

Lower Cape Fear Water & Sewer Authority  
Regular Board Meeting Minutes

May 10, 2021

Chairman Leonard called to order the Authority meeting scheduled on May 10, 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, Al Milliken, Phil Norris, Charlie Rivenbark, William Sue, Frank Williams, and Rob Zapple

**Present by Virtual Attendance:** Jackie Newton, Bill Saffo and Chris Smith

**Absent:** None

**Staff:** Tim H. Holloman, Executive Director; Matthew Nichols, General Counsel; Tony Boahn P.E., McKim & Creed, Patrick Flanagan, COG, and Danielle Hertzog, Financial Administration Assistant Temp

**Guests Present:** John Nichols

**Guests Virtual Attendance:** Rob Harris, Anthony Colon, Heidi Cox, Matt Hourihan, Glenn Walker, and John Malone

**PLEDGE OF ALLEGIANCE:** Vice-Chairman Rivenbark led the Pledge of Allegiance.

**APPROVAL OF CONSENT AGENDA**

**C1 - Minutes of Regular Board Meeting April 12, 2021**

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

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

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

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

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

**C7 - Line-item adjustments for March**

**Motion:** Director Zapple **MOVED**; seconded by Director Rivenbark, approval of the Consent Agenda C2-C7 Items as presented. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

	<u>For</u>	<u>Against</u>	<u>Abstained</u>	<u>Absent</u>
Norwood Blanchard	X			
Wayne Edge	X			
Patrick DeVane	X			
Harry Knight	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Al Milliken	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Chris Smith	X			
Bill Sue	X			
Frank Williams	X			
Rob Zapple	X			
	12	0	0	0

**C1 - Minutes of Regular Board Meeting April 12, 2021**

Director Zapple wanted meetings changed to reflect under C1- NB3 he felt customers should not have to pay for water they did not receive; they should only be responsible for the water they used. Also NB5 - The video equipment upgrade cost can be up to \$5,000.

**Motion:** Director DeVane **MOVED**; seconded by Director Rivenbark, approval of the Amendment Consent Agenda C1 Item to be updated. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

	<u>For</u>	<u>Against</u>	<u>Abstained</u>	<u>Absent</u>
Norwood Blanchard	X			
Wayne Edge	X			
Patrick DeVane	X			
Harry Knight	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Al Milliken	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Chris Smith	X			
Bill Sue	X			
Frank Williams	X			
Rob Zapple	X			
	12	0	0	0

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

**Motion to open Public Hearing in accordance with North Carolina General Statute Section 159-12**

**Motion:** Director Williams **MOVED**; seconded by Director Edge, to open Public Hearing. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

	<u>For</u>	<u>Against</u>	<u>Abstained</u>	<u>Absent</u>
Norwood Blanchard	X			
Wayne Edge	X			
Patrick DeVane	X			
Harry Knight	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Al Milliken	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Chris Smith	X			
Bill Sue	X			
Frank Williams	X			
Rob Zapple	X			
	12	0	0	0

**Review of Fiscal Year 2021-2022 Budget and Budget Ordinance for Consideration of Approval On June 7th, 2021.**

Director Zapple has questions regarding the New Hanover Country Contract payment amount. NB1-24 under FY 22-23 the bi-annual payment amount stated is \$174,058.68. However, NB1-25 under the Fiscal Yr. Totals amount stated is \$258,834.63. Executive Director Holloman advised he will double check the payment amount and updated before the June 7, 2021 Board meeting.

No public written comments with concern for the Fiscal year 2021-2022 budget.

**Motion to close Public Hearing in accordance with North Carolina General Statute Section 159-12**

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

	<u>For</u>	<u>Against</u>	<u>Abstained</u>	<u>Absent</u>
Norwood Blanchard	X			
Wayne Edge	X			
Patrick DeVane	X			
Harry Knight	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Al Milliken	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Chris Smith	X			
Bill Sue	X			
Frank Williams	X			
Rob Zapple	X			
	12	0	0	0

**NEW BUSINESS**

**NB1 - Finance Committee Comments and Review of Draft Recommended Budget for Fiscal Year 2021-2022(Finance Committee Chairman Al Leonard)**

Chairman Leonard advised the Finance Committee had a unanimous motion to recommend this budget be approved at the June 7, 2021 board meeting. Director Zapple questioned if it was realistic for the repair and replacement balance being capable to grow to three million over the next 10 years due to the funds needing to be used over time. Executive Director Holloman advised with the increase in rates and the capital expenditures will come out of the operating fund to allow for build up the renewal and replacement fund.

**ENGINEER’S COMMENTS**

No comments.

**ATTORNEY COMMENTS**

No comments.

**EXECUTIVE DIRECTOR REPORT**

**EDR1 - Customers’ Water Usage Report for Fiscal Year to Date Ending April 30, 2021**

Executive Director Holloman reported that during the Month of April 2021, Brunswick County was above projections, while Pender County and CFPUA was slightly below projections. Monthly revenue was slightly up as well.

**EDR2 – Operating Budget Status, Ending March 31<sup>st</sup>, 2021**

Executive Director Holloman reported operating revenue is at sixty nine percent. The only item to come in over budget is the FEMA Reimbursement, and we are still awaiting thirteen thousand for administration cost reimbursement. It is unknown if it will be received in FY 20/21 or FY 21/22. Administration expenditure is at sixty six percent. Operating expenditures is at fifty four percent.

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**EDR3 – Report of Activities**

Executive Director Holloman informed the board that letters have been sent requesting support of HB 459 to allow Authorities to have permanent license tags on their vehicles again; the permeant tags will save the Authority money. We have renewed participation in the Lower Cape Fear River Basin Research Project at UNCW. 50<sup>th</sup> Anniversary Plaques for each member of the Authority are be prepared to be presented at their Board Meetings. May 11<sup>th</sup> is the Authority anniversary. Kings Bluff elevated transmission line (the 48-inch line) has been inspected and we will get a report next month.

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

Director DeVane was concerned about the Bladen Bluff river bank erosion in the report states that it is continuing to erode. Tony Boahn advised there has been a slight bid of erosion due to the river level been higher. Tony advised the most recent thing he saw it was nothing to be concerned about. Director DeVane questioned if the erosion was covered under FEMA. Tony Boahn advised we only had a one year warranty with the Contractor.

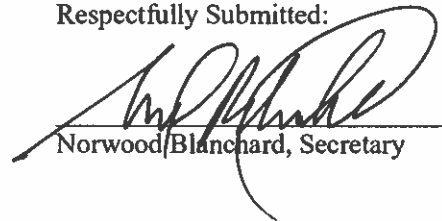
**PUBLIC COMMENT**

Glen Walker thanked Executive Director Holloman for making the comments to our legislative folks opposing the HB on the intro Basin transfer , and he would also encourage them to comment on opposing the intro basin transport itself, or anything that would transfer from the Cape Fear River Basin to the northeast, Cape Fear River Basin.

**ADJOURNMENT**

There being no further business, Chairman Leonard adjourned the meeting at 9:48 a.m.

Respectfully Submitted:



Norwood/Blanchard, Secretary