

Lower Cape Fear Water & Sewer Authority
Regular Board Meeting Minutes
December 9th, 2024

Chairman Knight called to order the Authority meeting scheduled on December 9th, 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 Sue gave the invocation.

Roll Call by Chairman Knight:

Present: Norwood Blanchard, Jerry Groves, Harry Knight, Charlie Rivenbark, Bill Saffo, Chris Smith, Bill Sue, Phil Tripp, and Rob Zapple

Present by Virtual Attendance: Patrick DeVane, Wayne Edge, Al Leonard, Scott Phillips, and Frank Williams

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: Devon Moore, Computer Warriors; Anthony Colon, Pender County Utilities Director; James Proctor, Pender County Deputy Director of Utilities; Glenn Walker, Brunswick County Water Resources Manager; David Carson, Brunswick County Kings Bluff Water Resource Supervisor; Jason Cook P.E. HDR Inc.

Guests Virtual Attendance: Craig Wilson, Cape Fear Public Utility Engineering Manager; James Kerns, Smithfield Wastewater Supervisor; and Erin Jones, Water Treatment Plant Superintendent Pender County Utilities

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

APPROVAL OF CONSENT AGENDA

C1 – Minutes of November 18, 2024, Regular Board Meeting

C2 – Kings Bluff Monthly Operations and Maintenance Report

C3 – Bladen Bluffs Monthly Operations and Maintenance Reports

C4 – Resolution Pursuant to N.C Gen Stat. § 143-805 Adopting Policy Prohibiting viewing of pornography on Lower Cape Fear Water & Sewer Authority Networks and Devices

Motion: Director Rivenbark **MOVED**; seconded by Director Blanchard, approval of the Consent Agenda Items C1-C4. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

NEW BUSINESS

NB1- Election of Authority's Board of Directors Officers for the term of January 1, 2025, until December 31, 2025

Chairman Knight presented the following slate of officers for board consideration from January 1, 2025, to December 31, 2025. Per the Authority's Bylaws (Article III. - Officers 1.), the chairmanship shall rotate among the political subdivisions, with New Hanover County being next in the rotation schedule.

Chairman: Patrick DeVane (Bladen County)
Vice-Chairman: Scott Phillips (Brunswick County)
Secretary: Al Leonard (Columbus County)
Treasurer: Charlie Rivenbark (City of Wilmington)
Assistant Treasurer: Norwood Blanchard (Pender County)

Motion: Director Blanchard **MOVED**; seconded by Director Zapple, approval of the Board of Directors Officers for the term of January 1, 2025, until December 31, 2025. Upon voting, the **MOTION CARRIED UNANIMOUSLY** (with Director DeVane abstaining from voting).

NB2- Approval of the Authority's 2025 Regular Scheduled Meetings Calendar

Executive Director Holloman advised the June 2025 meeting will be on the third Monday instead of the second Monday due to the ACE Conference.

Motion: Director Zapple **MOVED**; seconded by Director Rivenbark, approval to move the 2025 Regular Scheduled Meeting. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

NB3- Resolution to Allow for Purchase of New VFD for Pump No. 1 at Kings Bluff Pump Station Using Sole-Source Exception Pursuant to N.C.G.S. § 143-129(e)(6)

Executive Director Holloman advised that after investigating the procurement of the fourth pump and VFD, it has been determined that standardization and compatibility with the existing three pumps are the overriding considerations. This will be the sole source of exception for purchasing an identical pump and VFD. The interchangeability of parts and spare parts is critical. Executive Director Holloman advised N.C.G.S. § 143-129(e)(6) allows for purchases of apparatus, supplies, materials, or equipment using a sole-source exception when: (i) performance or price competition for a product is not available; (ii) a needed product is available from only one source of supply, or (iii) standardization or compatibility is the overriding consideration.

Motion: Director Sue **MOVED**; seconded by Director Saffo, approval of the Resolution to allow the purchase of New VFD for Pump No. 1 at Kings Bluff Pump Station Using Sole-Source Exception Pursuant to N.C.G.S. § 143-129(e)(6). Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

PRESENTATION: Jason Cook with HDR – Design Build Process with Owners Advisor

A copy of the presentation will be attached with the minutes.

ENGINEER'S COMMENTS

No comments.

ATTORNEY COMMENTS

No comments.

EXECUTIVE DIRECTOR REPORT

EDR1 – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending November 30, 2024

Executive Director Holloman reported that during November, all customers were under projections.

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

No comments.

PUBLIC COMMENT

No comments.

ADJOURNMENT

There being no further business, Chairman Knight adjourned the meeting at 10:04 a.m.

Respectfully Submitted:


Scott Phillips, Secretary



Owner Advisory Services

A Collaborative Partner for LCFWASA
Lower Kings Bluff Project

Jason Cook, PE, PMP

HDR

An Owner Advisor's Role

Collaborative partner who helps meet the various objectives and goals of a project or program

- Extension of Owner's Staff
- Provide advice on various project elements
- Planning → Procurement → Design → Construction
- Quality Assurance

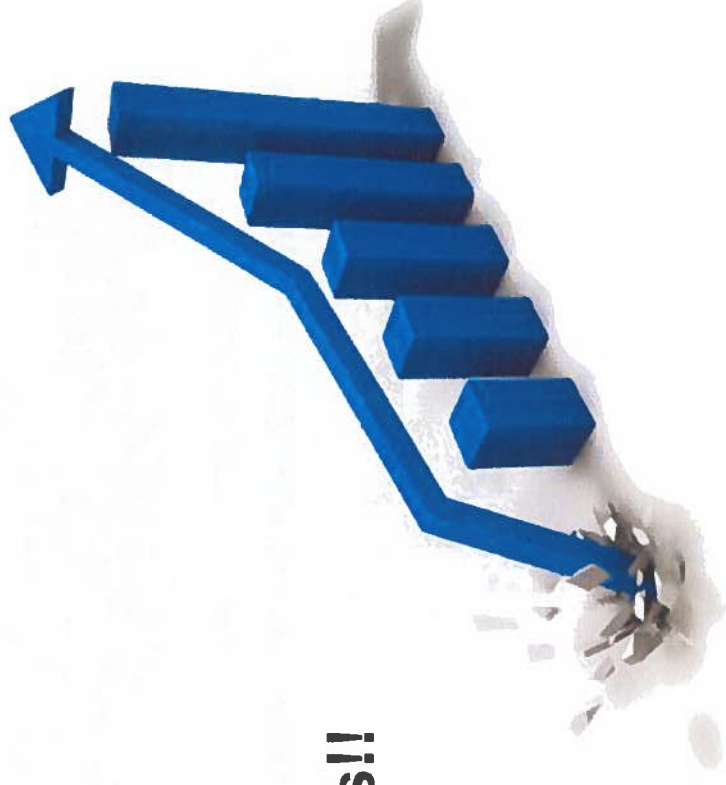
WIN-WIN SITUATION



Background on OA in Water Market

- High demand for water infrastructure
- Impacts on materials and people
- Funding
- Schedule impacts
- Increased use of collaborative delivery

A response to the market conditions!!

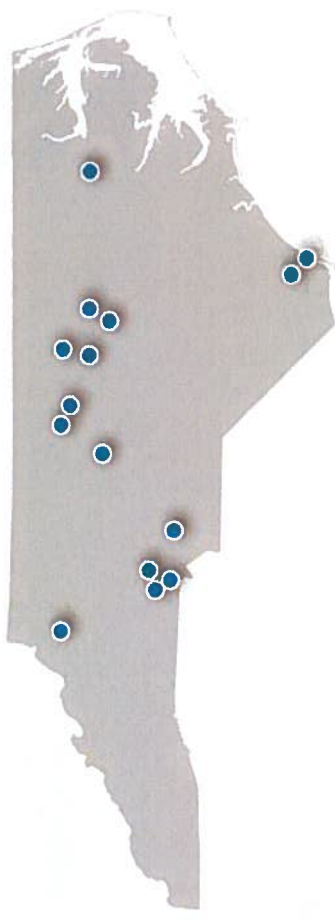


HDR's OA Experience

Various levels of support to fit
Project and Owner's needs:

- Project Administration
- Procurement
- Funding Requirements
- Technical Input
- Independent Cost Estimating
- Construction Administration
- Construction Inspection

**HDR'S PROGRAM MANAGEMENT & OWNER'S ADVISORY
SERVICES ACROSS NORTH CAROLINA**



- Asheboro
- Cary
- CFPUA
- Charlotte Water
- Clayton
- Durham
- Greensboro
- Johnston County

- LCFWASA
- OWASA
- Raleigh Water
- Union County
- Winston-Salem
- Wilkesboro
- Martin County

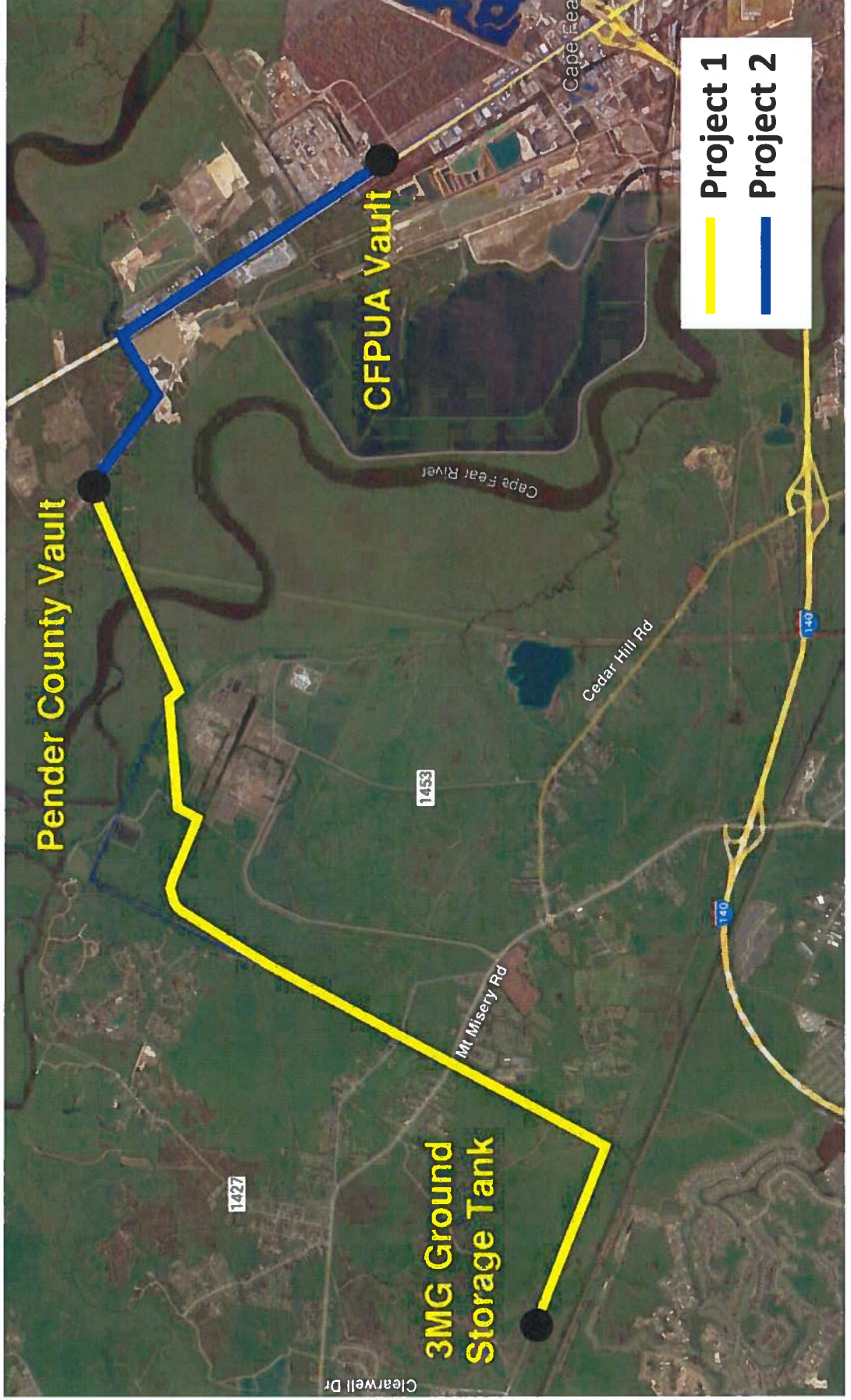
Project Background

Lower Kings Bluff

- Progressive Design-Build
- Contracting
- Different design progression vs design-bid-build delivery
- Atypical delivery for Department of Water Infrastructure
- Multiple funding sources and Partners

Project Background

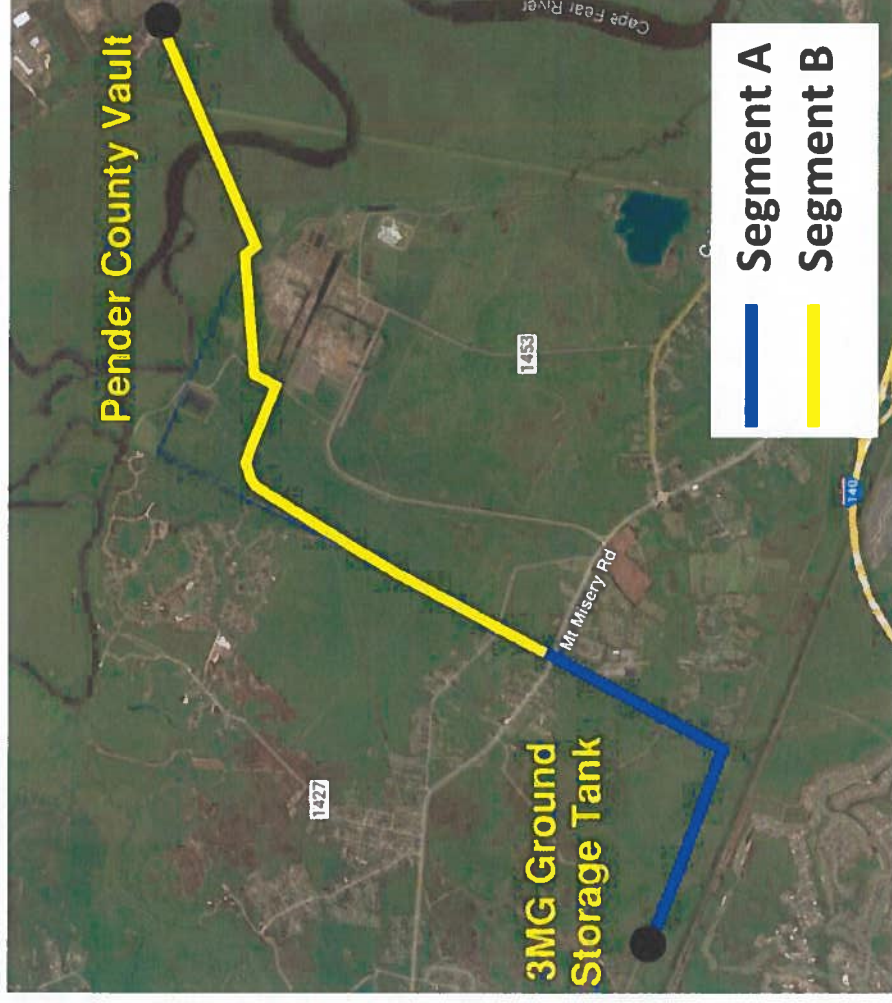
Lower Kings Bluff



Project Background

Project 1

- Schedule benefits of segmental approach:
 - Permitting difference
 - Design progression
 - Steel coil release
 - ARPA funding milestones
- Status of Contracts:
 - Segment A
 - Segment B



Project Background

Project 1

Project 1	
Design (Current Contract)	\$1,499,230
GMP 1 Phase 2A (2.5 miles + steel coil)	\$16,900,000
GMP 2 Phase 2B (4.5 miles)	\$20,500,000
Mitigation for Phase 2B	\$98,353
Construction Contingency	\$3,250,000
Owner Advisor	\$918,640
TOTAL	\$43,166,223

Funding Source	
ARPA	\$23,500,000
HB 529	\$18,377,922
Pender County	\$1,288,301
CFPUA	\$18,377,922
421 Industries	\$0
TOTAL	\$43,166,223

Project Background

Project 2

- DB under contract for Preconstruction services
- Kickoff meeting complete
- Alignment and Easements
- 421 Industry Coordination
- No OA contract at this point



Project Background

Project 2

Project 2	
Design	\$835,037
Construction	\$14,700,000
Easements	\$300,000
Construction Contingency	\$1,750,000
Owner Advisor	\$695,000*
TOTAL	\$18,280,037

*Estimated fee for construction

Project 2	
ARPA	\$0
HB 529	\$6,172,078
Pender County	\$0
CFPUA	\$11,676,831
421 Industries	\$431,128
TOTAL	\$18,280,037

OA Team



**PM &
Technical Lead**

Jason Cook, PMP, PE



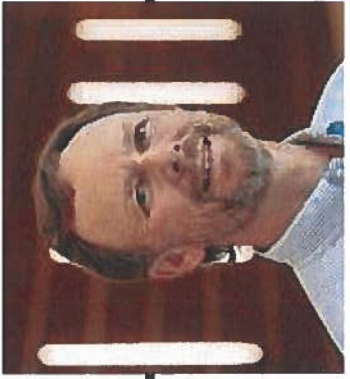
Contracting

Kip Kalisiak, PE



Funding

Kim Colson, PE



**Project
Controls**

Saurabh Nomula, PE



OA Support

Planning → **Procurement** → Design → Construction

- Worked with LCFWASA Attorney to setup DBIA contract
- Developed Owner Project Criteria
- Assist with negotiating DB contract terms, general conditions, scope, fee, etc.
- Phase 2 Amendment



OWNER'S PROJECT CRITERIA

PROJECT DESCRIPTION
The Lower Kings Bluff 48" diameter Sewer Authority



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North of
Project will
24) and
quire d to
North
Harris
County,
TX.

Standard Form of Preliminary Agreement Between Owner and Design-Builder

This document has important legal consequences. Consultation with an attorney is recommended with respect to its completion or modification.

This AGREEMENT is made as of the _____ day of _____ in the year of 20____ by and between the following parties, for services in connection with the Project identified below.

OWNER:
Name and address:
Lower Kings Bluff Sewer Authority
1000 Kings Bluff Road, Suite 111
Lenoir, NC 28541

DESIGN BUILDER:
Name and address:
Crestwater, Inc.
2112 Vanderson Road
Apex, NC 27524

PROJECT:
Name and location as it will appear in the contract documents:
The Lower Kings Bluff 48" Diameter Sewer Authority

In consideration of the mutual covenants and obligations contained herein, Owner and Design-Builder agree as set forth herein.

OA Support

Planning → Procurement → **Design** → Construction

Funding Assistance

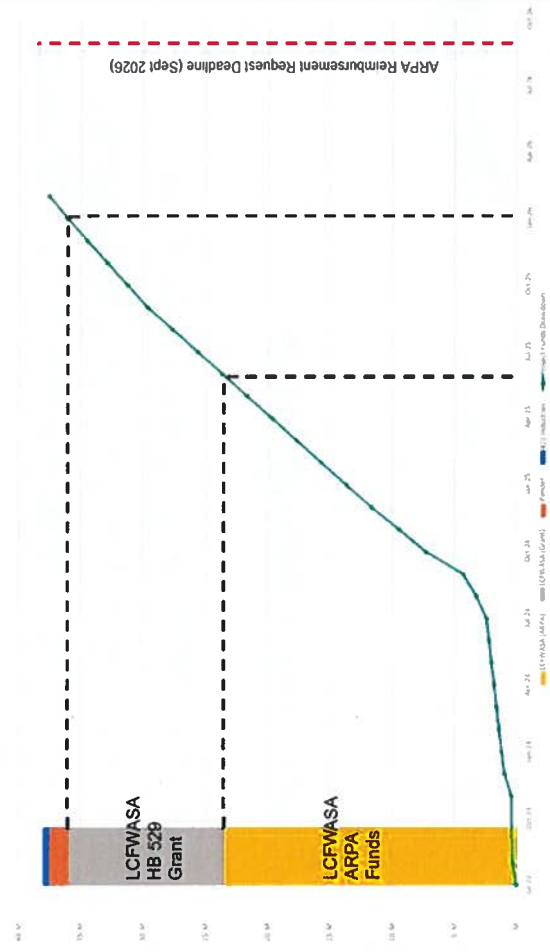
- Review of pay applications
- Submittal of pay applications to DWI to meet ARPA requirements
- Submit milestone review documents for ARPA compliance
- Funding drawdown analysis



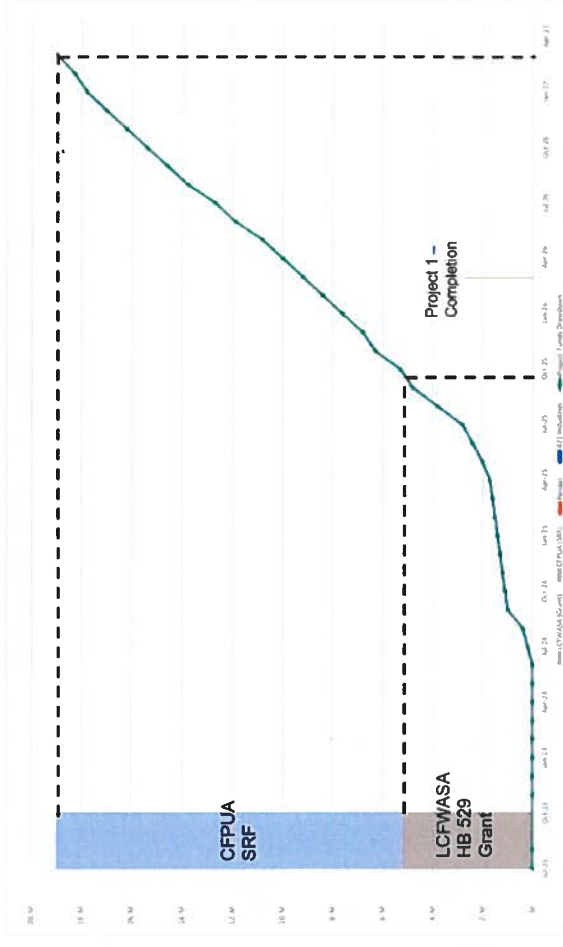
OA Support

Planning → Procurement → **Design** → Construction

Funding Drawdown
Project 1 - 7 miles without SRF



Funding Drawdown
Project 2 - 3 miles with SRF



OA Support

Planning → Procurement → **Design** → Construction

- Design Reviews and Quality Assurance
 - Preliminary Engineering Report
 - 30% Design
 - 75% Design
 - 100% Design – Segment A
 - Comment log and drawing markups
- Early work package support – Segment A and Steel Coil
- Independent cost estimating and review of DB estimates
- DB construction cost review for Segment A

Future OA Support

Planning → Procurement → Design → **Construction**

- Project Administration
- Funding Support
- 75% - 100% Design Review
- Submittals
- Inspection Services
- Pay App Review
- Support with Change Orders and RFIs
- Daily Construction Reports
- Hourly NTE

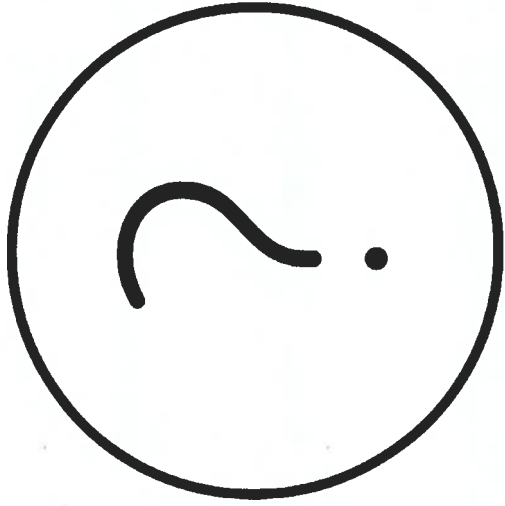
Quality Control

Phase	Responsible Party	Example Procedures
Design	Design-Builder's Engineer	<ul style="list-style-type: none"> • Independent review of deliverables • Calculation checks • Inter-discipline review • Constructability review • Resolution of QC comments
Construction	Design-Builder	<ul style="list-style-type: none"> • Construction Inspection • Special Inspections • Progress meetings • Material receipt inspection and proper handling • Materials Testing • Documentation and resolution on conformance items

Quality Assurance

Phase	Responsible Party	Example Procedures
Design	LCFWASA / OA	<ul style="list-style-type: none"> • Review of engineer's quality control plan • Design coordination meetings • QC Audits • Review of deliverables to confirm consistency with standards • Periodic calculation checks • Contractibility Review
Construction	LCFWASA / OA	<ul style="list-style-type: none"> • Construction Inspection • Progress meetings • QC Audits (shop drawings, etc) • Periodic testing using independent testing agency • Verification of non-conformance resolution • Issue and respond to RFI and/or Change Orders • Review change orders

QUESTIONS?



Jason Cook, PE, PMP
Jason.Cook@hdrinc.com

Owner Survey Results

- Survey of nine different Owner's and their OA experience
- Various delivery models (DBB/PDB/CMAR/DB Bridging)
- Identify where the most value for OA was



Survey Results...

What are the most important traits of an OA?

- ✓ Compatible with Owner staff
- ✓ Has relevant successful experience
- ✓ Consistent focus on owner input and project goals
- ✓ Helpful in reducing total workload for the owner

OA Value

Added Value of OA Services

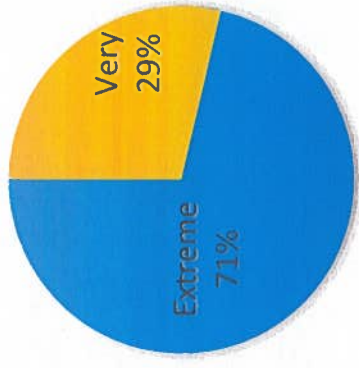


■ Disagree ■ Neutral ■ Agree ■ Strongly Agree

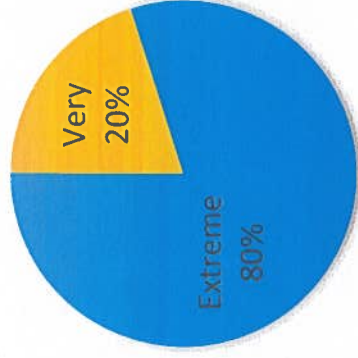
Partnering



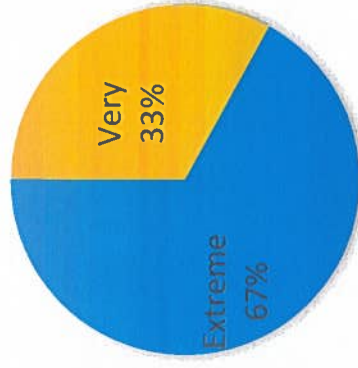
Design Review



Cost Validation



Construction Support



■ None ■ Slight ■ Moderate ■ Very ■ Extreme