson				X
Harry Knight	X			
Patricia Kusek	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X	[a		
Al Milliken	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Bill Sue	X			
Frank Williams	X			

OLD BUSINESS

None

NEW BUSINESS

NB1 - Resolution Honoring Attorney John C. Wessell, III

Chairman Milliken presented for approval, the Resolution Honoring Attorney John C. Wessell, III along with a plaque to honor his 11 years of dedicated service to the Authority in providing sound legal advice. Upon Board approval, a copy of this resolution is hereby recorded in the permanent minutes of this Board.

NB2 - Resolution Honoring Amy B. Scruggs

Chairman Milliken presented for approval, the Resolution Honoring Amy B. Scruggs along with a plaque, in recognition and appreciation of her 11 years of dedicated service as the Finance Administration Assistant for Lower Cape Fear Water and Sewer Authority. Upon Board approval, a copy of this resolution is hereby recorded in the permanent minutes of this Board.

Motion: Director Williams **MOVED**; seconded by Director Rivenbark, approval of the *Resolution Honoring Attorney John C. Wessell, III* and the *Resolution Honoring Amy B. Scruggs* as presented. Upon roll call vote, the **MOTION CARRIED.**

	<u>For</u>	Against	Abstained	Absent
Norwood Blanchard	X			
Trent Burroughs	Х			
Wayne Edge	X			
Larry Johnson				X
Harry Knight	X			
Patricia Kusek	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Al Milliken	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Bill Sue	X			
Frank Williams	X			
	13	0	0	1

Both Mr. Wessell and Mrs. Scruggs graciously accepted these presentations with a speech of gratitude.

NB3 - Introduction of Allison Covington

Chairman Milliken introduced Allison Covington as the new Financial Administration Assistant for the Lower Cape Fear Water and Sewer Authority, as of August 10, 2020. She will be working with Mrs. Scruggs until her retirement on September 1, 2020. She expressed gratitude for the introduction and the opportunity to work with the organization.

NB4 - Evaluation Inspection of a Portion of the Kings Bluff 48-Inch Raw Water Transmission Main Aerial Crossing above Livingston Creek (Tony Boahn, P. E., McKim & Creed)

Mr. Boahn clarified that the area for evaluation is Livingston Creek near International Paper (IP). There is an existing 48-inch pipeline there since the early1980s. There is currently a 54-inch pipeline project running parallel with the existing pipeline that crosses Livingston Creek which is on the IP property. The wetlands on each side make the pipeline difficult to get to. The existing pipeline is on an Aerial crossing, meaning part of the pipeline is above ground and the other part is below ground. The new 54-inch pipeline will have a similar structure. Executive Director Tim Holloman and Brunswick County have spoken and agreed that area is exceedingly difficult to access, and it would be beneficial to inspect the structures and utilize the contractors currently in place if the existing piles and piers need modification, being that it has been in place almost 40 years. The proposal has been broken into 2 tasks, below water level and above water level. The above water level should be easy to inspect; however, the below water level has a lot of decomposition, making the

visibility low. Having contractors already in place, will allow the benefit of being able to resolve any issues found during the inspection.

A) A Resolution of Lower Cape Fear Water & Sewer Authority Exempting Lower Cape Fear Water & Sewer Authority from The Provisions of N.C.G.S. §143-64.31

Attorney John C. Wessell explained that under North Carolina law, when a public entity such as the Authority solicits bids from engineers, surveyors and architects; they are required to go through a request for proposal process where the applicants' qualifications are considered without consideration of price. However, if the projected cost of the service is less than \$50,000.00 the entity has the right to exempt itself from that process.

Approval of the presented resolution waives this requirement for a proposal submitted by McKim & Creed per proposal 201788 in the fixed fee amount of \$14,500.00 for the above water and underwater structural evaluation inspection of an aerial crossing above the Livingston Creek water line which is a portion of the Kings Bluff 48-inch raw water transmission main.

Motion: Director Blanchard **MOVED**; seconded by Director Sue, approval of the *Resolution of Lower Cape Fear Water & Sewer Authority Exempting Lower Cape Fear Water & Sewer Authority from the Provisions of N.C.G.S.* §143-64.31. as presented. Upon roll call vote, the **MOTION CARRIED.**

	<u>For</u>	Against	Abstained	Absent
Norwood Blanchard	X			
Trent Burroughs	X			
Wayne Edge	X			
Larry Johnson				X
Harry Knight	X			
Patricia Kusek	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Al Milliken	X			
Charlie Rivenbark	X			
Bill Saffo	Х			
Bill Sue	X			
Frank Williams	Х			
11	13	0	0	1

B) <u>Proposal for Professional Consulting Engineering Services Kings Bluff 48-Inch Raw Water Transmission Main Aerial Crossing Structural Assessment</u>

As referenced in NB4-A, the General Statutes requires the Authority to conduct an initial selection of firms to provide engineering services without regard to fee; however, there is a provision to waive that requirement if the project is less than \$50,000.00. Since McKim & Creed's fee is under \$50,000.00, Chairman Milliken recommended the Board consider a resolution waiving the requirements of the Above Water and Underwater Structural Evaluation Inspection regarding the proposal 201788 with McKim & Creed.

Motion: Director Rivenbark **MOVED**; seconded by Director Kusek, approval of the *Proposal for Professional Consulting Engineering Services Kings Bluff 48-inch Raw Water Transmission Main Aerial Crossing Structural Assessment* as presented. Upon roll call vote, the **MOTION CARRIED**.

	<u>For</u>	Against	Abstained	Absent
Norwood Blanchard	X			
Trent Burroughs	X			
Wayne Edge	X			

C1 - 3

Larry Johnson				х
Harry Knight	Х			
Patricia Kusek	Х			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Al Milliken	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Bill Sue	X			
Frank Williams	X			
	13	0	0	1

C) Fiscal Year 2020 - 2021 Budget Amendment #1

This amendment would increase the Operating Fund 4048-01 Engineer Expense by \$14,500 to provide an unbudgeted appropriation to McKim & Creed for engineering services per proposal 201788 for the for the above water and underwater structural evaluation inspection of an aerial crossing above the Livingston Creek water line which is a portion of the Kings Bluff 48-inch raw water transmission main.

Motion: Director Edge **MOVED**; seconded by Director Kusek, approval of the *Fiscal Year 2020-2021 Budget Amendment #1*, as presented. Upon roll call vote, the **MOTION CARRIED**.

	<u>For</u>	Against	Abstained	Absent
Norwood Blanchard	Х			
Trent Burroughs	X			
Wayne Edge	X			
Larry Johnson				X
Harry Knight	X			
Patricia Kusek	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Al Milliken	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Bill Sue	X			
Frank Williams	X			
	13	0	0	1

EXECUTIVE DIRECTOR REPORT

EDR1 - Customers' Water Usage and Raw Water Revenue Report for Month Ending July 31,2020 Executive Director Holloman reported that during the Month of July 2020, Pender County's usage was below projection for the month. He spoke with the county manager and found out that they were purchasing more treated water from the town of Wallace, but they were going to balance out the consumption. Brunswick County's usage was above projection for the month as well as \$15,000 above projection in revenue. Cape Fear Public Utility Authority's usage was below projection for the month, and over \$27,000 below projections in revenue. Executive Director Holloman said that this was due to conservation to prevent the higher demand and shortage issues that occurred last year when their pump was under repair. They had also switched back to a higher volume. Executive Director Holloman expressed concern that if this trend continued, the projected revenue for the year would decrease by 7%, which would equal a loss of around \$190,000. Raw water revenue at month end was lower than budgeted revenue by (\$18,878.73).

EDR2 - Update Potential Right-of-Way Maintenance Project

Executive Director Holloman reported that the work on this project is completed, and in the final stage of closeout.

EDR3 – Status Report on the Bladen Bluff Regional Surface Water Plant Cape Fear River Bank Restoration Project

Executive Director Holloman reported that the inspection is scheduled for this week, and the project is on schedule to closeout at the end of the month.

EDR4 - Update on Board Room Audio/Video System

Executive Director Holloman reported that there is a new sound system structure that allows WebEx and Polycom to work through it. The audio and video features will be implemented soon.

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

None

PUBLIC COMMENT

None

ADJOURNMENT

There being no further business, Chairman Milliken adjourned the meeting at 9:40 a.m.

Respectfully Submitted:

Charlie Rivenbark, Secretary

COUNTY OF BRUNSWICK PUBLIC UTILITIES DEPARTMENT Kings Bluff Pump Station



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

TO: Tim Holloman

FROM: Jack Hogan

DATE: 9/1/2020

SUBJECT: Monthly maintenance report for August 2020

Mr. Holloman.

The Maintenance and Operations of the king's bluff facility for the month of August 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 went out on right of way to inspect different areas for future line installation with Garney.

KB personnel worked with Garney at the raw tank pointing out valves and lines in this location.

KB personnel was onsite for hurricane duty when the KBPS had to go on generator during the cat 1 hurricane on 8/3/20 thru 8/4/20 when utility power was knocked out by high winds and rain. KBPS was on # 1 generator for 9.5 and after the hurricane left and utility power was restored the generator went offline it had used 1,500 gals of fuel during this time.

KB personnel replaced lights inside of the old side building and the security lights on the outside of the pump station building.

KB personnel replaced all security lights on the exterior walls of the generator building.

KB personnel painted the 1,000 gal. air tank located at the generator building.

KB personnel repaired sump pump discharge line at the Authority / Brunswick Co. vault.

KB personnel assisted GYBE on the installation of the algae meter on the old side air wash building at river.

KB personnel are currently working on the decking board replacement of the walkway to river and other items in the McKim & Creed yearly inspection report.

Thank you,

Jack Hogan

Smithfield.

To: Tim Holloman - LCFWASA

From: James Kern - Bladen Bluffs SWTP ORC

Date: 9/1/20

Subject: August 2020 Operations

During the month of August, Bladen Bluffs SWTP operated a total of 22 days, treating 59.803 million gallons of water.

We used:

43,626 lbs. of aluminum sulfate (Alum)

12,551 lbs. of sodium hydroxide (Caustic)

2,202 lbs. of sodium hypochlorite (4,422 gallons of 6% Chlorine Bleach)

James Kern Water Treatment Plant Supervisor

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

Smithfield.

Good food. Responsibly."

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

Monthly Operating Reports (MORs) Summary

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

Year:	2020	PWS Name:	Bladen Bluffs Water Syste	m	PWSID#:	NC5009012
Month:	August	Facility Name:	Bladen Bluff			
Combin	ned Filter Effluent (CFE)	Furbidity				
	es exceeding 1 NTU (coun		Number of s	amples required	:	114
	es exceeding .3 NTU (cour		- 1	amples taken:		114
Sampl	es exceeding .3 NTU (pct):	0.0%	Highest sing	le turbidity read	ing NTU:	0.162
			Monthly ave	rage turbidity N	TU:	0.056
Individ	ual Filter Effluent (IFE)	Furbidity				
1)	Was each filter continuou	sly monitored for tur	bidity?	Yes X	No	
2)	Was each filter's monitori	ng results recorded e	every 15 minutes?	Yes X	No	
3)	Was there a failure of the	continuous turbidity	monitoring equipment?	Yes	No	X
4)	Was any individual filter measurements?	turbidity level > 1.0	NTU in two consecutive	Vac	No	v
5)		tumbidity laval > 0.5	NTII in two consecutive	Yes	No	X
5)	Was any individual filter measurements at the end of					
	backwashed or otherwise		on after the fifter has been	Yes	No	X
6)	Was any individual filter		NTII in two consecutive	168	NO	
0)	measurements in each 3 c	_	N I O III two consecutive	Yes	No	X
7)	Was any individual filter		NTII in two consecutive	168	NO	
1)	measurements in 2 consec	-	N 10 III two consecutive	Yes	No	X
	measurements in 2 consec	cutive months:		103	110	
Entry P	Point Residual Disinfectan	t Concentration (E	PRD)			
Disinf	fectant Used	Chlorine	Number of s	amples required		114
Minin	num EPRD concentration	0.2500	Number of s	amples taken		114
Contact Lowes	t Time (CT) Ratio st CT ratio reading or of CT ratios below 1.0			PC is ≤ 500/mL CT ratios require CT ratios calcula		22 22
			-			-
Remark	ks From General Info Wo	orksheet				
	By checking this box, the OF	RC certifies that the require	rements of 15A NCAC 18C .1301 "	General Requiremer	nts", .1302 "Te	sts, Forms, and
1.		ity Oversight" have been	met for the month of August, 2020			
NCDENR	/DEH	COMPL	ETED BY: James Kern			
PWSS Version: \	V02.10-00	CERTIE	TICATE GRADE: A - Surface	CERTIFICA	TE NUMBER:	120147
V GIGIOII. \	V 02.10 00	OLNIIF	A - Sullace	OLITIFICA	I L NOIVIDEN.	120147

Bladen Bluffs SWTP Maintenance Report

Date: 9/1/2020

ISSUE:

PLAN OF ACTION:

Air on finished water line (maybe from GAC)	Radio installed (waiting for new SCADA Spring 2020)
Need to run spare finished chlorine line	Will contact Halsey
SCADA will need upgrade/servers/move rack	IN PROGRESS (scheduled finish Sept)
2" tap on finished line	Scheduled Sept.
Some tiles need replacement	Scheduling after COVID
Replace cleanout with PVC lines on NPDES	COMPLETE
Road to river needs repair	COMPLETE
Transfer pump #3 N/A	FIXED
Sand filter troughs and walls need cleaning	COMPLETE
Locks need replacement/Door at Clear wells	COMPLETE
Multiple lights need replacement	COMPLETE
Chemical Pump PM due	Scheduled Oct.
Turbidity/Flow calibrations due	COMPLETE
Carbon filter #1 and #2 annual replacement	Scheduled Oct.
Dilution system needed modification	COMPLETE
Fire system and RPZ inspection due	COMPLETE (design changes needed)
Fire system supply change to county water	IN PROGRESS

NEW BUSINESS (NB1)

Lower Cape Fear Water & Sewer Authority

AGENDA ITEM

To:

CHAIRMAN MILLIKEN AND BOARD MEMBERS

From:

TIM HOLLOMAN, EXECUTIVE DIRECTOR

Date:

September 14, 2020

Re:

Easement Research Pertaining to the Remaining 10-mile Segment of the Kings Bluff 48-inch Raw Water Main Right-of-Way

A) A Resolution of Lower Cape Fear Water and Sewer Authority Exempting Lower Cape Fear Water and Sewer Authority Form

the Provisions of N.C.G.S §143-64.31

B) Proposal for Professional Consulting Engineering Service for Boundary Research for the Remaining 10-mile Segment of Kings Bluff 48" Raw Water Main Right-of-Way

C) Fiscal Year 2020 - 2021 Budget Amendment #2

Background: The Board discussed maintenance on the remaining 10 miles of LCFWASA right- of- way that is not being disturbed by the current construction project. Boundary review and GIS outline mapping is the first step before a site survey is initiated. While projected costs for completing the overall project needs to be addressed, this work and investigation is essential to move forward.

Action Requested: Motion to approve/disapprove Items A, B, and C as presented:

A RESOLUTION OF LOWER CAPE FEAR WATER & SEWER AUTHORITY EXEMPTING LOWER CAPE FEAR WATER & SEWER AUTHORITY FROM THE PROVISIONS OF N.C.G.S. §143-64.31

WHEREAS, N.C.G.S. §143-64.31 requires Lower Cape Fear Water & Sewer Authority (the "Authority") to conduct an initial selection of firms to provide engineering services without regard to fee; and

WHEREAS, N.C.G.S. §143-64.32 permits the Authority to exempt projects from the provisions of N.C.G.S. §143-64.31 in the case of proposed projects where the estimated professional fee is less than \$50,000.00; and

WHEREAS, the Authority proposes to enter into a contract with McKim & Creed, Inc. for engineering services as described hereinafter; and

WHEREAS, the estimated professional fee for the work to be done by McKim & Creed, Inc. in connection with such project is less than \$50,000.00; and

WHEREAS, the Authority by its execution of this resolution intends to waive the requirements of N.C.G.S. §143-64.31.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Lower Cape Fear Water & Sewer Authority as follows:

- 1. The project consisting of consulting engineering services by McKim & Creed per proposal 201937 for the fixed fee amount of \$6,000, for easement research services on a 10 mile section of the Kings Bluff 48-inch raw water main right-of-way is declared exempt from the provisions of N.C.G.S. §143-64.31 and from the Lower Cape Fear Water and Sewer Authority Contract and Purchasing Policy.
- 2. This Resolution shall be effective upon passage.

This Resolution adopted this 14th day of September, 2020.

	Al Milliken, Chairman	
ATTEST:		
Charlie Rivenbark, Secretary		



ENGINEERS

SURVEYORS

PLANNERS

August 25, 2020

201937

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 Kings Bluff Raw 48-Inch Raw Water Pipeline Easement Research Services

Dear Mr. Holloman:

McKim & Creed appreciates the opportunity to provide this proposal for easement research services for the referenced Kings Bluff 48-inch raw water main right-of-way. Our proposal is provided as follows:

I. SCOPE OF SERVICES

The LCFWSA (Authority) owns and operates the Kings Bluff Raw Water Systems, which includes the Kings Bluff Raw Water PS and approximately 24 miles of 48-inch raw water pipeline installed in a 75-foot wide utility easement. As part of the on-going 54-inch parallel raw water main project, 14 miles of existing 75-foot utility right of way were surveyed and identified for construction of the parallel pipeline. This initial pipeline segment begins at the King Bluff Raw Water Pump Station and ends at the ground storage tank near the City of Northwest. Based on a number of challenges with easements that were discovered along this initial 14-mile segment, the Authority desires to investigate the remaining 10-mile segment to ascertain additional easement issues that may be present. As an initial step, this scope of work provides for a review of property deeds along the route, which begins at the ground storage tank and ends at US Highway 421. Based on preliminary review of property records, we have estimated approximately 14 properties along the route. Our scope of work is provided as follows:

243 North Front Street

Wilmington, NC 28401

910.343.1048

Fax 910.251.8292

www.mckimcreed.com

P:\PW20\201937 LCFWSA Easement Research 48 Inch Tank to 421\201937 Gnd Tank to 421 48 Inch Easement Research.doc

Mr. Tim Holloman, Executive Director Lower Cape Fear Water and Sewer Authority August 25, 2020 Page 2

- Research and obtain copies of the property deeds from Register of Deeds office along the 10 mile route for the 14 properties
- 2) Review and plot properties and easement and/or right of way AutoCAD.
- 3) Prepare and provide PDF file and hard copies of all deeds and maps to the Authority.
- 4) Present findings to the Authority Board of Directors.

II. COMPENSATION

McKim & Creed will complete the work outlined in this proposal for the fixed fee amount of \$6,000.00.

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

III. SCHEDULE

Upon Authorization to Proceed, we will complete the work within 3 calendar weeks. The following provides an anticipated schedule for the proposed project:

IV. ADDITIONAL SERVICES

The Professional Services stated herein above do not include the costs of the following, but can be provided if requested at a negotiated scope and fee:

- Field surveying or recordable mapping services to include identification of properties, easements, rights of way, property corners, or property lines.
- Design Phase Services
- Bid and Award Phase Services
- Contractor Pre-Qualification Services
- Construction Administration or Construction Observation Services
- Permitting except for NCDEQ Public Water Supply Permit
- Permit Fees (fees shall be paid by the Authority)
- Condition assessment of existing facilities
- Court appearances for expert witness.
- Environmental Assessments or Environmental Impact Statements
- Court appearances for litigation, or preparation for the same

Mr. Tim Holloman, Executive Director Lower Cape Fear Water and Sewer Authority August 25, 2020 Page 3

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.
THE CHARLES, INC.
5Bh
Tony Boahn, PE
Vice-President
Enclosure: (1) McKim & Creed, Inc. Engineering Division General Conditions
Accepted by:
LOWER CAPE FEAR WATER & SEWER AUTHORITY
NAME: William A. Milliken
SIGNATURE:
TITLE: Chairman
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.

P:\PW20\201937 LCFW5A Easement Research 48 Inch Tank To 421\201937 Gnd Tank To 421 48 Inch Easement Research.Doc

Mr. Tim Holloman, Executive Director
Lower Cape Fear Water and Sewer Authority
August 25, 2020
Page 4
This instrument has been pre-audited in the manner required by the Local Governmen
Budget and Fiscal Control Act, this the day of, 2020
Finance Officer, Lower Cape Fear Water and Sewer Authority



Lower Cape Fear Water & Sewer Authority Leland, North Carolina

BUDGET AMENDMENT #2

Fiscal Year 2020 - 2021

BE IT ORDAINED by the Board of Directors of the Lower Cape Fear Water & Sewer Authority that the following amendments are made to the FY 2020-2021 Annual Budget Ordinances.

Section 1: To amend the **Operating Fund** the listed appropriation is to be increased as follows:

Operating Fund:

4048-01 Engineer Expense (Engineer Projects)

\$ 6,000
\$ 6,000

This amendment provides for an unbudgeted appropriation to McKim & Creed for engineering services per proposal 201937 for the fixed fee amount of \$6,000 for easement research services for the 10 mile section of the Kings Bluff 48-inch raw water main right-of-way. This increases the Operating Fund portion Engineer Expenses from \$39,500 to \$45,500. It also increases the FEMA Revenue from \$25,000 to \$31,000.

The Revenue for the increased appropriation will be provided as follows:

Operating Fund:

3120-01 - Revenue Other- FEMA Reimbursement

\$ 6,000		
\$ 6,000		

Section 2: Copies of this Budget Amendment shall be furnished to the Budget Officer for direction in the carrying out of his duties.

Αŗ	proved	as to	the	avai	lability	of	funds:	
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Tim H. Holloman, Finance Officer

This Budget Amendment adopted this 14th day of September, 2020.

Al Milliken,	Chairman

ATTEST:

Charlie Rivenbark, Secretary

NEW BUSINESS (NB2)

Lower Cape Fear Water & Sewer Authority

AGENDA ITEM

To:

CHAIRMAN MILLIKEN AND BOARD MEMBERS

From:

TIM HOLLOMAN, EXECUTIVE DIRECTOR

Date:

September 14, 2020

Re:

Proposed Amendment to the Brunswick County Operation and

Maintenance Agreement

Background: During recent changes in seeking property and liability coverage provisions and review of current Operating and Maintenance agreement, it is recommended that additional indemnification language be added. This will make both operation agreements more uniform.

Action Requested: Motion to approve/disapprove, proposed amendment to the Brunswick County Maintenance Agreement

AMENDMENT TO OPERATION AND MAINTENANCE AGREEMENT

THIS AMENDMENT TO OPERATION AND MAINTENANCE AGREEMENT, dated as of September 14, 2020 (this "Amendment"), is made by and between the LOWER CAPE FEAR WATER AND SEWER AUTHORITY, a water and sewer authority created and existing under the provisions of Chapter 162A of the North Carolina General Statutes (the "Authority"), and BRUNSWICK COUNTY, a public entity existing under the laws of the State of North Carolina (the "Operator"), and amends the Operation and Maintenance Agreement dated as of April 6, 2020 (the "Agreement"), by and between the Authority and the Operator.

WITNESSETH:

WHEREAS, the Authority was duly created and is validly existing under Article 1 of Chapter 162A of the General Statutes of North Carolina, as amended, and is empowered thereby to acquire, construct, equip, maintain and operate a water system and to make and enter into contracts with political subdivisions for the acquisition, construction, improvement, extension, enlargement, operation or maintenance of any water system or otherwise providing for or relating to any water system or the purchase or sale of water; and

WHEREAS, the Authority owns, operates and maintains the Kings Bluff Raw Water Pump Station (the station) which pumps water to Brunswick County, Pender County, Cape Fear Public Utility (CFPUA) and two industries located on U.S. Highway 421; and

WHEREAS, in order to ensure the efficient operation and maintenance of the station, on October 10, 1983 the Authority deemed it desirable to enter into a contract (Operation and Maintenance Agreement) with Brunswick County to operate and maintain the station as the operator; and

WHEREAS, on June 10, 2019, the Lower Cape Fear Water and Sewer Authority Board of Directors approved revising the scope of the 1983 Operation and Maintenance Agreement to include operation and maintenance of updated infrastructure improvements and future capital improvement projects; and

WHEREAS, the Authority and Operator entered into an amended and restated Operation and Maintenance Agreement dated as of April 6, 2020 (the "Agreement") for the operation and maintenance of the water supply system (the "System"), as more fully set forth in that amended and restated agreement; and

WHEREAS, the Authority's new insurance carrier has recently requested that an indemnification provision be added to the Agreement, and the Authority and the County have agreed to the inclusion of an indemnification provision in the Agreement as set forth herein; and

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into this Amendment and perform and fulfill the obligations imposed upon it under this Amendment to the Agreement, and the parties are now prepared to execute and deliver this Amendment.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration paid by each of the parties to the other, the receipt of which is hereby acknowledged, the Authority and the Operator hereby agree as follows:

Section 1. Addition of Sections 10(a) and 10(b) to the Agreement. The Agreement is hereby amended by adding the following Sections:

10. Indemnification.

- (a) To the extent allowed by law, the Operator expressly agrees to indemnify and hold harmless the Authority, its agents, employees, officers/directors, independent contractors and assigns from and against any and all claims, actions, damages, liability and expenses, to include reasonable attorney fees incurred by the Authority, in connection with damage to property, personal injury and/or loss of life caused by the Operator and arising from or out of the operation and maintenance of the System pursuant to the terms of this Agreement.
- (b) To the extent permitted by law, the Authority expressly agrees to indemnify and hold harmless the Operator, its agents, employees, officers/directors, independent contractors and assigns from and against any and all claims, actions, damages, liability and expenses, to include reasonable attorney fees incurred by the Operator, in connection with damage to property, personal injury and/or loss of life caused by the Authority and arising from or out of the operation and maintenance of the System pursuant to the terms of this Agreement.

<u>Section 2.</u> Effective Date of This Amendment. Notwithstanding that this Amendment is dated as of September 14, 2020, this Amendment shall take effect when it is fully executed and has been delivered to the parties hereto contemporaneously.

<u>Section 3.</u> Multiple Counterparts. This Amendment may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, constituting but one and the same instrument.

Section 4. Severability. If any one or more of the covenants, agreements or provisions of this Amendment shall be determined by a Court of competent jurisdiction to be invalid, the invalidity of such covenants, agreements and provisions shall in no way affect the validity or effectiveness of the remainder of this Amendment or the Agreement, as amended hereby, and this Amendment and the Agreement, as amended hereby, shall continue in force to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties hereto, acting by and through their duly authorized representatives pursuant to the resolutions of their respective governing bodies, have caused this instrument to be executed as of the day and year first above written.

[Signature Page to Amendment to Operation and Maintenance Agreement]

LOWER CAPE FEAR WATER AND SEWER AUTHORITY

	By:(SEAI Al Milliken, Chairman	L)
ATTEST:		
Charlie Rivenbark, Secretary		
APPROVED AS TO FORM:		
Matthew A. Nichols, Attorney for Lower Cape Fear Water and Sewer	– Authority	
This instrument has been pre-audite and Fiscal Control Act.	ed in the manner required by the Local Government Budg	get
Finance Officer Lower Cape Fear Water and Sewer	- Authority	

[Signature Page to Amendment to Operation and Maintenance Agreement]

BRUNSWICK COUNTY, NORTH CAROLINA

	By:	Frank Williams, Chairman of the Board of Commissioners	_(SEAL)
ATTEST:			
Andrea White, Clerk to the Board of	Con	nmissioners	
APPROVED AS TO FORM:			
County Attorney		-	
This instrument has been pre-audited and Fiscal Control Act.	l in t	he manner required by the Local Governmen	nt Budge
Finance Officer, Brunswick County		_	

NORTH CAROLINA						
COUNTY						
•	ersonally	appeared	i before	me	·	y and
acknowledged that (s)he is Secret	ary of the	LOWE	R CAPE	FEAR	WATER	AND
SEWER AUTHORITY, an authority	y created u	nder the p	provisions	of Cha	pter 162A	of the
North Carolina General Statues, an	d that by t	the autho	rity duly	given a	nd as the	act of
Authority, the foregoing instrument	was signe	d in its n	ame by it	s Chairr	nan, seale	d with
its seal and attested by herself/himse	elf as its Se	cretary.				
WITNESS my hand and notarial sea	ıl, this	day	y of			, 2020.
Notary Public						
My Commission Expires:						
(SEAL)						

NORTH CAROLINA	
COUNTY	
Ι,	, a Notary Public, certify that
personally	appeared before me this day and
acknowledged that (s)he is Clerk to the Boar	d of Commissioners for Brunswick County,
North Carolina, a political subdivision of the	ne State of North Carolina, and that by the
authority duly given and as the act of the Co	unty, the foregoing instrument was signed in
its name by its Chairman, sealed with its seal	and attested by herself/himself as its Clerk.
WITNESS my hand and notarial seal, this	, 2020.
Notary Public	
My Commission Expires:	
(SEAL)	

OPERATION AND MAINTENANCE AGREEMENT

THIS OPERATION AND MAINTENANCE AGREEMENT (the "Agreement") is made this <u>a</u> day of <u>April</u>, 2020 by and between the Lower Cape Fear Water and Sewer Authority, a water and sewer authority created and existing under the provisions of Chapter 162A of the North Carolina General Statutes (the "Authority"), and Brunswick County, a public entity existing under the laws of the State of North Carolina (the "Operator"),

WITNESSETH:

WHEREAS, the Authority was duly created and is validly existing under Article 1 of Chapter 162A of the General Statutes of North Carolina, as amended, and is empowered thereby to acquire, construct, equip, maintain and operate a water system and to make and enter into contracts with political subdivisions for the acquisition, construction, improvement, extension, enlargement, operation or maintenance of any water system or otherwise providing for or relating to any water system or the purchase or sale of water; and

WHEREAS, the Authority currently owns and operates a water supply system (the "System") providing raw water to its customers within the service area of the System; and

WHEREAS, the System consists of intakes and a pumping station located immediately upstream of U. S. Lock & Dam No. 1 on the Cape Fear River, two diesel generators located adjacent to the pumping station, a three million gallon open-top concrete reservoir located northwest of Leland, an interim booster pumping station consisting of three pumps and located in the immediate vicinity of the three million gallon concrete reservoir, approximately twenty four miles of transmission main consisting of a 48-inch diameter main running from the beginning point

immediately upstream of U. S. Lock & Dam No.1 on the Cape Fear River to a location on Highway 421 in New Hanover County and all appurtenances, fixtures and required operating equipment associated therewith. A more complete description of the components of the System as it currently exists is attached hereto labeled Exhibit "A"; and

WHEREAS, the Authority and Brunswick County and the Cape Fear Public Utility Authority are currently in the process of construction of approximately fourteen miles of an additional 54-inch diameter main extending from the beginning point immediately upstream of U. S. Lock & Dam No.1 on the Cape Fear River to a location immediately adjacent to the three million gallon open-top concrete reservoir described hereinabove; and

WHEREAS, upon completion the new 54-inch main will be part of the System together with any existing portions of the System not specifically mentioned herein and additions or alterations to the System that are constructed or made during the time that this Agreement remains in effect.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Authority and the Operator, in order to insure the efficient operation and maintenance of the System, agree and contract with one another as follows:

- 1. Recitals. The recitals set forth hereinabove are incorporated herein and made part of this Agreement.
- 2. Operation and Maintenance. The Operator shall, at all times during the term of the Agreement, keep and maintain, or cause to be kept and maintained, the System in a good state of repair, ordinary wear and tear, obsolescence in spite of repair and acts of God excepted. The Operator further agrees that it will at all times during the term of this

agreement operate the System in a prudent, economical and efficient manner in furtherance of the purposes for which the System was undertaken and in accordance with (i) operation and maintenance manuals and preventive maintenance manual to the extent provided in paragraph 3(e) below; (ii) the policies, rules and regulations of the Authority as adopted and amended from time to time. Any such policies, rules and regulations existing as of the date of this Agreement are listed in Exhibit B attached hereto and incorporated herein by reference; (iii) the written advice, recommendations and directions of the consulting engineers of the Authority; and (iv) to the best of Operator's ability, all applicable federal, state and local laws, statutes, rules and regulations. If the Operator in good faith disagrees with or objects to any of the procedures called for in the manuals to be supplied by the Authority or with any of the directions of the consulting engineers of the Authority, the Operator shall be entitled to give written notice of appeal to the Authority, which notice shall contain the basis of the Operator's objections, and upon the receipt by the Authority of such notice, the Operator shall be relieved, until the hearing provided for below, of complying with the objectionable provisions or directions. The Authority Board shall, after receiving such written notice, hold a hearing to determine whether the Operator must comply with such manuals or directions of the consulting engineers, and the decision of the Authority Board shall be final. Provided, however, that in the event of a natural disaster or other emergency which in the opinion of the Authority imminently jeopardizes the operation of the System, the foregoing provisions for appeal to the Authority Board shall not be applicable.

- 3. Duties. The duties of the Operator in operating and maintaining the System shall include, but shall not be limited to, the following, and pursuant to such operation and maintenance, the Operator shall:
 - (a) Provide trained and competent operating personnel;

- (b) Maintain sufficient staff at the pumping station to insure safe, economical and satisfactory operation of the System and visit all portions of the System on a regular basis to inspect and monitor operations and perform routine maintenance of all facilities and grounds;
- (c) On an annual basis the Authority will require the Operator or an independent third party to inspect the entire System and confirm the satisfactory operation of all facilities to the Authority;
- (d) Maintain daily operation and maintenance records and file monthly and yearly operation and maintenance reports. Such records, filings and reports shall be in forms acceptable to the Authority. Monthly reports shall be due within the (10) working days following the 25th day of each month, and annual reports shall be due on or before April 30 of each year. All records and reports shall contain such information as required by the Authority;
- (e) Carry out all scheduled maintenance and repairs required for the System as follows:
- (i) For the major pieces of equipment listed in Exhibit C attached hereto and incorporated herein by reference, conduct maintenance and repairs in accordance with the Operation and Maintenance manuals ("O and M manuals") provided to the Operator by the Authority. Any exceptions to the procedures outlined in such O and M manuals will be agreed to in writing by the Operator and Authority.
- (ii) For the major pieces of equipment listed in Exhibit C for which there are no available O and M manuals, the Operator and Authority shall agree in writing on a list of maintenance items to be accomplished.
- (iii) For non-major pieces of equipment listed in Exhibit C the Operator shall carry out maintenance consistent with best practices for maintenance of such equipment.

The Operator shall submit monthly reports to the Authority on preventive maintenance activities which have been completed;

- (f) For any portion of the System not addressed in subparagraph (e) above, the Operator shall carry out all necessary maintenance and make all necessary and proper repairs, replacement and renewals in a timely manner and consistent with best practices for maintenance of such equipment;
- (g) Maintain either with the Operator's personnel or through the use of third party contractors the exterior of all facilities, including grounds and pipeline rights-of-way in a neat and clean condition, including, at least once every two years from the date of this Agreement, the cutting and trimming of all plant growth within pipeline rights-of-way; provided, however, that the Authority may from time to time expand the time periods within which rights-of-way shall be cut;
- (h) Promptly respond to any condition which results in an alarm signal transmitted from the pumping station, reservoir or other parts of the System to the Authority's alarm reception center which is incorporated into the Operator's SCADA system located at the Operator's Northwest water treatment plant. On any operating emergency which causes an interruption of service to one or more of the Authority's customers, the Operator shall notify the Authority and the customer of the condition immediately. The Operator shall extend all reasonable resources of labor and materials and shall work continuously until the emergency is corrected and service is restored. On all alarms or shutdowns which do not impair delivery of water to any of the Authority's customers, the Operator shall notify the Authority of the condition within seven calendar days. Provided that Operator shall be under no obligation to report nuisance alarms or other alarms that have no impact of any kind on the operation of the System;
- (i) Either with the Operator's personnel or through the use of third party contractors read all meters of the System on a monthly basis.

 Operator shall transmit the meter readings to the Authority by the end of

each month. The Operator shall inspect for accuracy each meter on a regular schedule or when requested to do so by the Authority and shall calibrate and correct any meters which it finds to be inaccurate;

- (j) Limit the staff assigned for normal operation and maintenance of the System and the wages and salaries of such staff to a level agreeable to the Authority and the Operator.
- (k) Provide all labor, supervision, supplies, equipment, repair and replacement parts and machinery, tools, and any other items, things or services necessary for the operation and maintenance of the System in accordance with the terms of the Agreement and the annual budget approved by the Operator and the Authority. Such costs to be paid by the Operator shall include fuel for the System generators but shall not include electric power used to operate the System. The costs of such electric power shall be paid directly by the Authority.
- (1) The duties of the Operator shall not include administration of the Authority or of the System and the expenses of the Authority therefore shall be paid by the Authority in accordance with its then current budget.
- (m) No later than March 1 of each year, participate in a meeting with the Authority and all large water purchase customers to review budget matters for the next fiscal year and ongoing and planned operations and maintenance activities, and to identify opportunities for process improvements. Authority shall be responsible for scheduling such meeting. Additionally, Operator agrees to participate in other meeting with the Authority and all large water purchase customers as may be called by the Authority from time to time.
- (n) Maintain the ability to provide emergency repairs to the System resulting from breaks of any raw water transmission line or other damage from whatever cause that impairs the System's ability to deliver water to any of the Authority's customers. The Authority will reimburse the

Operator for costs incurred by the Operator and associated with such emergency repairs.

(o) The Authority shall provide the Operator a written response to a written requests form the Operator for authorization of any additional work such as in the event of an emergency condition not included in the approved operation and maintenance budget or clarification of the scope of work in a timely manner. The Operator is not obligated to proceed until a written response is received.

4. Compensation.

- (a) The Operator's annual compensation for the services rendered in accordance with this Agreement shall be the actual costs for such services as described in paragraph 5 below. The Operator will submit monthly statements to the Authority and in a form acceptable to the Authority tabulating all actual expenses incurred in such operation and maintenance for the preceding month. Such monthly statements shall be submitted by the Operator to the Authority no later than the ____ day of the month following the month in which such charges were incurred. The Operator shall maintain and retain all invoices, purchase orders, labor time records and any other evidence of expenditures with regard to maintenance and operation of the System and shall make such records or other evidence available to the Authority at the Authority's request.
- (b) In the event that the actual costs of normal operation and maintenance are expected to exceed the approved annual budget, the Operator must submit a written request with associated justification to the Authority requesting that the annual budget be amended to reflect the increased costs. The Authority is not obligated to pay any costs that exceeds the approved annual budget as amended except in the case of required emergency repairs as described in subparagraph 3(n) above.

- (c) The compensation provided for the Operator in this paragraph shall be a portion of the Current Expenses of the Authority and shall be in addition to the Authority's Current Expenses for administration.
- 5. Budget. On or before March 1 of each year the Operator shall prepare and submit to the Authority a draft budget for the subsequent fiscal year beginning July 1 identifying all anticipated costs in connection therewith, including labor, expendable supplies, spare parts, fuel and subcontract maintenance services. The Operator shall also submit to the Authority a copy of the budget that it submits to the County Commissioners no later than May 30 of each year. The budget(s) submitted to the Authority by the Operator shall be subject to approval by the Authority's Board of Directors.
- 6. Permits and Approvals. The Authority and the Operator agree that Authority shall be responsible for acquiring all necessary permits and Operator agrees to cooperate with Authority in obtaining such permits, certificates or other approval as may be required for the operation and maintenance of the System.
- 7. Term. The term of this Agreement shall commence on the date set forth hereinabove and shall continue until terminated as set forth in paragraph 8 below.
- 8. Termination. At any time, either party may terminate this agreement upon giving two year's written notice to the other party of such termination. Termination shall occur at the expiration of such two year notice period.
- 9. Specialized Tools and Equipment. All specialized tools, specialized equipment and spare parts purchased by the Operator and paid for by the Authority through the annual budget or otherwise shall be the property of the Authority. No such equipment shall be purchased unless

such purchase is authorized in the current annual budget or a duly approved amendment thereto.

IN WITNESS WHEREOF, the parties hereto, acting by and through their duly authorized representatives pursuant to the resolutions of their respective governing bodies, have caused this instrument to be executed as of the day and year first above written.



LOWER CAPE FEAR WATER AND SEWER AUTHORITY

By: ///////////////(SEAL Al Milliken, Chairman

ATTEST:

Charlie Rivenbark, Secretary

APPROVED AS TO FORM:

John C. Wessell, III, Attorney

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Jerry W. Pierce, Finance Officer

SWICK COULT	BRUNSWICK COUNTY, NORT	ΓΗ CAROLINA
	By:	(SEAL)
A CAROLINA	Chairman	(0D/10)
ATTEST:		
an sight	Hute	
Clerk (

APPROVED AS TO FORM:

County Attorney

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Finance Officer

NORTH CAROLINA
Brunswick COUNTY
I, <u>Desirce L. Richardson</u> , a Notary Public, certify that <u>Chales H. RivenBark</u>
personally appeared before me this day and acknowledged that (s)he is Secretary of LOWER CAPE FEAR WATER AND SEWER
AUTHORITY, an authority created under the provisions of Chapter 162A
of the North Carolina General Statutes, and that by the authority duly
given and as the act of Authority, the foregoing instrument was signed in
its name by its Chairman, sealed with its seal and attested by
herself/himself as its Secretary.
WITNESS my hand and notarial seal, this _9 day of, 2020.
Notary Public
My Commission Expires:
April 24, 2024
(SEAL)
DESIREE L. RICHARDSON Notary Public - North Carolina Brunswick County My Commission Expires Apr 24, 2024

NORTH CAROLINA
Brunswick COUNTY
I, William J. Galloway, a Notary Public,
certify that Andrea White
personally appeared before me this day and acknowledged that (s)he is the
Clerk of BRUNSWICK COUNTY, NORTH CAROLINA, a political
subdivision of the State of North Carolina, and that by the authority duly
given and as the act of the County, the foregoing instrument was signed in
its name by its Chairman, sealed with its seal and attested by
herself/himself as its Clerk.
الملا
WITNESS my hand and notarial seal, this day of
My Commission Expires:
11/27/7020 MANUSEAL CONTINUES OF THE STATE

EXHIBIT A LOWER CAPE FEAR WATER AND SEWER AUTHORITY WATER SUPPLY FACILITIES

TWO RAW WATER INTAKE PIPES AND ASSOCIATED INTAKE SCREENS

RAW WATER PUMPING STATION WITH THREE PUMPS AND ASSOCIATED MOTORS

RAW WATER TRANSMISSION MAIN PIPING SYSTEM INCLUDING A 48" RCCP AND A 54" STEEL PIPE UNDER CONSTRUCTION

3 MILLION GALLON ABOVE GROUND STORAGE TANK

ASSOCIATED ELECTRICAL AND ELECTRONIC EQUIPMENT INCLUDING VARIABLE FREQUENCY DRIVES, SCADA, FLOW METERING EQUIPMENT, AND AIR COMPRESSORS

TRANSMISSION OPERATING EQUIPMENT INCLUDING AIR RELIEF VALVES, ISOLATION VALVES, BLOWOFFS, AND CUSTOMER VALVES

STANDBY POWER GENERATOR EQUIPMENT AND ASSOCAITED AUTOMATIC TRANSFER SWITCHGEAR INCLUDING TWO DIESEL POWERED GENERATORS IN A SEPARATE BUILDING AND ONE GENERATOR AT THE MAIN PUMP STATION BUILDING

AIR SURGE TANK SYSTEM LOCATED AT THE END OF THE WALKWAY AT THE RIVER

EXHIBIT B POLICIES, RULES, AND REGULATIONS

BRUNSWICK COUNTY OR LOWER CAPE FEAR PURCHASING POLICY DEPENDING ON 1 SOURCE OF FUNDING

- **2 OSHA REQUIREMENTS**
- 3 NC DMV REQUIREMENTS FOR LICENSING AND VEHICLE OPERATION

NC DEQ REGULATIONS FOR OPERATION OF A NON COMMUNITY NON TRANSIENT WATER 4 SYSTEM

5 THE FOLLOWING BRUNSWICK COUNTY POLICIES:

HAZARD COMMUNICATION CONFINED SPACE ENTRY RESPIRATORY PROTECTION LOCKOUT TAGOUT

- 6 THE OPERATION AND MAINTENANCE AGREEMENT AS AMENDED
- 7 EMERGENCY OPERATION PLAN

EXHIBIT C CRITICAL INFRASTRUCTURE

1 Main Station Pump House Building

3 Pump Systems

GE Motor

Pump

VFD

Valmatic Valve

Multiple Isolation Valves, 42", 48", 54"

2 Air Conditioning Units

2 Air Compressors

1 Generator and ATS

2 On the Dock

Back Wash System

Solenoid valves

Receiver Tank

Dock System

3 Generator Building

Generator Switch Gear

4 Power Vac Breakers

4 Relays

4 Knife Switches

2 NREC Diesel Engines

2 Diesel Fuel Tanks

4 Raw Water Line

20 ARVs

12 Blowoffs

4 Isolation Valves

5 Customer Valves

5 Flowmeters

5 Raw Tank Site

3 Pump Systems

John Deere Engine

Global Pump

Fuel Cell

Multiple Isolation Valves

24", 48", 42"

MOV

Generator

AGREEMENT

THIS AGREEMENT, dated as of the 10th day of October, 1983, by and between the Lower Cape Fear Water and Sewer Authority, a public body and body politic and corporate of the State of North Carolina (the "Authority"), and the County of Brunswick, (the "Operator"),

WITNESSETH:

WHEREAS, the Authority was duly created and is validly existing under Article 1 of Chapter 162A of the General Statutes of North Carolina, as amended, and is empowered thereby to acquire, construct, equip, maintain and operate a water system; and to make and enter into contracts with political subdivisions for the acquisition, construction, improvement, extension, enlargement, operation or maintenance of any water system or otherwise providing for or relating to any water system or the purchase or sale of water; and

WHEREAS, the Authority is now constructing a water supply system to make raw water available on reasonable demand within the service area of such system, said system consisting of an intake and pumping station located immediately upstream of U. S. Lock & Dam No. 1 on the Cape Fear River with a capacity of 45 million gallons per day, a three million gallon open-top concrete reservoir northwest of Leland, and approximately 73,700

feet of transmission main consisting of a 48-inch diameter main running from the beginning point immediately upstream of U. S. Lock & Dam No. 1 on the Cape Fear River to said reservoir (the "Project"); and

WHEREAS, the Authority and the Operator, in order to insure the efficient operation and maintenance of the Project, deem it desirable to contract with one another to provide therefor;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

Operation and Maintenance. The Operator shall, at all times during the term of this Agreement, keep and maintain, or cause to be kept and maintained, the Project in a good state of repair, ordinary wear and tear, obsolescence in spite of repair and acts of God excepted. The Operator further agrees that it will at all times during the term of this agreement operate the Project in a prudent, economical and efficient manner in furtherance of the purposes for which the Project was undertaken and in accordance with (i) operation and maintenance manuals and preventive maintenace manuals to be supplied to the Operator by the Authority, (ii) the policies, rules and regulations of the Authority, and (iii) the advice, recommendations and directions of the consulting engineers of the Authority. If the Operator in good faith disagrees with or objects to any of the procedures

called for in the manuals to be supplied by the Authority or with any of the directions of the consulting engineers of the Authority, the Operator shall be entitled to give written notice of appeal to the Authority, which notice shall contain the basis of the Operator's objections, and upon the receipt by the Authority of such notice, the Operator shall be relieved, until the hearing provided for below, of complying with the objectionable provisions or directions. The Authority Board shall, after receiving such written notice, hold a hearing to determine whether the Operator must comply with such manuals or directions of the consulting engineers, and the decision of the Authority Board shall be final; provided, however, that in the event of a natural disaster or other emergency which in the opinion of the Authority imminently jeopardizes the operation of the Project, the foregoing provisions for appeal to the Authority Board shall not be applicable.

- 2. <u>Duties</u>. The duties of the Operator in operating and maintaining the Project shall include, but shall not be limited to, the following, and pursuant to such operation and maintenance, the Operator shall:
 - (a) provide trained competent operating personnel;
- (b) visit the pumping station and reservoir sites on a routine basis to inspect and monitor operations and perform routine maintenance of facilities and grounds;

- (c) on an annual basis, physically inspect the Project and confirm the satisfactory operation of all facilities to the Authority;
- (d) maintain daily operation and maintenance records and file monthly and yearly operation and maintenance reports. Monthly reports shall be due within ten (10) working days following the 25th day of each month, and annual reports shall be due on or before April 30 of each year. All records and reports shall contain such information as required by the Authority.
- (e) make all necessary and proper repairs, replacements and renewals in a timely manner and consistent with good business and operating practices for comparable facilities and in accordance with applicable standards of regulatory bodies;
- (f) maintain the exterior of all facilities, including grounds and pipeline rights-of-way in a neat and clean condition, including, at least once within three years from the date of this Agreement, and thereafter, at least once every two years, the cutting and trimming of all plant growth within pipeline rights-of-way; provided, however, that the Authority may from time to time expand the time periods within which rights-of-way shall be cut;
 - (g) perform scheduled preventive maintenance using preventive maintenance schedules provided by the Authority. The Operator shall submit monthly reports to

the Authority on preventive maintenance activities which have been completed;

- (h) promptly respond to any condition which results in an alarm signal transmitted from the pumping station, reservoir or other parts of the Project to the Authority's alarm reception center, which it is anticipated will be located in the Brunswick County water treatment facility. On any operating emergency which causes an interruption of service to one or more of the Authority's customers, the Operator shall notify the Authority of the condition immediately. The Operator shall extend all reasonable resources of labor and materials and shall work continuously until the emergency is corrected and service is restored. On all alarms or shutdowns which do not impair delivery of water to any of the Authority's customers, the Operator shall notify the Authority of the condition within five (5) working days;
- (i) Monthly read all meters of the Project and transmit the meter readings to the Authority by the end of each month. The Operator shall inspect for accuracy each meter when requested to do so by the Authority and shall calibrate and correct any meters which it finds to be inaccurate;
- (j) limit the staff assigned for normal operation and maintenance of the Project and the wages and salaries of such staff to a level agreeable to the Authority and the Operator; provided, however, that so long as

Brunswick County is the only customer of the Authority, this subparagraph (j) shall not be applicable to this Agreement;

- (k) perform all duties and services required to be performed by the operation and maintenance manuals to be supplied to the Operator by the Authority and all duties and services which the consulting engineers of the Authority may from time to time request.
- (1) Provide, at its sole cost and expense, all labor, supervision, supplies, equipment, repair and replacement parts and machinery, tools, and any other items, things or services necessary for the operation and maintenance of the Project in accordance with the terms of this Agreement; provided, however, that the Authority shall pay for all electric power used to operate the Project and intake and pumping station fuel.

The duties of the Operator shall not include administration of the Authority or of the Project and the expenses of the Authority therefore shall be a portion of the Authority's Current Expenses as such term is defined in the Water Supply Agreement between the Authority and the Operator dated August 16, 1982.

3. <u>Compensation</u>. So long as the Operator shall remain the only customer of the Authority, the Operator shall be paid \$1.00 per annum for its services.

On the first day of the month following the month in which the Authority begins the sale of water to

its first customer other than the Operator, the Operator's rate of compensation shall change so that the Operator shall be reimbursed by the Authority for all actual expenses incurred by the Operator in connection with the operation, maintenance and repair of the Project. Reimbursement of such expenses shall be made on a monthly basis. The Operator shall pay for all expenses of operation and maintenance except for the electric power and fuel expenses necessary to operate the Project, which shall be paid directly by the Authority. Operator will submit monthly statements to the Authority tabulating all actual expenses incurred in such operation and maintenance. The Operator shall maintain and retain all invoices, purchase orders, labor time records and any other evidence of expenditures with regard to maintenance and operation of the Project and shall make such records or other evidence available to the Authority at the Authority's request.

The compensation provided for the Operator in this paragraph shall be a portion of the Current Expenses of the Authority and shall be in addition to the Authority's Current Expenses for administration.

4. <u>Budget</u>. The Operator will, for each fiscal year and on or before April 30 of each such year, prepare and submit to the Authority a complete operation and maintenance budget identifying all anticipated costs in connection therewith, including labor, expendable

supplies, spare parts, electric utilities, fuel and sub-contract maintenance services.

- 5. Permits and Approvals. The Authority and the Operator agree to cooperate in obtaining such permits, certificates or other approvals as may be required for the operation and maintenance of the Project.
- 6. Term. The term of this Agreement shall commence on the date of its execution and shall end upon termination pursuant to paragraph No. 7 hereof.
- 7. Termination. At any time, either party may terminate this agreement upon giving one year's written notice to the other party of such termination.

 Termination shall occur at the expiration of such one year notice period.
- 8. Specialized Tools and Equipment. For so long as the Operator is the only water customer of the Authority, all specialized tools, specialized equipment, specialized spare parts and specialized supplies (the nature of which are listed on Exhibit "A" hereof) purchased by the Operator, shall be the property of the Operator. After the Authority acquires any customer or customers other than the Operator, all specialized spare parts, specialized supplies, specialized tools and specialized equipment purchased by the Operator shall be the property of the Authority. Upon termination of this Agreement, the Authority shall purchase from the Operator, all Operator owned unused specialized spare parts and

specialized supplies at their actual cost, and all Operator owned specialized tools and specialized equipment at their fair market value; provided, however, that the Operator shall not acquire or amass such spare parts, supplies, tools and equipment in excess of a level satisfactory to the consulting engineers of the Authority.

IN WITNESS WHEREOF, the parties hereto, acting by and through their duly authorized representatives pursuant to the resolutions of their respective governing bodies, have caused this instrument to be executed as of the day and year first above written.

THE LOWER CAPE FEAR WATER AND SEWER AUTHORITY

^/

Chairman

ATTEST:

Secretary

(SEAL)

BRUNSWICK COUNTY

ATTEST:

Secretary

(SEAL)

Bruntwick County Administration P. O. Box 249 Bolivia, North Carolina 28422

November 22, 1983

Mr. Kurt G. Taube
Executive Director
Lower Cape Fear Water & Sewer Authority
P.O. Box 1673
Wilmington, NC 28401

Dear Kurt:

Enclosed, as requested, are two executed original Operation & Maintenance Agreements.

If you should have any questions, please feel free to contact my office.

Sincerely yours,

BRUNSWICK COUNTY

William D. Carter County Manager

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Enclosures (2)

Executive Director's Report (EDR)

Lower Cape Fear Water & Sewer Authority

AGENDA ITEM

To: CHAIRMAN MILLIKEN AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: September 14, 2020

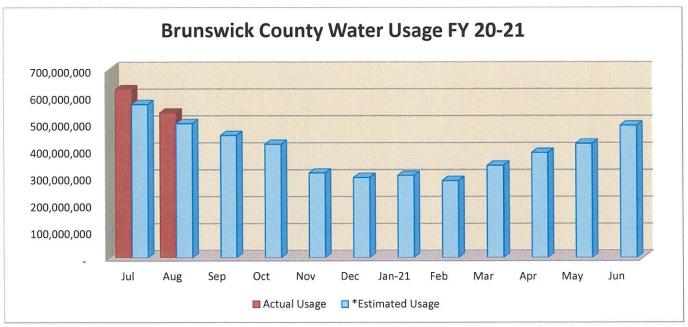
Re: Executive Director's Report

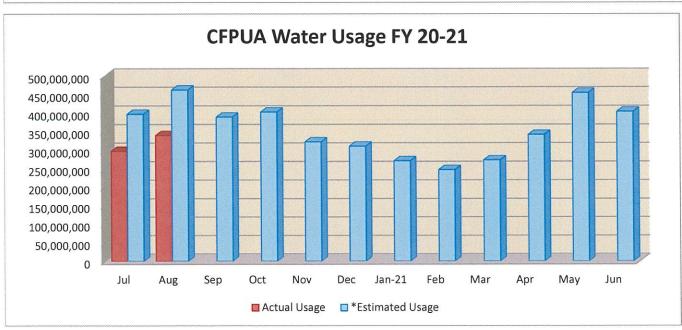
EDR1 - Comments on Customers' Water Usage and Raw Water Revenue for Month Ending August 31, 2020

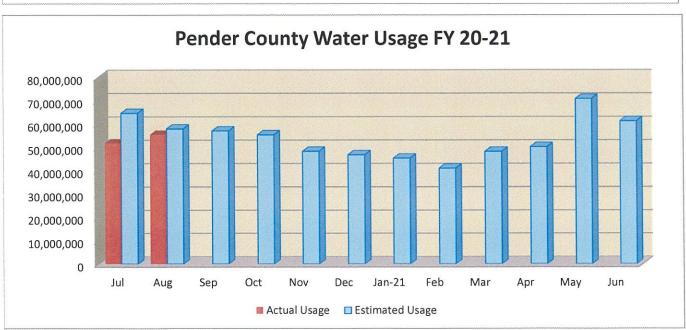
EDR2 - Status Report on the Bladen Bluffs Regional Surface Water Treatment Plant Cape Fear River Bank Restoration Project

EDR3- Alert the Board that the Finance Committee has Begun Review of Rates in Preparation for the Coming Year and the First Report Will Be at the October Board Meeting.

Action Requested: For information purposes







ACTUAL MONTHLY REVENUE COMPARED TO PROJECTED REVENUE

Month	Monthly Projected Revenue	I	Nonthly Actual Revnue	Over/Under Budget Per Month
Jul	\$ 286,455.18	\$	267,576.45	(\$18,878.73)
Aug	\$ 282,861.32	\$	256,231.05	(\$26,630.28)
Sep	\$ 250,903.77	\$	-	(\$250,903.77)
Oct	\$ 245,202.77	\$	-	(\$245,202.77)
Nov	\$ 192,545.63	\$	-	(\$192,545.63)
Dec	\$ 184,257.82	\$	-	(\$184,257.82)
Jan	\$ 175,330.64	\$	-	(\$175,330.64)
Feb	\$ 162,438.53	\$	-	(\$162,438.53)
Mar	\$ 186,673.77	\$	-	(\$186,673.77)
Apr	\$ 218,693.18	\$	-	(\$218,693.18)
May	\$ 264,178.52	\$	-	(\$264,178.52)
Jun	\$ 265,862.86	\$	-	(\$265,862.86)
	\$ 2,715,404,00			

Total to Date Over/Under Budget (\$45,509.01)



Closed Session (CS1)

Lower Cape Fear Water & Sewer Authority

AGENDA ITEM

То:	CHAIRMAN MILLIKEN AND BOARD MEMBERS				
From:	TIM HOLLOMAN, EXECUTIVE DIRECTOR				
Date:	September 14th, 2020				
Re:	Closed Session in Accordance with NCGS§143-318.11(3)(i) Attorney Client Privilege to Review Unauthorized Encroachment on Right-of-Way				
A Closed S discussion	dession is required in accordance with NCGS§143-318.11(3)(i) for of unauthorized encroachment of the LCFWASA right-of-way.				
sess 318.	otion is made byto go into a closed sion in accordance with North Carolina General Statute Section 143- 11(3)(i) to consider potential action regarding unauthorized roachment on the LCFWASA right-of-way.				
The	motion is seconded by				
Closed Se	ession				
	notion is made by to return to n session.				
The	e motion is seconded by				