

Lower Cape Fear Water & Sewer Authority
Regular Board Meeting Minutes

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 8th, 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.**

	<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

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.**

	<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

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.**

	<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	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 Newton felt that the Authority should consider adopting a policy in order to hold the customer's accountable for their obligations to the Authority. Director Zapple felt customers should not have to pay for water they did not receive; they should only be responsible for the water they used. 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.**

	<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	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.**

	<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	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 video equipment upgrade cost can be up to \$5,000.

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
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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 CFPUA 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.

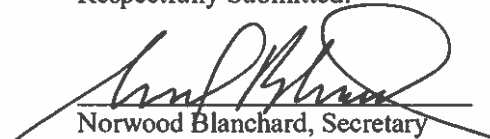
PUBLIC COMMENT

None

ADJOURNMENT

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

Respectfully Submitted:



Norwood Blanchard, Secretary