

AGENDA
Lower Cape Fear Water & Sewer Authority
1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina
9:00 a.m. – Regular Monthly Board Meeting
June 17, 2024

MEETING CALL TO ORDER: Chairman Knight

INVOCATION

PLEDGE OF ALLEGIANCE

APPROVAL OF CONSENT AGENDA

- C1 – Minutes of May 13, 2024, Regular Board Meeting
- C2 – Minutes of May 13, 2024, Finance Committee Meeting
- C3 – Kings Bluff Monthly Operations and Maintenance Report
- C4 – Bladen Bluffs Monthly Operations and Maintenance Reports
- C5 – Line-Item Adjustment for April 30, 2024

OLD BUSINESS

- OB1 – Finance Committee Recommended Budget for Fiscal Year 2024-2025

NEW BUSINESS

- NB1 – Budget Amendment #4

ENGINEER'S COMMENTS

ATTORNEY COMMENTS

EXECUTIVE DIRECTOR REPORT

- EDR1 – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending May 31, 2024
- EDR2 – Operating Budget Status, Ending April 30, 2024
- EDR3 – Summary of Activities

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

PUBLIC COMMENT

CLOSED SESSION

- CS1 – Closed session pursuant to N.C.G.S. § 143-318.11(a)(3) to discuss with attorney matters within the attorney-client privilege related to the following pending lawsuit:

Cape Fear Public Utility Authority, Brunswick County, Lower Cape Fear Water & Sewer Authority, and Town of Wrightsville Beach v. The Chemours Company FC, LLC, E.I. Du Pont De Nemours and Company, and The Chemours Company

ADJOURNMENT

The next board meeting of the Lower Cape Fear Water & Sewer Authority is scheduled for Monday, July 8th 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 KNIGHT AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: June 17, 2024

Re: Consent Agenda

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

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 May 13, 2024, Regular Board Meeting

C2 – Minutes of May 13, 2024, Finance Committee Meeting

C3 – Kings Bluff Monthly Operations and Maintenance Report

C4 – Bladen Bluffs Monthly Operations and Maintenance Report for March and April

C5 – Line-Item Adjustment for April 30, 2024

Action Requested: Motion to approve/disapprove Consent Agenda.

Lower Cape Fear Water & Sewer Authority
Regular Board Meeting Minutes
May 13, 2024

Chairman Knight called to order the Authority meeting scheduled on May 13th, 2024, 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 Leonard gave the invocation.

Roll Call by Chairman Knight:

Present: Norwood Blanchard, Patrick DeVane, Harry Knight, Al Leonard, Jackie Newton, Scott Phillips, Charlie Rivenbark, Chris Smith, Bill Sue, Phil Tripp, Frank Williams, and Rob Zapple

Present by Virtual Attendance: Wayne Edge and Bill Saffo

Absent: None

Staff: Tim H. Holloman, Executive Director; Matthew Nichols, General Counsel; Sam Boswell, COG; Tony Boahn P.E., McKim & Creed; Jess Powell P.E., McKim & Creed; and Danielle Hertzog, Financial Administration Assistant

Guests Present: Jorgen Holmberg, Computer Warriors; Anthony Colon, Pender County Utilities Director; James Proctor, Pender County, Utilities, Deputy Director; Craig Wilson, Cape Fear Public Utility Authority Engineering Manager; and John Nichols, Brunswick County Public Utilities Director; and Krysdyn Burden, Brunswick County Public Utilities

Guests Virtual Attendance: Heidi Cox, NC DEQ Regional Engineering Supervisor, Division of Water Infrastructure; Ken Waldroup, Cape Fear Public Utility Authority Executive Director; Benjamin Kearns, Cape Fear Public Utility Authority, Water Resources Manager Water Treatment; and Larry Froelich, Stepan Company Plant Manager

PLEDGE OF ALLEGIANCE: Chairman Knight led the Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA

C1 – Minutes of May 13, 2024, Regular Board Meeting

C2 – Minutes of May 13, 2024, Finance Committee Meeting

C3 – Kings Bluff Monthly Operations and Maintenance Report

C4 – Bladen Bluffs Monthly Operations and Maintenance Reports for March and April

C5 – Retainer for General Counsel Services Agreement: Matthew Nichols, Attorney at Law in the amount of \$195 per hour for FY 2024-2025.

C6 – Line-Item Adjustment for March 31, 2024.

C7 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 for C7 B

C7 B – Retainer for Engineering Services Agreement: McKim & Creed in the amount of \$32,300 for Fiscal Year 2025-2026

Motion: Director Newton **MOVED**; seconded by Director Zapple, approval of the Consent Agenda Items C1-C7 B. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

PUBLIC HEARING: PRESENTED DRAFT BUDGET FOR THE FISCAL YEAR 2024-2025 BUDGET AND BUDGET ORDINANCE:

Motion to open Public Hearing per North Carolina General Statute Section 159-12

Motion: Director Rivenbark **MOVED**; seconded by Director Blanchard, to open Public Hearing. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

NB1- Finance Committee Comments and Review of Draft Recommended Budget for the Fiscal Year 2024-2025 (Finance Committee Chairman Harry Knight)

Executive Director Holloman reviewed essential cost items for the FY 2024-2025 draft budget. Our customers have projected to use 10,725,641 gallons of water for an estimated revenue of 4.7 million. Brunswick County's projected water usage increased by 10% as directed by the Finance Committee due to the usage of past years, which was significantly higher than the projection. Health insurance will be increasing by 6% to \$2,410.56. The property and

liability insurance will increase by 17.5%. The state retirement will increase from 12.85% to 13.6%. LCFWASA will purchase Anti-Vortex Equipment for \$50,000 for the Kings Bluff Plant. Additional engineering and permitting will increase engineering costs by \$5,300. We will have Pay-Go for the Air Backwash and Walkway for \$2,075,466. Wholesale customer rates will increase by 0.04 to 0.44 from the current .40, and industrial customer rates will increase by .48 from 0.40 to 0.88, as recommended by the rate forecast needed for the Master Plan. The fourth pump addition must be pushed back two fiscal years until funds have increased. The FY 2024-2025 budget is a 6% increase from the FY 2023-2024 budget due primarily to operating capital expenses, building the R & R Fund, and Bladen Bluffs' increase in operating cost. Director Williams wanted to confirm that all customers have been notified of the new rate increase and confirm receipt of the rate notice. Executive Director Holloman advised that all customers have confirmed receipt of the new rate notice by email or verbally. Chairman Knight advised the Finance Committee that the recommendation is to move forward with the draft budget. Public Hearing Comment: Larry Froelich with Stepan is concerned about the industrial customer rate of 0.88 per 1000 gallons.

Motion to close Public Hearing per North Carolina General Statute Section 159-12

Motion: Director Rivenbark **MOVED**; seconded by Director Blanchard, to close Public Hearing. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

OLD BUSINESS

OB1- Final Preliminary Engineering Report for the Walkway Replacement at Kings Bluff

Jess Powell updated the board on the final preliminary engineering report for the walkway replacement at Kings Bluff. Mr. Powell advised the existing walkway structure was initially constructed in 1982, and the decking and structure have deteriorated over time. The project aimed to evaluate various material options, terms of cost, and low maintenance. The deep foundations piles had two options: precast concrete piles and steel piles, with precast concrete piles being the best option. The walkway decking panels have four options: precast concrete slab, aluminum grating, steel grating (light duty), and steel grating (heavy duty), with precast concrete slab being the best option. We have three options for the walkway support framing: a precast concrete beam, a C.I.P. concrete beam, and a steel beam. The cost is slightly lower for steel beams; however, Mr. Powell advised that they would go with the precast concrete beam. The equipment building has three options: precast concrete building, prefabricated aluminum building, and timber building. After reviewing the structured access and the cost of the building, Jess Powell recommended going with the timber building. Currently, there are two buildings at the end of the walkway, and McKim & Creed would suggest one large building. Lastly, the hand/guard railing has two options: aluminum railing and stainless-steel railing, with aluminum railing being the best option. Director Zapple wants to ensure we are designing to what is needed in the design-build process, not a set amount. Director Smith would like the following report to have the cost for disposing of the existing walkway.

Motion: Director Williams **MOVED**; seconded by Director Newton, to approve the preliminary engineering report by adding options for final cost consideration, with lower options given a specific list of what was removed and any potential consequences of removing said item. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

OB2- Resolution Approving Work Order Number 1 to Financial Advisory Services Agreement with First Tryon Advisors, LLC for the Lower Cape Fear Water and Sewer Authority

Executive Director Holloman explained that the first work order, part of the Financial Advisory Services Agreement with First Tryon Advisors, LLC, is crucial for the Lower Cape Fear Water and Sewer Authority. It involves a comprehensive review of all our accounts and is aimed at preparing LCFWASA for potential debt issuance.

Motion: Director DeVane **MOVED**; seconded by Director Rivenbark, approval of the Resolution Approving Work Order Number 1 to Financial Advisory Services Agreement with First Tryon Advisors, LLC for the Lower Cape Fear Water and Sewer Authority. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

NEW BUSINESS

NB2- Final Master Planning Document (25 Year Planning Period FY 2024-2049)

Sean Kenyon presented the current draft Capital Improvement Plan (CIP) from 2024 through 2049, including Kings Bluff, Raw Water, and Bladen Bluffs water treatment facilities. The CIP had several factors, including category of need, capacity issue, whether it needs to be replaced or rehabilitated, and whether there is a maintenance efficiency or redundancy issue. They assigned each project a criticality score as to whether it was a high or low priority and looked at the consequences if no action was taken. There are three primary drivers: demand and capacity, life cycle,

redundancy, and resiliency. The criticality is scored one, two, or three. One being the lowest and three being the highest need. The preliminary design memorandum is based on a demand table for projected usage from the different entities, with a future demand of 96 million gallons per day in 2062.

Sean Kenyon listed twelve projects for Kings Bluff and seven cost-sharing projects. KB1 New 4th Pump at Kings Bluff has a criticality of three because current pumps will meet projected demands by 2037. The fourth pump will be standby/backup and add to pump rotation to reduce hours per pump. KB2 Rebuild/Refurbish the existing 1600 HP vertical turbine raw water pump. Rebuilding the pumps will extend their service life. KB3 New generators have a criticality of two due to the future increased load associated with auxiliary pump motor HP and larger quantities pump. The KB4 Pig 48" pipe from the Kings Bluff pump station to the 3 MG ground tank is critical because pigging will maintain a clean pipeline free of sediment, silt, and debris. It will also improve the efficiency of pumps by reducing the frictional characteristics of the pipeline. KB5 Pig future 54" pipe from 3MG ground tank to US 421 has a criticality of one sighting, the same reason as pigging the 48" pipeline. KB6 Walkway and air backwash building replacement have a criticality of two because the walkway is in serviceable condition and will need to be replaced by 2025 due to rotting wood and the overall weathering of the walkway. KB7 Replacing raw water pumps 1,4, and 5 has a criticality of three due to age and mechanical wear. This project is more of a placeholder so we can budget and plan for replacement. The pumps have been in operation since 2009. KB8 New surge tank at Kings Bluff has a criticality of two because as the demand increases, surges in the system will likely increase, and this needs to be installed before the fifth pump comes online. KB9 5 ROW acquisitions rated a criticality of two. The KB10 48-inch PCCP inspection and pig from the ground tank to US 421, with a criticality of one, is a matter of utmost importance due to the current loss of capacity and/or clogging caused by sediment buildup. Similarly, the KB11 48-inch PCCP repairs, also with a criticality of one, pose a significant risk of a pipeline break. The KB12 1.3 MW Solar Power Installation, a new project added this year, is a testament to our commitment to innovation and sustainability.

CS1 Intermediate booster pump station shelter and CS2 Intermediate booster pump station upgrade will drop off the CIP once CS5 and CS6 have been completed. They will be left on the report until projects CS5 and CS6 progress. CS3 The New fifth pump at Kings Bluff raw water pump station has a criticality of three because decreasing the load and run times of existing pumps will extend the life and improve all pumps' reliability. CS4 20 MGD ground tank has a criticality of two for increasing the available system storage and providing a more consistent supply for the safe and efficient operation of the adjacent interim booster pump station. CS5 7-mile Parallel raw water main from 3MGD ground tank to Pender vault has a criticality of one and is currently in process. CS6 3-Mile parallel raw water main from 3MG Pender Vault to Cape Fear Public Utilities vault has a criticality of one. CS7 100MGD Reservoir has a criticality of one due to the increasing availability of a system for water storage, allowing for temporary redundancy of supply in the case of an emergency (line break, power outage, hurricane).

Motion: Director DeVane **MOVED**; seconded by Director Zapple, approve of the Final Master Planning Document (25 Year Planning Period FY 2024-2049). Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

NB3- Budget Amendment #3

Motion: Director Williams **MOVED**; seconded by Director Zapple, approve of Budget Amendment #3. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

ENGINEER'S COMMENTS

Jess Powell gave an update on the Kings Bluff parallel line project. For Phase 2A, permits were submitted on March 15, 2024. The design package has been submitted to DWI, and we are awaiting approval. Mr. Powell hopes to have the designed build contract approved by the board at the June or July board meeting. Director Zapple wanted to know if we have received any questions or comments from the state regarding the ARPA Funds. Executive Director Holloman advised that LCFWASA had an audit in May, and the state representative said everything was in order.

ATTORNEY COMMENTS

No comments

EXECUTIVE DIRECTOR REPORT

EDR1 – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending March 31, 2024

Executive Director Holloman reported that during April, all customers were above projections. LCFWASA will be having a groundbreaking ceremony on October 25, 2024, at the Pender County Water Plant for the parallel line.

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

Director Phillips wanted an update on the house at Kings Bluff Water Plant. Executive Director Holloman advised that LCFWASA is waiting for asbestos inspections and Duke Energy to connect electricity to the barn.

PUBLIC COMMENT

No comments

ADJOURNMENT

There being no further business, Chairman Knight adjourned the meeting at 10:09 a.m.

Respectfully Submitted:

Scott Phillips, Secretary

Lower Cape Fear Water & Sewer Authority

Finance Committee Meeting Minutes

May 13, 2024

Chairman Knight called to order the Finance Committee Meeting on May 13, 2024, at 8:30 a.m. The meeting was held at the Authority’s office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

Present: Norwood Blanchard, Patrick DeVane, Harry Knight, Al Leonard, Charlie Rivenbark, Chris Smith, and Phil Tripp

Absent: None

Present by Virtual Attendance: None

Staff: Tim H. Holloman, Executive Director; Matthew Nichols, General Counsel; Sam Boswell, COG; and Danielle Hertzog, Financial Administration Assistant

Guests Present: Jorgen Holmberg, Computer Warriors; and Krysden Burden, Brunswick County Public Utilities

Guests Virtual Attendance: None

PowerPoint for Annual Budget Fiscal Year 2024-2025

Executive Director Holloman reviewed essential cost items for the FY 2024-2025 draft budget. Brunswick County's projected water usage increased by 10%, as directed by the Finance Committee, due to the usage of past years, which was significantly higher than the projection. Health insurance will be increasing by 6% to \$2,410.56. The property and liability insurance will increase by 17.5%. The state retirement will increase from 12.85% to 13.6%. LCFWASA will purchase Anti-Vortex Equipment for \$50,000 for the Kings Bluff Plant. We will have Pay-Go for the Air Backwash and Walkway for \$2,075,466. Wholesale customer rates will increase by 0.04 to 0.44 from the current .40, and industrial customer rates will increase by .48 from 0.40 to 0.88, as recommended by the rate forecast needed for the Master Plan. The fourth pump addition must be pushed back two fiscal years until funds have increased. The FY 2024-2025 budget is a 6% increase from the FY 2023-2024 budget due primarily to operating capital expenses, building the R & R Fund, and Bladen Bluffs' increase in operating cost.

Motion: Director Rivenbark **MOVED**; seconded by Director Blanchard, to recommend the Fiscal Year 2024-2025 budget to the entire board. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

ADJOURNMENT

There being no further business, Chairman Knight adjourned the meeting at 8:39 a.m.

Respectfully Submitted,

Tim Holloman, Executive Director

The next Finance Committee Meeting of the Lower Cape Fear Water & Sewer Authority is TBD at the Authority’s office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

BRUNSWICK COUNTY PUBLIC UTILITIES

Kings Bluff Pump Station/LCFWASA

246 Private Rd. 703
Reigelwood, NORTH CAROLINA 28456MAILING ADDRESS
P. O. Box 249
BOLIVIA, NORTH CAROLINA 28422TELEPHONE (910) 655-4799
FAX (910) 655-4798**TO: Tim Holloman****FROM:** Greg Lazorchak**DATE:** 6/1/2024**SUBJECT: Monthly maintenance report for May 2024****Mr. Holloman,**

The Maintenance and Operations of the king's bluff facility for the month of May were 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 / CFPWA vaults off HWY 421 were run and tested weekly and verified standby ready.

KB personnel completed all locates issued by the Boss 811 system.

KB personnel installed new doors on the generator building.

KB personnel assisted Power Secure installing new sensors for emissions test.

KB personnel aided Underwood pump installing pump #1.

KB personnel successfully completed the backwashing of Johnson Screens at river.

KB personnel successfully completed emission test on generator #1 & #2.

KB personnel helped Power Secure with annual preventative Maint. on pumps & gen.

KB personnel with help from I&E calibrated YSI sensors in basement of pump room 4 & 5.

Contractors:

Pursuit Cleaning came to Kings Bluff offices for weekly cleaning.

LJ's landscaping cut grass at Kings Bluff and Authority property.

Gregory Poole took samples of diesel on Gen #1 & #2.

GCI performed emissions test.

Underwood pump reinstalled pump and motor on #1.

Sanford Electric installed electricity on motor.

T&C welded radiator fan housing.

Power Secure performed P.M.'s.

Smithfield®

To: Tim Holloman - LCFWASA

From: James Kern – Bladen Bluffs SWTP ORC

Date: 6/3/24

Subject: May 2024 Operations

During the month of May, Bladen Bluffs SWTP operated a total of 17 days, treating 49.71 million gallons of water.

We used:

36,559 lbs. of aluminum sulfate (Alum)

10,254 lbs. of sodium hydroxide (Caustic)

1,190 lbs. of sodium hypochlorite (2,390 gallons of 6% Chlorine Bleach)

James Kern
Water Treatment Plant
Supervisor

(910) 862-3114
(910) 862-3146
(910) 733-0016 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

Bladen Bluffs SWTP Maintenance Report

Date: 6/3/2024

ISSUE:

PLAN OF ACTION:

All PLC need updated	Getting new quote
Vault intrusion electrical needs sealed	Quote approved
Caustic Pump #2 clogged	FIXED
Need to do full chemical pump PM	Getting Parts - Tencarva
Issue with Polymer pump #2	New Pump Ordered – 12 week lead
Drainage ditch need cleaning and sloping	COMPLETE
Multiple leaks on caustic pumps	All leaks FIXED
Air relief valve on GAC #1 leaking	We have cleaned but still leaking, tech scheduled

Monthly Operating Reports (MORs) Summary

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

Year: 2024 PWS Name: Bladen Bluffs Water System PWSID# : NC5009012
 Month: May Facility Name: Bladen Bluff

Combined Filter Effluent (CFE) Turbidity

Samples exceeding 1 NTU (count):	<u>0</u>	Number of samples required:	<u>93</u>
Samples exceeding .3 NTU (count):	<u>0</u>	Number of samples taken:	<u>93</u>
Samples exceeding .3 NTU (pct):	<u>0.0%</u>	Highest single turbidity reading NTU:	<u>0.098</u>
		Monthly average turbidity NTU:	<u>0.050</u>

Individual Filter Effluent (IFE) Turbidity

1) Was each filter <u>continuously</u> monitored for turbidity?	Yes	<u>X</u>	No	<u> </u>
2) Was each filter's monitoring results <u>recorded every 15 minutes</u> ?	Yes	<u>X</u>	No	<u> </u>
3) Was there a failure of the continuous turbidity monitoring equipment?	Yes	<u> </u>	No	<u>X</u>
4) Was any individual filter turbidity level > 1.0 NTU in two consecutive measurements ?	Yes	<u> </u>	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	<u> </u>	No	<u>X</u>
6) Was any individual filter turbidity level > 1.0 NTU in two consecutive measurements in each 3 consecutive months ?	Yes	<u> </u>	No	<u>X</u>
7) Was any individual filter turbidity level > 2.0 NTU in two consecutive measurements in 2 consecutive months ?	Yes	<u> </u>	No	<u>X</u>

Entry Point Residual Disinfectant Concentration (EPRD)

Disinfectant Used	<u>Chlorine</u>	Number of samples required	<u>93</u>
Minimum EPRD concentration	<u>0.3700</u>	Number of samples taken	<u>93</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>13.30</u>	Number of CT ratios required	<u>17</u>
Number of CT ratios below 1.0	<u>0</u>	Number of CT ratios calculated	<u>17</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 May, 2024 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: <u>James Kern</u>	CERTIFICATE GRADE: <u>A - Surface</u>	CERTIFICATE NUMBER: <u>120147</u>
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CONSENT AGENDA (C5)

Lower Cape Fear Water & Sewer Authority

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

LINE-ITEM ADJUSTMENTS FOR 04/30/2024

Operating Fund:	Line-Item Budget Amount prior to Adjustment	Decrease	Increase	Budget Amount as of 04/30/2024
Expenses				
4001-01 Salary – gross	\$203,530		\$10,145	\$213,675
4029-01 Retirement Employer’s	\$26,153		\$2,000	\$28,153
4035-01 401K Employer PD Contribution	\$11,312		\$1,000	\$12,312
4036-01 Payroll Processing	\$2,900		\$200	\$3,100
4039-01 Insurance Property	\$103,734		\$29,502	\$133,236
4062-01 Office Equipment	\$34,000		\$9,000	\$43,000
4048-01 Engineer	\$290,000	\$(51,847)		\$238,153
Total	\$ 671,629	\$(51,847)	\$51,847	\$ 671,629

OLD BUSINESS (OB1)

**Lower Cape Fear Water & Sewer
Authority**

AGENDA ITEM

To: CHAIRMAN KNIGHT AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: June 17, 2024

Re: FY 2024-2025 Fiscal Year Budget

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

Background: The Finance Committee has met and reviewed drafts since March and recommend the FY 2024-2025 Budget as presented during the Public Hearing on May 13, 2024, for adoption on June 17, 2024. No written comments have been received as of publication of this agenda.

Action Requested: Motion to Approve or Disapprove

ANNUAL BUDGET

Fiscal Year 2024 - 2025



LOWER CAPE FEAR WATER & SEWER AUTHORITY
1107 NEW POINTE BLVD., SUITE 17
LELAND, NORTH CAROLINA 28451

AUTHORITY BOARD OF DIRECTORS

HARRY KNIGHT, CHAIRMAN

PATRICK DEVANE, VICE CHAIRMAN

SCOTT PHILLIPS, SECRETARY

AL LEONARD, TREASURER

CHARILE RIVENBARK, ASSISTANT TREASURER

NORWOOD BLANCHARD

WAYNE EDGE

JACKIE NEWTON

BILL SAFFO

CHRIS SMITH

WILLIAM SUE

PHIL TRIPP

FRANK WILLIAMS

ROB ZAPPLE

NEW HANOVER COUNTY

BLADEN COUNTY

BRUNSWICK COUNTY

COLUMBUS COUNTY

CITY OF WILMINGTON

PENDER COUNTY

BLADEN COUNTY

PENDER COUNTY

CITY OF WILMINGTON

COLUMBUS COUNTY

BRUNSWICK COUNTY

BRUNSWICK COUNTY

BRUNSWICK COUNTY

NEW HANOVER COUNTY

TIM HOLLOMAN, EXECUTIVE DIRECTOR

DANIELLE HERTZOG, ADMINISTRATIVE ASSISTANT

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June 17, 2024

Chairman Knight and Directors:

I am pleased to present the FY 2024-2025 Budget for the Lower Cape Fear Water and Sewer Authority for your review and consideration. The enclosed FY 24-25 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 was held during the regularly scheduled monthly meeting of the Authority Board at 9:00 AM on Monday, May 13, 2024, in the conference room of the Authority's offices located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

Legal notice of the public hearing on the budget was published on April 24, May 1, and May 8, 2024, 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 outlines the expenditures 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 2022. This represents a 20% increase in the number of people served by the Authority's customers.

FY 23-24 ACCOMPLISHMENTS

Rate Study completed and approved.

Funds received for the last 3 miles of line and the initial reservoir study.

On going work for the 10-mile parallel line project, now broken into three phases to utilize partner State Revolving loan funds and other funding for the maximum benefit and project schedule advancement.

Engaged First Tryon as the Authority's Financial Advisor.

Upgrading Financial Management System from QuickBooks to Southern Software

Reroofing on the original plant started this Fiscal Year.

Completed Preliminary Engineering Evaluation on the Reservoir.

CAPITAL IMPROVEMENT PLAN ALIGNED WITH RATES

The Authority continues to align the CIP with adequate rates to stabilize various funds and levels and anticipate unexpected emergencies and long-term needs. The Long-Range Planning Committee approved a rate policy aligned with construction, refurbishment, and expansion needs.

FISCAL YEAR 2024-2025 FUND DESCRIPTION

The Authority maintains five funds. 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 its construction, Smithfield Foods operates the facilities and pays all costs related to their operation, including the debt service. The Authority receives the bills related to the facility's operation, pays the vendors, and then submits a consolidated statement to Smithfield Foods monthly per the December 19, 2009, Agreement.

The debt service principal for the Bladen Bluffs Regional Water Treatment Plant for FY 24-25 is \$1,035,000.00, to be paid in December 2024. The interest rate on the remaining principal is variable, and based on current interest rates, it is estimated that \$500,000 in interest will be paid.

In FY 24-25, expenditures by Smithfield on the operation of the Bladen Bluffs Regional Water Treatment Plant are expected to be \$5,570,183.

The Authority charges approximately 30% 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 as accounts payable, expenditure accounting, and capital project management. Smithfield pays its proportionate share of other direct costs, such as insurance and audits.

KINGS BLUFF OPERATING FUND

REVENUES

In FY 24-25, the projected water revenues reflect an increase of 9 % over the FY 23-24 projections. The projected water demand for FY 23-24 is 10.78 billion gallons or 29.39 million gallons per day (mgd). By Board approval, the raw water rate increases in FY 24-25 to \$0.4400 per 1,000 gallons for governmental partners and to \$0.88 for Industrial customers. This rate and the projected flow will generate \$4,826,202.00 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 several direct costs associated with station operation, such as electric charges from Duke Energy, fuel costs related to the main generators, debt service on capital improvements, and significant capital expenditures for repairs of station equipment.

In FY 24-25, costs associated with the Operations and Maintenance by Brunswick County are recommended to increase from \$696,990 to \$736,811. The increase is due to salary, benefits, and right-of-way maintenance.

In FY 24-25, the cost of operating the Kings Bluff Pump Station is \$4,252,174. This year, the Operating Fund will transfer \$160,600 to Renewal and Replacement and nothing to the Enterprise Fund. \$2,685,000 million in capital funds will be expended for various projects, with approximately \$2,180,000.00 on the air back wash and walkway replacement. \$20,000,000 will be spent on the three-phase, 10-mile parallel line project.

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 24-25, this fund will appropriate \$104,534 towards the Air Backwash/Walkway replacement. If revenues allow, operational funds will cover this expense without an appropriation. An anticipated transfer from the Operational Fund of \$160,600 will bring the R & R fund up to \$1,404,808 by the end of FY 24-25. Also, we project the possibility of using \$104,534 for the Air Backwash/Walkway, depending on Operating receipts at the time of

construction. Over ten years, the projected balance should be \$5,000,000 at a minimum and adjusted for inflation.

ENTERPRISE FUND

The Enterprise Fund is the primary source of funds for capital projects and major repairs. No projects are budgeted for this fund in FY 24-25. The balance of this fund is \$496,468. Over ten years, the projected balance should be \$10,000,000 at a minimum. Annual allocations to this fund need to be in the range of \$400,00 to \$500,000 annually to reach 50% of the projected need.

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 expenditure from this fund in FY 24-25.

CONCLUSION

I want to thank the Finance Committee and the Board for supporting and recognizing the resources needed to keep the Authority moving forward. I would also like to express special appreciation to our Financial Administrative Assistant for her attention to detail with Authority funds. Emergency preparedness is a focal point for our Board of Directors, are working to ensure the entire length of the raw water pipeline is redundant, allowing customers peace of mind regarding supply. In addition, enhancing the Authority's Financial position is a critical factor in fulfilling capital obligations to our partners and the communities they serve. Furthermore, planning to accommodate future growth and promoting business retention and recruitment to the Cape Fear Region is a top concern for the Board. Recognition also goes to our partners and Board for their continued efforts to secure funding for our larger capital projects in addition to rate revenue.

Respectfully Submitted,

Tim H. Holloman
Executive Director



BUDGET ORDINANCE

FY 2024-2025

Lower Cape Fear Water & Sewer Authority

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, 2024, and ending June 30, 2025:

APPROPRIATIONS

Administration	\$995,860
Operating Expenses	
Sales Tax Expense	105,000
Operating Capital Expense	2,685,000
Bladen Bluffs Expense	3,821,385
Utilities/Energy – Kings Bluff Pump Station	775,363
O&M Expense – Kings Bluff	736,811
Transfer to R&R - Kings Bluff R&R Expense	160,600
Transfer to Enterprise	0
Series 2010 Revenue Bond-Principal Expense (BB)	1,035,000
Series 2010 Revenue Bond-Interest Expense (BB)	500,000
SRF/ARPA	<u>20,000,000</u>
 TOTAL APPROPRIATIONS	 <u><u>\$30,815,019</u></u>

Section 2: It is estimated the following revenues will be available in the **Operating General Fund** for the fiscal year beginning July 1, 2024, and ending June 30, 2025:

REVENUES

Operating Revenues	
Brunswick County	\$2,522,662
Cape Fear Public Utility Authority	1,835,996
Pender County	256,344
Hwy 421	176,000
Praxair	35,200
Bladen Bluffs Revenue	5,570,183
Bladen Bluffs Admin Reimbursement	119,988
Sales Tax Refund	115,234
Non-Operating Revenues	
Interest	78,878
Other Revenue	0
Bladen Bluffs FEMA Admin Reimbursement	0
Renewal and Replacement Fund Appropriated	104,534
SRF/ARPA	<u>20,000,000</u>
TOTAL REVENUES	 <u><u>30,815,019</u></u>

Section 3: The Board of Directors of the Lower Cape Fear Water & Sewer Authority hereby establishes a raw water rate of \$0.4400 per 1,000 gallons as of July 1, 2024, 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, 2024, and ending June 30, 2025:

APPROPRIATIONS

Operating General Fund – Appropriated for Future Expenditures	\$ 3,828,975
TOTAL APPROPRIATIONS	\$ 3,828,975

Section 5: It is estimated the following revenue will be available in the **Operating General Fund** for the fiscal year beginning July 1, 2024, and ending June 30, 2025:

REVENUES

Operating General Fund - Fund Balance	\$ 3,828,975
TOTAL ESTIMATED REVENUES	\$ 3,828,975

Section 6: The following amount is hereby appropriated in the **Enterprise Fund** for the fiscal year beginning July 1, 2024, and ending June 30, 2025:

APPROPRIATIONS

Enterprise Fund - Reserve for Future Expenditures	\$ 496,468
TOTAL APPROPRIATIONS	496,468

Section 7: It is estimated the following revenue will be available in the **Enterprise Fund** for the fiscal year beginning July 1, 2024, and ending June 30, 2025:

REVENUES

Enterprise Fund - Fund Balance Appropriated	\$ 496,468
TOTAL ESTIMATED REVENUES	\$ 496,468

Section 8: The following amounts are hereby appropriated in the **Renewal and Replacement Fund (R&R)** for the fiscal year beginning July 1, 2024, and ending June 30, 2025:

APPROPRIATIONS

R&R - Reserve for Future Expenditures	\$ 1,244,208
R&R - Kings Bluff R&R Expense	160,600
TOTAL APPROPRIATIONS	\$ 1,404,808

Section 9: It is estimated the following revenues will be available in the **Renewal and Replacement Fund** for the fiscal year beginning July 1, 2024, and ending June 30, 2025:

REVENUES

R&R - Fund Balance Appropriated	\$ 1,244,208
Transfer In from Operating Fund	160,600
TOTAL ESTIMATED REVENUES	\$ 1,404,808

Section 10: The following amount is hereby appropriated in the **Right of Way Maintenance Fund** for the fiscal year beginning July 1, 2024, and ending June 30, 2025:

APPROPRIATIONS

Right of Way Fund - Reserve for Future Expenditures	\$ 281,481
TOTAL APPROPRIATIONS	\$ 281,481

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, 2024, and ending June 30, 2025:

REVENUES

ROW - Fund Balance Appropriated	\$ 281,481
TOTAL ESTIMATED REVENUES	\$ 281,481

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 17th day of June 2024

Harry Knight, Chairman

ATTEST:

Scott Phillips, Secretary

LOWER CAPE FEAR WATER AND SEWER AUTHORITY
FISCAL YEAR 2024-2025 BUDGET

ACCOUNT NO	REVENUES	FY 22-23 APPROVED BUDGET	FY 22-23 ACTUALS	FY 23-24 AMENDED BUDGET	FY 23-24 ACTUAL 04/30/2024	PROPOSED FY 24-25 BUDGET		FY 24-25 TOTAL COMBINED BUDGET
						KINGS BLUFF	BLADEN BLUFFS	
	OPERATING							
3001-01	Brunswick County	\$ 1,606,437	\$ 2,050,591	\$ 1,923,193	\$ 1,643,303	\$ 2,522,662	\$ -	\$ 2,522,662
3002-01	Cape Fear Public Utility Authority	\$ 2,869,315	\$ 2,980,055	\$ 1,652,562	\$ 1,396,140	\$ 1,835,996	\$ -	\$ 1,835,996
3003-03	Pender County	\$ 551,428	\$ 552,787	\$ 234,160	\$ 195,032	\$ 256,344	\$ -	\$ 256,344
3004-01	Stapan/Invista	\$ 141,566	\$ 209,855	\$ 110,000	\$ 103,058	\$ 176,000	\$ -	\$ 176,000
3005-01	Praxair, Inc	\$ 61,179	\$ 68,649	\$ 15,784	\$ 12,639	\$ 35,200	\$ -	\$ 35,200
3006-01	Bladen Bluffs Reimbursement for Plant Operation Costs	\$ 4,673,818	\$ 5,169,651	\$ 5,615,603	\$ 4,904,083	\$ -	\$ 5,570,183	\$ 5,570,183
3006-02	Bladen Bluffs Administrative Reimbursement	\$ 102,190	\$ 139,090	\$ 158,754	\$ 132,295	\$ 119,988	\$ -	\$ 119,988
3007-01	Sales Tax Refund	\$ 100,000	\$ 114,314	\$ 100,000	\$ 106,041	\$ -	\$ 115,234	\$ 115,234
	Subtotal	\$ 10,105,933	\$ 11,284,992	\$ 9,810,056	\$ 8,492,591	\$ 4,946,190	\$ 5,685,417	\$ 10,631,607
	Non-Operating							
3105-01	Interest	\$ 500	\$ 1,969	\$ 9,716	\$ 122,127	\$ 78,878	\$ -	\$ 78,878
3120-01	Other Revenue (Insurance Proceeds/Refunds/FEMA)	\$ -	\$ 11,838	\$ -	\$ 729	\$ -	\$ -	\$ -
3125-01	Federal Tax Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3156-00	Rental House Income	\$ -	\$ 16,047	\$ -	\$ -	\$ -	\$ -	\$ -
3170-01	Transfer In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3900-01	Renewal and Replacement Fund Appropriated	\$ -	\$ -	\$ -	\$ -	\$ 104,534	\$ -	\$ 104,534
3900-02	SRF/ARPA	\$ 1,900,000	\$ 1,596,733	\$ 2,500,000	\$ 1,396,257	\$ 20,000,000	\$ -	\$ 20,000,000
2900-00	Fund Balance Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal	\$ 1,900,500	\$ 1,626,587	\$ 2,509,716	\$ 1,519,113	\$ 20,183,412	\$ -	\$ 20,183,412
	TOTAL REVENUES	\$ 12,006,433	\$ 12,911,579	\$ 12,319,772	\$ 10,011,704	\$ 25,129,602	\$ 5,685,417	\$ 30,815,019

LOWER CAPE FEAR WATER AND SEWER AUTHORITY
FISCAL YEAR 2024-2025 BUDGET

ACCOUNT NO.	EXPENDITURES	FY 22-23 APPROVED BUDGET	FY 22-23 ACTUALS	FY 23-24 AMENDED BUDGET	FY 23-24 ACTUAL 04/30/2024	PROPOSED FY 24-25 BUDGET		FY 24-25 TOTAL COMBINED BUDGET
						KINGS BLUFF	BLADEN BLUFFS	
	Administration							
4001-01	Salaries	\$ 187,024	\$ 149,791	\$ 213,675	\$ 166,057	\$ 155,418	\$ 66,608	\$ 222,026
4010-01	Per Diem and Mileage Board Members	\$ 62,500	\$ 46,079	\$ 64,001	\$ 45,906	\$ 45,133	\$ 19,343	\$ 64,476
4012-01	Vehicle Allowance	\$ 5,200	\$ 4,400	\$ 5,200	\$ 4,400	\$ 3,640	\$ 1,560	\$ 5,200
4019-01 & 4024-01	FICA Taxes	\$ 19,542	\$ 15,193	\$ 20,953	\$ 16,454	\$ 15,774	\$ 6,760	\$ 22,534
4029-01	Retirement	\$ 22,462	\$ 16,198	\$ 28,153	\$ 22,483	\$ 21,137	\$ 9,059	\$ 30,196
4035-01	401K Plan	\$ 5,311	\$ 4,426	\$ 12,312	\$ 9,565	\$ 8,695	\$ 3,727	\$ 12,422
4036-01	Miscellaneous Payroll Expenses	\$ 2,900	\$ 2,288	\$ 3,100	\$ 2,481	\$ 2,900	\$ -	\$ 2,900
4038-01	Group Insurance	\$ 38,074	\$ 26,818	\$ 40,176	\$ 31,668	\$ 29,810	\$ 12,776	\$ 42,586
4039-01	Property and Liability Insurance	\$ 94,301	\$ 99,948	\$ 133,236	\$ 111,030	\$ 109,200	\$ 46,800	\$ 156,000
4046-00	Professional Services General	\$ 15,000	\$ -	\$ 3,800	\$ -	\$ 10,500	\$ 4,500	\$ 15,000
4046-01	Attorney	\$ 45,000	\$ 36,246	\$ 40,000	\$ 32,068	\$ 35,000	\$ 15,000	\$ 50,000
4047-01	Auditor	\$ 9,000	\$ 5,400	\$ 8,200	\$ 8,200	\$ 5,600	\$ 2,400	\$ 8,000
4048-01	Engineer	\$ 245,041	\$ 149,737	\$ 238,153	\$ 43,884	\$ 150,000	\$ 25,000	\$ 175,000
4049-01	Information Technology	\$ 14,000	\$ 1,333	\$ 50,428	\$ 17,798	\$ 17,500	\$ 7,500	\$ 25,000
4050-01	Financial Advisor					\$ 7,000	\$ 3,000	\$ 10,000
4055-01	Office Maintenance/Repair/Common Charge	\$ 23,903	\$ -	\$ 24,000	\$ 14,801	\$ 40,000	\$ -	\$ 40,000
4058-01	Office Utilities	\$ 5,000	\$ 1,600	\$ 5,000	\$ 1,748	\$ 3,500	\$ -	\$ 3,500
4059-01	Office Expenses (telephone, Printing, Adv)	\$ 16,000	\$ 31,430	\$ 16,000	\$ 11,510	\$ 15,000	\$ -	\$ 15,000
4062-01	Office Equipment	\$ 12,000	\$ 14,748	\$ 43,000	\$ 35,012	\$ 35,000	\$ -	\$ 35,000
4064-01	Printing and Advertising	\$ 6,500	\$ 5,241	\$ 8,000	\$ 4,842	\$ 8,000	\$ -	\$ 8,000
4065-01	Telephone and Internet	\$ 3,500	\$ 2,624	\$ 3,500	\$ 2,718	\$ 3,500	\$ -	\$ 3,500
4070-01	Travel and Training	\$ 33,000	\$ 25,222	\$ 29,000	\$ 21,520	\$ 29,000	\$ -	\$ 29,000
4070-20	Phone Allowance	\$ 520	\$ 440	\$ 520	\$ 440	\$ 520	\$ -	\$ 520
4075-01	Vehicle Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4080-01	Miscellaneous Expense	\$ 23,000	\$ 18,218	\$ 20,000	\$ 14,861	\$ 20,000	\$ -	\$ 20,000
	Subtotal	\$ 888,777	\$ 657,378	\$ 1,010,407	\$ 619,446	\$ 771,828	\$ 224,032	\$ 995,860
	Operating							
4501-01	Sales Tax Expense	\$ 100,000	\$ 87,704	\$ 135,000	\$ 111,858	\$ -	\$ 105,000	\$ 105,000
4510-01	Bladen Bluffs O & M	\$ 3,315,596	\$ 2,742,958	\$ 4,014,666	\$ 3,345,378	\$ -	\$ 3,821,385	\$ 3,821,385
4515-01	Bladen Bluffs Hurricane Florence	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4520-01	Utilities/Energy Kings Bluff	\$ 730,336	\$ 599,221	\$ 786,590	\$ 609,070	\$ 775,363	\$ -	\$ 775,363
4530-01	Contract O & M Kings Bluff	\$ 549,822	\$ 358,284	\$ 686,749	\$ 355,279	\$ 736,811	\$ -	\$ 736,811
4537-01	O&M Kings Booster Pump Bluff Pump Station	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4541-01	Combined Enterprise Funded Series 2010 Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4542-01	Combined Enterprise Funded Series 2010 Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4543-01	Combined Enterprise System Ref Series 2012 Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4544-01	Combined Enterprise System Ref Series 2012 Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4545-01	Bladen Bluffs Debt Service Principal	\$ 910,000	\$ 910,000	\$ 970,000	\$ 970,000	\$ -	\$ 1,035,000	\$ 1,035,000

LOWER CAPE FEAR WATER AND SEWER AUTHORITY

FISCAL YEAR 2024-2025 BUDGET

4546-01	Bladen Buffs Debt Service Interest	\$ 256,998	\$ 347,154	\$ 450,000	\$ 351,436	\$ -	\$ 500,000	\$ 500,000	\$ 500,000
	Operating Capital Expense	\$ 2,846,069	\$ 2,219,441	\$ 1,286,360	\$ 90,856	\$ 2,685,000	\$ -	\$ -	\$ 2,685,000
4998-05	Transfer to R&R - Kings Bluff R&R Expense	\$ 250,000	\$ 150,000	\$ 380,000	\$ 380,000	\$ -	\$ -	\$ -	\$ -
	Transfer to R&R - Industrial					\$ 160,600		\$ 160,600	\$ 160,600
4998-06	Transfer to Enterprise Fund	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -
2041-01	421 Relocation New Hanover County Loan Principal	\$ 258,835	\$ 258,835	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5180-00	SRF/7 mile parallel line expenditures								
	Subtotal	\$ 9,217,656	\$ 7,773,597	\$ 11,309,365	\$ 8,023,956	\$ 24,357,774	\$ 5,461,385	\$ 5,461,385	\$ 29,819,159
	TOTAL EXPENDITURES	\$ 10,106,433	\$ 8,430,975	\$ 12,319,772	\$ 8,643,402	\$ 25,129,602	\$ 5,685,417	\$ 5,685,417	\$ 30,815,019

WATER REVENUE ESTIMATES AND WATER RATE CALCULATION

Raw Water Customer	FLOWS			
	FY 22-23 Actual	FY 23-24 Projected	FY 23-24 Actual (as of 03-31-2024)	FY 24-25 Projected
Brunswick County	5,696,086	4,762,839	3,673,668	5,733,322
CFPUA	4,309,296	4,131,405	3,009,580	4,172,719
Pender County	580,590	586,200	432,202	582,600
Stephan	410,855	232,500	227,048	200,000
Praxair	26,569	101,960	28,283	40,000
	11,023,396	9,814,904	7,370,781	10,728,641

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Raw Water Customer	REVENUES			
	FY 22-23 Actual	FY 23-24 Projected	FY 23-24 Actual (as of 03-31-2024)	FY 24-25 Projected
RATE PER 1,000 GALLONS	\$ 0.3600	\$ 0.4000	\$ 0.4000	\$ 0.4400
Brunswick County	\$ 2,050,591	\$ 1,905,136	\$ 1,469,467	\$ 2,522,662
CFPUA	\$ 1,551,347	\$ 1,652,562	\$ 1,203,832	\$ 1,835,996
Pender County	\$ 209,012	\$ 234,480	\$ 172,881	\$ 256,344
	\$ 3,810,950	\$ 3,792,178	\$ 2,846,180	\$ 4,615,002
RATE PER 1,000 GALLONS	\$ 0.3600	\$ 0.4000	\$ 0.4000	\$ 0.8800
Stepan	\$ 147,908	\$ 93,000	\$ 90,819	\$ 176,000
Praxair	\$ 9,565	\$ 40,784	\$ 11,313	\$ 35,200
	\$ 157,473	\$ 133,784	\$ 102,132	\$ 211,200
Combined Total	\$ 3,968,423	\$ 3,925,962	\$ 2,948,312	\$ 4,826,202

KINGS BLUFF EXPENSES	
ADMINISTRATION	\$ 771,828
OPERATING INCLUDING DEBT SERVICE	\$ 24,357,774
TOTAL EXPENSES	\$ 25,129,602

KINGS BLUFF REVENUES	
WATER SALES BASED ON CURRENT RATE	\$ 4,826,202
OTHER REVENUES	\$ 119,988
TOTAL REVENUES	\$ 4,946,190

BRUNSWICK COUNTY

PROJECTED WATER USE

FOR JULY 1, 2024 THROUGH JUNE 30, 2025

WATER RATE OF \$0.44 / 1,000 GALLONS

Month	Estimated Usage	Cumulative Total
July 2023	542,689,100.00	542,689,100.00
August	515,406,200.00	1,058,095,300.00
September	463,498,800.00	1,521,594,100.00
October	456,231,600.00	1,977,825,700.00
November	368,382,000.00	2,346,207,700.00
December	347,491,200.00	2,693,698,900.00
January 2024	351,065,300.00	3,044,764,200.00
February	351,065,300.00	3,395,829,500.00
March	368,382,000.00	3,764,211,500.00
April	456,231,600.00	4,220,443,100.00
May	515,406,200.00	4,735,849,300.00
June	476,261,200.00	5,212,110,500.00
TOTAL	5,212,110,500.00	
Annual Daily Average:	14,279,754.79	\$ 2,293,328.62

CAPE FEAR PUBLIC UTILITY AUTHORITY
PROJECTED WATER USE
FOR JULY 1, 2024 THROUGH JUNE 30, 2025
WATER RATE OF \$0.44 / 1,000 GALLONS

Month	Estimated Usage	Cumulative Total
July 2022	296,726,688.00	296,726,688.00
August	307,029,698.00	603,756,386.00
September	330,726,621.00	934,483,007.00
October	325,575,116.00	1,260,058,123.00
November	253,454,046.00	1,513,512,169.00
December	371,938,661.00	1,885,450,830.00
January 2023	427,574,915.00	2,313,025,745.00
February	383,271,972.00	2,696,297,717.00
March	444,059,731.00	3,140,357,448.00
April	414,181,002.00	3,554,538,450.00
May	325,575,116.00	3,880,113,566.00
June	292,605,484.00	4,172,719,050.00
TOTAL	4,172,719,050.00	
Annual Daily Average:	11,432,106.99	\$ 1,835,996.38

PENDER COUNTY
PROJECTED WATER USE
FOR JULY 1, 2024 THROUGH JUNE 30, 2025

WATER RATE OF \$0.44 / 1,000 GALLONS

Month	Estimated Usage	Cumulative Total
July 2022	50,680,000.00	50,680,000.00
August	50,750,000.00	101,430,000.00
September	51,230,000.00	152,660,000.00
October	50,390,000.00	203,050,000.00
November	46,490,000.00	249,540,000.00
December	47,410,000.00	296,950,000.00
January 2023	46,560,000.00	343,510,000.00
February	41,910,000.00	385,420,000.00
March	46,970,000.00	432,390,000.00
April	47,910,000.00	480,300,000.00
May	51,720,000.00	532,020,000.00
June	50,580,000.00	582,600,000.00
TOTAL	582,600,000.00	
Annual Daily Average:	1,596,164.38	\$ 256,344.00

PERSONNEL COST

Employee	Adopted FY 23-24	Salary	Proposed FY 24-25	Notes
Executive Director	\$ 131,442.30	\$	139,986.05	4% COLA/2.5% Merit
Administrative Assistant	\$ 62,948.55	\$	67,040.21	4% COLA/2.5% Merit
Part-Time	\$ 10,000.00	\$	15,000.00	
	\$ 204,390.85	\$	222,026.26	
Board				
Board Per Diem and Mileage	\$ 64,001.00	\$	64,475.94	
		FICA		
Executive Director	\$ 11,238.32	\$	11,968.81	8.55 % of Salary
Administrative Assistant	\$ 5,382.10	\$	5,731.94	8.55 % of Salary
Part-Time	\$ 855.00	\$	1,282.50	8.55% of Salary
Board Members	\$ 3,550.95	\$	3,550.95	8.55% of Salary
	\$ 21,026.37	\$	22,534.19	
		Retirement		
Executive Director	\$ 15,786.22	\$	19,038.10	13.60%
Part-Time	\$ 7,560.12	\$	2,040.00	
Administrative Assistant	\$ 1,201.00	\$	9,117.47	13.60%
	\$ 24,547.34	\$	30,195.57	
		Health Insurance		
Executive Director	\$ 20,088.00	\$	21,293.00	
Administrative Assistant	\$ 20,088.00	\$	21,293.00	
	\$ 40,176.00	\$	42,586.00	
		401 K Contribution		
Executive Director	\$ 7,886.54	\$	8,399.16	6.0% of the salary
Administrative Assistant	\$ 3,776.91	\$	4,022.41	6.0% of the salary
	\$ 11,663.45	\$	12,421.58	

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	Based upon 12 meetings per year
Current Board Total Mileage		875	
Current IRS Mileage Rate	\$	0.670	per mile
Total Mileage Cost Per Year	\$	7,035.00	
Total for Budget	\$	57,795.0	
Round to \$50,000 increase of committee meetings outside of normal meetings			
Social Security	\$	3,883	
Breakfast	\$	233.15 per month	\$ 2,797.80
	\$		64,475.9

BLADEN BLUFFS ADMINISTRATIVE COST CALCULATION

Employee	Allocation		Bladen Bluffs Allocation
		SALARY	
Executive Director		\$ 139,986.05	
Administrative Assistant		\$ 67,040.21	
Part Time		\$ 15,000.00	
		<u>\$ 222,026.26</u>	\$66,607.88
Board Per Diem, Mileage and Expense		\$64,475.94	\$19,342.78
		VEHICLE & CELL PHONE ALLOWANCE	
Executive Director - Vehicle		\$5,200.00	
Executive Director - Cell phone		\$520.00	
		<u>\$5,720.00</u>	\$1,716.00
		FICA	
Executive Director		\$11,968.81	
Administrative Assistant		\$5,731.94	
Part Time		\$1,282.50	
Board Members		\$3,550.95	
		<u>\$22,534.19</u>	\$6,760.26
		RETIREMENT	
Executive Director		\$19,038.10	
Part Time		\$2,040.00	
Administrative Assistant		\$9,117.47	
		<u>\$30,195.57</u>	\$9,058.67
		401K	
Executive Director		\$8,399.16	
Administrative Assistant		\$4,022.41	
		<u>\$12,421.58</u>	\$3,726.47
		HEALTH INSURANCE	
Executive Director		\$21,293.00	
Administrative Assistant		\$21,293.00	
		<u>\$42,586.00</u>	\$12,775.80
		\$ 399,959.54	\$119,987.86

BLADEN BLUFFS ADMINISTRATIVE COST CALCULATION CONTINUED

ATTORNEY	\$	15,000
ENGINEER	\$	25,000
AUDITOR	\$	2,400
INFORMATION TECHNOLOGY	\$	4,800
ADMINISTRATIVE COST FROM FIRST SHEET	\$	<u>119,988</u>
	\$	167,188
INSURANCE PROPERTY & LIABILITY		
Total cost of Property and Liability Insurance is \$94,301		
Bladen Bluffs share is		
based upon percent		
	\$	<u>46,800</u>
Total Annual Admin Cost	\$	213,988

BLADEN BLUFFS OPERATING BUDGET

Bladen Bluffs Budget FY 2023-24	FY 2023-2024	FY 2024-2025
Sales Tax	\$100,000.00	\$105,000.00
Administrative LCFWASA	\$110,000.00	\$213,798.00
Administrative General	\$62,000.00	\$62,000.00
Audit	\$2,800.00	\$2,800.00
Insurance	\$27,500.00	\$36,566.00
Professional Services	\$98,000.00	\$98,000.00
Professional Services Engineering	\$30,000.00	\$25,000.00
Postage	\$810.00	\$1,000.00
Training	\$1,500.00	\$12,500.00
Computer/IT	\$32,000.00	\$43,500.00
Fuel Diesel	\$29,000.00	\$15,000.00
Fuel Gas	\$10,000.00	\$5,000.00
Equipment Rental	\$90,000.00	\$35,207.00
Utilities Water	\$1,000.00	\$1,000.00
Building Maintenance	\$4,400.00	\$12,000.00
Grounds Maint./Landscaping	\$340.00	\$15,000.00
Equipment Maintenance	\$250,000.00	\$200,000.00
Departmental Supplies	\$1,650,253.00	\$1,500,000.00
Departmental Supplies/Parts	\$170,000.00	\$75,000.00
Lab Expenses	\$122,000.00	\$135,000.00
Permitting	\$140,000.00	\$55,000.00
Environmental/Livestock Safety	\$17,000.00	\$15,000.00
Land Application	\$275,000.00	\$275,000.00
Capital Expense	\$40,000.00	\$50,000.00
Capital Reserve General		\$355,000.00
Capital Reserve Vehicle	\$12,000.00	\$39,600.00
Capital Reserve Scada	\$52,000.00	\$99,000.00
Capital Reserve GAC	\$360,000.00	\$435,600.00
Capital Reserve Water and Well	\$148,000.00	\$237,600.00
Debt Service Principal	\$970,000.00	\$1,035,000.00
Debt Service Interest	\$450,000.00	\$500,000.00
Total	\$5,255,603.00	\$5,690,171.00

COUNTY OF BRUNSWICK
Fiscal Year 2025 Budget

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

Post meeting justification

Line Item Justification

2025 Increase (Decrease) Post-Meeting Requested

2025 Increase (Decrease) Requested

Input Column 2025 Department Requested

2024 Original Budget @ 7/1/23

2024 Amended Budget

2023 Actuals

Prior Years Actuals 2022

Dept. # Item # Description

Dept. #	Item #	Description	2022	2023	2024 Amended Budget	2024 Original Budget @ 7/1/23	% Rpted/Expend @ 11/30/2023	2024 Actual @ 11/30/2023	Input Column 2025 Department Requested	2025 Increase (Decrease) Requested	2025 Increase (Decrease) Post-Meeting Requested	
617150	383927	LCFWSA O and M Reimbursement	2,916,510	441,110	690,363	690,363	73,716	11%	739,247	48,884	736,811	(2,436)
617150	398100	Proceeds Leases	-	-	-	-	-	0%	-	-	-	-
617150	398101	Proceeds SBITA LT Software Sub	-	-	-	-	-	0%	-	-	-	-
617150		Add New Revenue Line Item in Space Below	-	-	-	-	-	0%	-	-	-	-
Total Revenues			2,916,510	441,110	690,363	690,363	73,716	11%	739,247	48,884	736,811	(2,436)
617150	412000	Salaries & Wages - Regular	117,998	84,102	156,402	156,402	31,633	20%	169,740	13,338	166,142	(1,598)
617150	412001	Salaries & Wages - Overtime	14,417	5,259	7,000	7,000	2,576	37%	7,000	0	7,000	0
617150	412003	Salaries & Wages - Paper on Call	9,470	7,512	8,112	8,112	3,578	44%	8,510	398	8,510	0
617150	412004	Salaries & Wages - Call Back	2,039	558	-	-	668	0%	-	1,000	-	1,000
617150	412006	Salary and Wages - Temp / Part	1,977	10,331	27,000	27,000	8,974	33%	28,000	1,000	28,000	0
617150	412700	Salary & Wages - Temporary	3,542	2,488	2,488	2,488	4,765	20%	16,545	(12,000)	16,545	(124)
617150	412900	Salary and Wages Reimbursements	16,235	19,255	24,000	24,000	18,545	77%	18,545	0	18,545	0
617150	413000	Health Insurance	10,571	10,571	10,571	10,571	10,571	100%	10,571	0	10,571	0
617150	413100	Health Insurance	25,877	31,377	31,377	31,377	31,377	100%	31,377	0	31,377	0
617150	413200	Health Insurance	25,877	12,132	22,440	22,440	6,879	32%	35,135	12,700	35,135	(903)
617150	413300	Health Insurance	15,663	17,774	22,440	22,440	9,913	35%	22,888	448	22,888	0
617150	413800	Workers Compensation	5,068	2,621	2,621	2,621	1,648	63%	2,000	(621)	1,834	(386)
617150	413906	Life Insurance	77	124	250	250	110	44%	1,154	904	1,143	(11)
617150	413810	Dental Insurance	585	747	818	818	204	25%	868	50	868	0
617150	418400	Disability & Long - Term Ins	345	481	516	516	192	37%	560	44	555	(5)
617150	418900	Fringe Benefits Reimbursements	6,871	7,315	7,500	7,500	1,756	23%	-	(7,500)	-	-
617150	419900	Post-See - Other	-	-	-	-	-	0%	-	-	-	-
617150	421200	Uniforms	171	241	1,200	1,200	210	18%	1,200	-	1,200	-
617150	435101	Fuel - Emergency Generator	333	-	14,625	14,625	-	0%	21,375	6,750	21,375	-
617150	426900	Supplies and Materials	897	300	500	500	439	88%	500	-	500	-
617150	426002	Departmental Supplies	6,500	1,420	2,000	2,000	477	24%	-	(500)	-	-
617150	426003	Computer Software	-	-	500	500	-	0%	-	-	-	-
617150	426004	Operating Equip 5500 - 54,999	-	-	2,412	2,412	-	0%	-	-	-	-
617150	426005	Computer 5500 - 54,999	-	-	-	-	-	0%	-	-	-	-
617150	431100	Travel - Mileage	2,713	395	2,000	2,000	707	35%	2,000	-	2,000	-
617150	431200	Travel - Lodging	492	392	500	500	500	100%	500	-	500	-
617150	431300	Travel - Per Diem	395	1,000	1,000	1,000	1,000	100%	1,000	-	1,000	-
617150	431500	Travel - Restrictions	661	655	700	700	308	44%	700	-	700	-
617150	432100	Telephone	975	750	1,300	1,300	25	2%	-	(1,300)	-	-
617150	432150	Cell Phone Reimbursement	24	43	50	50	8	16%	50	-	50	-
617150	432200	Postage	3,630	1,129	8,500	8,500	-	0%	48,500	40,000	48,500	-
617150	435102	Repair and Maint - Building	955	8,194	1,000	1,000	90	9%	1,000	-	1,000	-
617150	435200	Repair and Maint - Equipment	44,188	26,498	69,000	69,000	6,283	9%	69,000	-	69,000	-
617150	435203	Repair and Maint - Instrument	12,833	44,846	30,000	30,000	1,636	6%	30,000	-	30,000	-
617150	435208	Repair and Maint - Roadways	-	-	2,000	2,000	-	0%	2,000	-	2,000	-
617150	435217	R and M - Transmission Malts	2,523,435	155,882	20,000	20,000	-	0%	20,000	-	20,000	-
617150	435224	R and M - LCFWSA Raw Ware	37,732	4,828	21,000	21,000	1,900	9%	23,000	2,000	23,000	-
617150	435900	Contract Services - Other	-	-	2,000	2,000	-	0%	-	-	-	-
617150	435911	Contract Services - Other	-	-	2,000	2,000	-	0%	-	-	-	-
617150	441200	Rep of Building	1,899	2,767	2,000	2,000	25	2%	-	(2,000)	-	-
617150	441400	Rep of Equipment	-	-	2,000	2,000	-	0%	-	-	-	-
617150	441920	Long Term Lease Equipment	-	-	206,800	206,800	8,084	4%	189,800	(17,000)	189,800	-
617150	445900	Lease and Maint Contracts	11,568	11,286	222,249	222,249	-	0%	-	-	-	-
617150	451000	Furniture/Office Equipment	-	-	-	-	-	0%	-	-	-	-
617150	451100	Car Outlay - Lease - Hum and	-	-	-	-	-	0%	-	-	-	-
617150	451200	Car Outlay - LT SBITA Soft Sub	-	-	-	-	-	0%	-	-	-	-
617150	454000	Vehicles On Road	-	-	-	-	-	0%	-	-	-	-
617150	455000	Equipment	37,951	-	-	-	-	0%	-	-	-	-
617150	458000	Buildings	-	-	-	-	-	0%	-	-	-	-
617150	459000	Improvements	-	-	-	-	-	0%	-	-	-	-
617150	475014	Lease Principal GASB 87	-	-	-	-	-	0%	-	-	-	-
617150	476014	Lease Interest GASB 87	-	-	-	-	-	0%	-	-	-	-
617150	477014	SBTA Principal GASB 96	-	-	-	-	-	0%	-	-	-	-
617150	478014	SBTA Interest GASB 96	-	-	-	-	-	0%	-	-	-	-

Moved to 435224 to offset 617110

See 4 Line Item Detail Tab
2 Employees X \$500 allowance = \$1,000
Fuel to keep the two built tanks full - OMA will use 1,500gal per run X 3 runs X \$4 = \$18,000. Increase based on estimated replacement amount based on OMA.
Small hand tools such as wrenches and shovels

See 4 Line Item Detail Tab
Cleaning Supplies paint and painting accessories, shelving and storage
See 4 Line Item Detail Tab
See 4 Line Item Detail Tab

Training out of town and use of personnel vehicle while company truck is being repaired
Replacement of two employees one training event each
Requalification for refilling
Two phone lines at the pump station.

General repairs to facility buildings, light fixtures as needed \$8,500. Insulation replacement at generator building will be \$40,000
Any landscaping that may need replicating - a load of soil or two for erosion control.

Maintenance of pumps and generators, pipes and compressors, to include supplies for oil changes in pumps, repairs to surge system, filters, air wash system, compressors, monitoring equipment. Dock boards, pliligs, and valves.
Valve Doctor repairs and Mudd Trax services.

Repairs for computers, transmitters, radios, SCADA controls and programming at the station and at the raw tank. New programming for new VFD #1.
Gravel for access points to pipeline and meters

Replacement markers, painting, replacement ARVs, 3rd party PIV testing
See 4 Line Item Detail Tab
See 4 Line Item Detail Tab
See 4 Line Item Detail Tab
See 4 Line Item Detail Tab
See 4 Line Item Detail Tab
See 4 Line Item Detail Tab

Needed addition for cleaning out valve boxes and turning valves on the right of way since the parallel line added -40 new valve boxes.

OPERATING FUND CAPITAL EXPENDITURES AND TRANSFERS

EQUIPMENT TO BE REPLACED	REPLACEMENT COST
VFD COMPONENT REPLACEMENT	
SCADA	\$ 125,000
VTR PUMP/INSPECT REFURBISH	\$ 200,000
NEW BOWL ASSEMBLY	\$ -
ANTI VORTEXING	\$ 50,000
UPDATE RATE STUDY	\$ -
ROW ACQUISITION	\$ 100,000
MATCHING SRF FUNDING	
FOURTH PUMP	
WALKWAY REPLACEMENT AND AIR BACKWASH	\$ 2,180,000
MISCELLANEOUS	\$ 30,000
TOTAL	\$ 2,685,000

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

KINGS BLUFF CIP PROJECTS	0.33	0.36	0.4	0.44	0.48
	FY2022	FY2023	FY 2024	FY2025	FY 2026 PROJECT TOTALS
INTERMEDIATE BOOSTER PUMP STATION SHELTER	\$ -	\$ -	\$ -	\$ -	\$ -
SURVEYING	\$ -	\$ -	\$ -	\$ -	\$ -
VFD	\$ 266,875.00	\$ 266,875.00	\$ -	\$ -	\$ 533,750.00
VTR PUMP	\$ -	\$ 200,000.00	\$ -	\$ 200,000.00	\$ 400,000.00
ROW MAINTENANCE	\$ -	\$ 35,000.00	\$ 65,000.00	\$ 65,000.00	\$ 230,000.00
ROW CLEARING	\$ -	\$ -	\$ -	\$ -	\$ -
SCADA UPGRADE	\$ -	\$ -	\$ 275,000.00	\$ 125,000.00	\$ 125,000.00
REBUILD EXISTING HIGH SERVICE PUMP MOTORS/INSPECT	\$ -	\$ -	\$ 275,000.00	\$ -	\$ 275,000.00
PURCHASE BOWL ASSEMBLY	\$ -	\$ -	\$ 250,000.00	\$ -	\$ -
48" PARALLEL LINE LAST 10 MILE SECTION	\$ -	\$ 2,000,000.00	\$ 2,000,000.00	\$ 20,000,000.00	\$ 57,000,000.00
ANTI VORTEXING	\$ -	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 150,000.00
INDEPENDENT RATE STUDY	\$ -	\$ -	\$ 57,000.00	\$ -	\$ 57,000.00
ROW ACQUISITIONS	\$ -	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 410,000.00
4TH PUMP	\$ -	\$ -	\$ 225,000.00	\$ -	\$ 225,000.00
REPLACE GENERATOR RADIATORS	\$ -	\$ -	\$ -	\$ -	\$ -
WALKWAY REPLACEMENT AND AIR BACKWASH BUILDING	\$ -	\$ -	\$ 226,360.00	\$ 2,180,000.00	\$ 2,406,360.00
48" PCCP Repairs	\$ -	\$ -	\$ -	\$ -	\$ -
VEHICLE REPLACEMENT/ARGO/FORKLIFT	\$ 122,000.00	\$ 30,000.00	\$ 130,000.00	\$ 30,000.00	\$ 312,000.00
PIG 48" WATER MAIN TO CFPUA/PENDER	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS KINGS BLUFF PROJECTS	\$388,875.00	\$ 681,875.00	\$ 3,378,360.00	\$22,750,000.00	\$62,124,110.00
KINGS BLUFF CIP-SOURCES					
	FY 2022	FY2023	FY 2024	FY 2025	Source Totals
OPERATING CAPITAL	\$ 388,875.00	\$ 681,875.00	\$ 1,321,360.00	\$ 2,645,466.00	\$ 5,212,576.00
CAPTITAL RESERVES	\$ -	\$ -	\$ -	\$ 104,534.00	\$ -
DEBT PROCEEDS	\$ -	\$ -	\$ -	\$ -	\$ -
GRANT	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER SOURCE	\$ -	\$ -	\$ 2,057,000.00	\$ 20,000,000.00	\$ 20,000,000.00
TOTAL KINGS BLUFF SOURCES	\$388,875.00	\$681,875.00	\$3,378,360.00	\$22,750,000.00	\$62,269,576.00

AGENDA ITEM

To: CHAIRMAN KNIGHT AND BOARD MEMBERS

From: TIM HOLLOMAN, EXECUTIVE DIRECTOR

Date: June 17, 2024

Re: Budget Amendment #4

Background: Budget Amendment #4 is due to LCFWASA conducting a comprehensive review of its financial resources and identified a need for a budget amendment to transfer funds from the operating fund to the renewal and replacement fund. This strategic reallocation is essential to ensure the organization's long-term sustainability by adequately funding critical infrastructure maintenance, repairs, and replacement projects.

Action Requested: Motion to approve/disapprove.



Lower Cape Fear Water & Sewer Authority
Leland, North Carolina

BUDGET AMENDMENT #4
Fiscal Year 2023-2024

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 2023-2024 Annual Budget Ordinances as follows:

Section 1: To amend the **Operating Revenue** the appropriations are to be changed as follows:

Fund Balance Appropriated:	Increase
3006-01 Bladen Bluff Revenue	162,000.00
Total	162,000.00

Section 2: To amend the **Operating Expenses** the appropriations are to be changed as follows:

Operating Fund:	Increase
4501-00 Sales Tax Expenses – Other	20,000.00
4510-01 Bladen Bluffs Expenses	142,000.00
Total	162,000.00

Section 3: Copies of this Budget Amendment shall be furnished to the Budget Officer for direction in the carrying out of his duties.

Approved as to the availability of funds:

Tim H. Holloman, Finance Officer

This Budget Amendment adopted this 17th day of June 2024.

Harry Knight, Chairman

ATTEST:

Scott Phillips, Secretary

AGENDA ITEM

To: CHAIRMAN KNIGHT AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: June 17, 2024

Re: Executive Director's Report

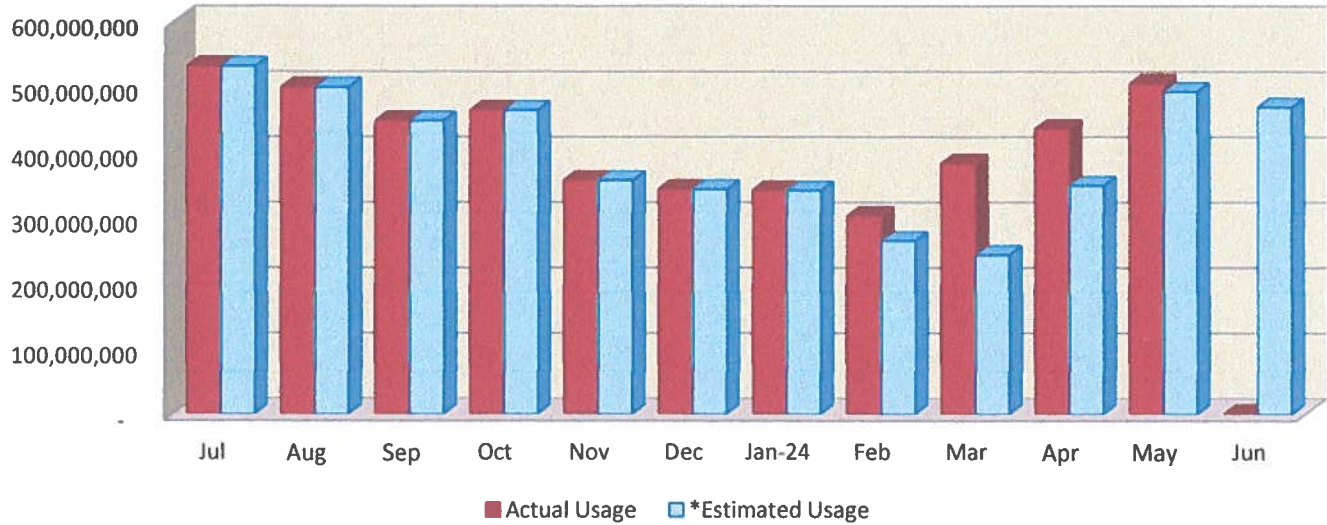
EDR1 - Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending May 31, 2024

EDR2 - Operating Budget Status, Ending April 30, 2024

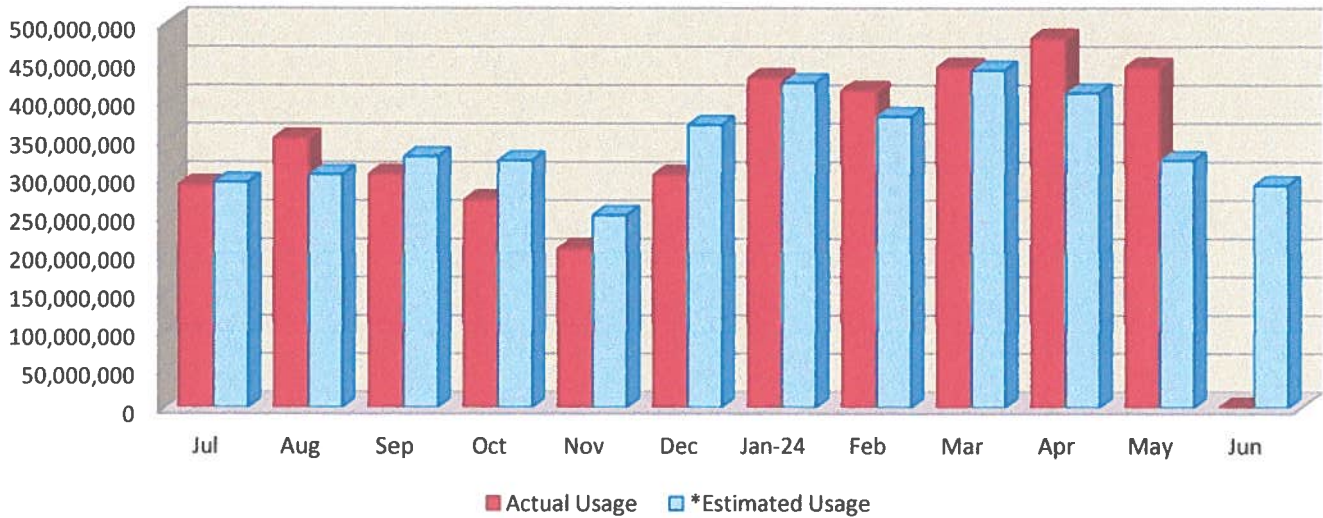
EDR3 - Summary of Activities.

Action Requested: For information purposes.

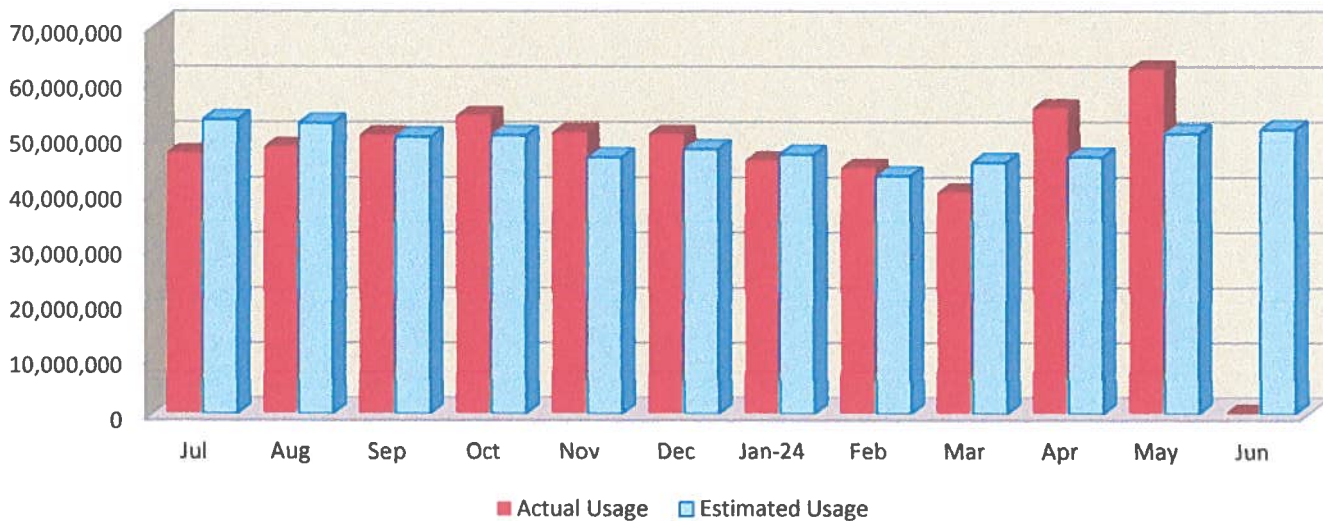
Brunswick County Water Usage FY 23-24



CFPUA Water Usage FY 23-24



Pender County Water Usage FY 23-24



OPERATING FUND BUDGET PERFORMANCE

Jul-1 through Apr 30

Income	Approved	Approved	Jul 1 - Apr 30	Jul 1 - Apr 30	Jul 1 - Apr 30	Budget As of 04/30/2024
	Annual Budget	Annual Budget	Kings Bluff	Bladen Bluffs	OF BUDGET	
3000-01 · OPERATING REVENUE						
3001-01 · 01 Bruns County Public Utility	1,725,765	1,923,193	1,643,303		1,643,303	85%
3002-01 · 01 CFPUA	1,652,562	1,652,562	1,396,140		1,396,140	84%
3003-01 · 01 Pender County	234,160	234,160	195,032		195,032	83%
3004-01 · 01 HWY 421 - Invlsta	200,000	110,000	103,058		103,058	94%
3005-01 · 01 Praxair, Inc	100,000	15,784	12,639		12,639	80%
3006-01 · 01 Bladen Bluffs Revenue	4,938,603	5,615,603		4,904,083	4,904,083	87%
Bladen Admin Reimb	110,473	158,754		132,295	132,295	83%
3007-01 · Sales Tax Refund Revenue	100,000	100,000		106,041	106,041	106%
Total 3000-01 · OPERATING REVENUE	9,061,563	9,810,056	3,350,172	5,142,419	8,492,591	87%
3100-00 · OF NONOPERATING REVENUE						
3120-00 · Revenue-Other						
Interest & Investment Revenue	500	9,716	122,127		122,127	1257%
FEMA Reimbursement	0	0	0		0	0%
Refunds / Insurance Proceeds/ Other	0	0	729		729	0%
3180-00 · SRF/Parallel Revenue	2,500,000	2,500,000	1,396,257		1,396,257	56%
3900-01 R&R Fund Appropriated	0	0	0		0	0%
2900-00 Fund Balance	0	0	0		0	0%
Total 3100-00 · OF NONOPERATING REVENUE	2,500,500	2,509,716	1,519,114	0	1,519,114	61%
Total Income	11,662,063	12,319,772	4,869,286	5,142,419	10,011,704	87%
Expense						
4000-01 · ADMINISTRATION EXPENDITURES						
4001-01 · Salary - gross	203,530	213,675	115,174	50,883	166,057	78%
4010-01 · Per Diem= mileage+per diem pay	64,001	64,001	29,905	16,000	45,906	72%
4012-01 · Vehicle Allowance	5,200	5,200	3,100	1,300	4,400	85%
4070-02 · Phone Allowance	520	520	310	130	440	85%
4015-01 · Payroll Taxes	20,953	20,953	11,216	5,238	16,454	79%
4029-01 · Retirement Employer's Part	26,153	28,153	15,945	6,538	22,483	80%
4035-01 · 401K Employer PD Contribution	11,312	12,312	6,737	2,828	9,565	78%
4036-01 · Payroll Processing Exp	2,900	3,100	2,481		2,481	80%
4038-01 · Insurance Group	40,176	40,176	21,624	10,044	31,668	79%
4039-01 · Insurance, Property	103,734	133,236	85,097	25,934	111,030	83%
4046-00 Professional Services General	15,000	3,800	0	0	0	0%
4046-01 · Attorney	50,000	40,000	32,068		32,068	80%
4047-01 · Auditor	8,000	8,200	5,400	2,800	8,200	100%
4048-01 · Engineer	300,000	238,153	43,884		43,884	18%
4049-01 Information Technology	16,000	50,428	17,798		17,798	35%
4055-01 · Office Maint/Repair	24,000	24,000	14,801		14,801	62%
4058-01 Office Utilities	5,000	5,000	1,748		1,748	35%
4059-01 Office Expense	14,000	16,000	11,510		11,510	72%
4062-01 Office Equipment	10,000	43,000	35,012		35,012	81%
4064-01 Printing & Advertising	5,000	8,000	4,842		4,842	61%
4065-01 Telephone and Internet	3,500	3,500	2,718		2,718	78%
4070-01 · Travel & Training	29,000	29,000	21,520		21,520	74%
4080-01 · Miscellaneous Expenses	20,000	20,000	14,861		14,861	74%
Total 4000-01 · ADMINISTRATION EXPENDITURES	977,979	1,010,407	497,751	121,695	619,446	61%
4500-01 · OPERATING EXPENDITURES						
4501-00 · Sales Tax Expense - Other	100,000	135,000		111,858	111,858	83%
4510-01 · Bladen Bluffs Expenses	3,324,385	4,014,686		3,345,378	3,345,378	83%
4520-01 · Utilities-Energy Pump Station	786,589	786,589	609,070		609,070	77%
4530-01 · Kings Bluff O&M Expenses	686,749	686,749	355,279		355,279	52%
4535-01 Kings Bluff Hurricane Other FEMA	0	0	0		0	0%
4543-01 · Series 2012 Bond Principal (ST)	0	0	0		0	0%
4544-01 · Series 2012 Bond Interest (ST)	0	0	0		0	0%
4545-01 · Series 2010 Bond Principal (BB)	970,000	970,000		970,000	970,000	100%
4546-01 · Series 2010 Bond Interest (BB)	450,000	450,000		351,436	351,436	78%
5180-00 · SRF/Parallel Expenditures	2,500,000	2,500,000		1,710,079	1,710,079	68%
7400-01 · Operating Capital Expense	1,286,360	1,286,360		90,856	90,856	7%
4998-05- Transfer to R&R- KB R&R Expense	380,000	380,000		380,000	380,000	100%
4998-05- Transfer to Enterprise Fund	100,000	100,000		100,000	100,000	100%
Total 4500-01 · OPERATING EXPENDITURES	10,584,083	11,309,365	964,349	7,059,606	8,023,955	71%
Total Expense	11,562,062	12,319,772	1,462,100	7,181,301	8,643,401	70%

Executive Director Highlighted Activities:

- Regular Monthly meeting with the Design Build Team and Owner's Advisor for the parallel line project.
- Participated in weekly update meetings on the 10-mile parallel line.
- Continued work on the 2024-2025 fiscal year budget.
- Staff continued to work on planning the Groundbreaking for the 10-mile parallel line.
- Worked with Kyle Newton and James Kearns on reporting authorizations.
- Readvertised for Phase 3 of the 10-mile parallel water line.
- Preliminary meeting to establish Leadership Pender.
- Work with McKim and Creed on the 100 MGD reservoir project.
- Attended Rural Water Conference in Winston-Salem.
- Coordinated tour by Source Water Protection professionals of Kings Bluff Plant.
- Coordinated limited crossing of ROW by PNG.
- Met with Stephan, the new plant manager, to review the rate change. Also, work with the attorney and Chairman with a follow-up.
- Attended Cape Fear River Watch anniversary event.
- Attended AWWA Annual Conference and Exposition 2024.
- Met with Truist about interest rate earnings review.
- Coordinated energizing of the "red barn" to facilitate demolition of former rental house.
- Attended AWWA ACE 2024 with Director Saffo
- Plant tour of Bladen Bluffs with Director Zapple

AGENDA ITEM

To: CHAIRMAN KNIGHT AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: June 17, 2024

Re: Closed Session in Accordance with NCGS§143-318.11(a)(3) to consult with attorney in order to preserve the attorney-client privilege.

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

A Closed Session is required in accordance with NCGS §143-318.11(a)(3) to discuss with our attorney matters within the attorney-client privilege.

The closed session pursuant to N.C.G.S. § 143-318.11(a)(3) to discuss with our attorney matters within the attorney-client privilege related to the following pending lawsuit:

Cape Fear Public Utility Authority, Brunswick County, Lower Cape Fear Water & Sewer Authority, and Town of Wrightsville Beach v. The Chemours Company FC, LLC, E.I. Du Pont De Nemours and Company, and The Chemours Company

United States District Court for the Eastern District of North Carolina, Case No. 7:17-CV-00195-D and Case No. 7:17-CV-00209-D

A motion is made by _____ to go into a closed session in accordance with North Carolina General Statute Section 143-318.11(a)(3).

The motion is seconded by _____.

Closed Session

A motion is made by _____ to return to open session.

The motion is seconded by _____.