



AGENDA

**Lower Cape Fear Water & Sewer Authority
1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina
9:00 a.m. – Regular Monthly Board Meeting
August 21, 2023**

MEETING CALL TO ORDER: Chairman Blanchard

INVOCATION

PLEDGE OF ALLEGIANCE

APPROVAL OF CONSENT AGENDA

- C1 - Minutes of July 10, 2023, Regular Board Meeting
- C2 - Kings Bluff Monthly Operations and Maintenance Report
- C3 - Bladen Bluffs Monthly Operations and Maintenance Reports
- C4 - Line-Item Adjustment for June 30, 2023

NEW BUSINESS

- NB1 – Presentation by Cape Fear Solar Systems Solar Proposal
- NB2 – Consider approval of the Preliminary Engineering Report for the Air backwash and Walkway.
- NB3 – Consider approval of the Partial Roof Replacement at Kings Bluff – Engineering/ Bid/ Construction Management
 - A) A Resolution of Lower Cape Fear Water & Sewer Authority Exempting Lower Cape Fear Water & Sewer Authority from The Provisions of N.C.G.S. §143-64.31
 - B) Approve the Partial Standing Seam Metal Roof Replacement Proposal

ENGINEER'S COMMENTS

ATTORNEY COMMENTS

EXECUTIVE DIRECTOR REPORT

- EDR1–Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending July 31, 2023
- EDR2–Operating Budget Status, Ending June 30, 2023
- EDR3–Summary of Activities

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

PUBLIC COMMENT

ADJOURNMENT

The next board meeting of the Lower Cape Fear Water & Sewer Authority is scheduled for Monday, September 11 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 BLANCHARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: August 21, 2023

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 July 10, 2023, Regular Board Meeting
- C2** – Kings Bluff Monthly Operations and Maintenance Report
- C3** – Bladen Bluffs Monthly Operations and Maintenance Report
- C4** – Line-Item Adjustment for June 30, 2023

Action Requested: Motion to approve/disapprove Consent Agenda.

Lower Cape Fear Water & Sewer Authority
Regular Board Meeting Minutes
July 10th, 2023

Chairman Blanchard called to order the Authority meeting scheduled on July 10^h, 2023, 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 Phillips gave the invocation.

Roll Call by Chairman Blanchard:

Present: Norwood Blanchard, Patrick DeVane, Wayne Edge, Harry Knight, Scott Phillips, Bill Saffo, Chris Smith, Bill Sue, Phil Tripp, Frank Williams, and Rob Zapple

Present by Virtual Attendance: Al Leonard, Jackie Newton, Charlie Rivenbark, and Rob Zapple

Absent: None

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

Guests Present: Glenn Walker, Brunswick County Water Resources Manager; Jordan Clark, Computer Warriors; Kenny Keel, Pender County Public Utilities Director; and John Frye, VP of The North Carolina Capital Management Trust.

Guests Virtual Attendance: Tom Hendrick, Pender County Utilities Water Treatment Plant Superintendent; Benjamin Kearns, Cape Fear Public Utility Authority Water Recourses Manager Water Treatment; John Nichols, Brunswick County Public Utilities Director; Jess Powell P.E., McKim & Creed, and Ken Waldroup, Cape Fear Public Utility Authority Executive Director

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

APPROVAL OF CONSENT AGENDA

C1 – Minutes of June 5, 2023, Regular Board Meeting

C2 – Minutes of June 5, 2023, Personnel Committee Meeting

C3 – Kings Bluff Monthly Operations and Maintenance Report

C4 - Bladen Bluffs Monthly Operations and Maintenance Reports

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

NEW BUSINESS

NB1 – Presentation by John Frye for the North Carolina Capital Management Trust

John Frye advised key points with North Carolina Capital Management Trust. Treasurer Harlan Boyles wanted a safe, liquid investment for local governments, a Local government investment pool certified by LGC, investment in the fund authorized by the General Assembly, an additional investment option allowed under North Carolina Statutes for short-term cash management needs, and same-day liquidity of funds. All participants receive the same rate of return regardless of account size, no minimum account size, no transaction fees, and competitive, market-based rates for return. NCCMT has eight hundred fifty-seven participants, with local participants from Bladen, Brunswick, Columbus, New Hanover, Pender County, and Wilmington.

NB2 – Resolution to Approve Standardization of the 4th Pump Assembly

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 is the overriding consideration. This will be the sole source exception to purchase an identical pump and VFD. The interchangeability of parts and spare parts is critical. Matt Nichols 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. Mr. Nichols expressed he feels this purchase would meet all three.

Motion: Director Phillips **MOVED**, seconded by Director Williams, the Resolution to Approve Standardization of the 4th Pump Assembly. Upon voting, the **MOTION CARRIED UNANIMOUSLY.**

ENGINEER’S COMMENTS

No comments

ATTORNEY COMMENTS

Matthew Nichols gave an update on a letter mailed to the NC Division of Energy and Mineral Land Resources regarding a mining permit application for the property on 421 in New Hanover County near the Pender County line. The Assistant State Mining Engineer for North Carolina sent a letter identifying eighteen items that the state wanted more information from the applicant.

EXECUTIVE DIRECTOR REPORT

EDR1 – Comments on Customers’ Water Usage and Raw Water Revenue for Fiscal Year to Date Ending June 30, 2023

Executive Director Holloman reported that during June 2023, CFPUA and Pender County were above projections.

DIRECTOR’S COMMENTS AND/OR FUTURE AGENDA ITEMS

August Board meeting will be held on August 21st instead of August 14th.

PUBLIC COMMENT

No comments

ADJOURNMENT

There being no further business, Chairman Blanchard adjourned the meeting at 9:33 a.m.

Respectfully Submitted:

Patrick DeVane Secretary

COUNTY OF BRUNSWICK
PUBLIC UTILITIES DEPARTMENT
Kings Bluff Pump Station



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

TO: Tim Holloman

FROM: Greg Lazorchak

DATE: 8/01/2023

SUBJECT: Monthly maintenance report for July 2023

Mr. Holloman,

The Maintenance and Operations of the King's Bluff facility for the month of July 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 / CFPVA vaults off HWY 421 were run and tested weekly and verified standby ready.

KB personnel completed all locates issued by the 811 system.

KB personnel along with I&E, successfully restored communications after lightning strike on tower.

KB personnel dug trench and installed new conduit with grounding at SCADA communications tower.

KB personnel painted bases of pumps.

KB personnel sprayed for weeds around A.R.V.'s, vaults, and blowoffs along R.O.W.

KB personnel dug trench, installed the proper airline, and attached fittings for backwashing screens at river.

KB personnel aided Power Secure in annual preventative maintenance servicing of gen #2 WS-16.

KB personnel successfully fulfilled power curtailment as per Duke Energy Request.

KB personnel aided I&E in troubleshooting and replacing the power module on VFD #1.

Contractors:

Pridgen Bros. restored air to office and VFD room.

Power Secure serviced Gen #2 for annual P.M.'s.

Pursuit Cleaning came to Kings Bluff office for bi-monthly cleaning.

LJ's Landscaping cut grass at Kings Bluff pump station.

Thank you,
Gregory Lazorchak

Smithfield®

To: Tim Holloman - LCFWASA

From: James Kern – Bladen Bluffs SWTP ORC

Date: 8/4/23

Subject: July 2023 Operations

During the month of July, Bladen Bluffs SWTP operated a total of 18 days, treating 46.42 million gallons of water.

We used:

40,668 lbs. of aluminum sulfate (Alum)

12,588 lbs. of sodium hydroxide (Caustic)

1,762 lbs. of sodium hypochlorite (3,538 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: 8/4/2023

ISSUE:

PLAN OF ACTION:

Air on finished water line (from GAC)	Installed – closer to solving issue
All PLC need updated	Getting quotes
Found small leak in lagoon liner	Contractor has inspected
Vault intrusion electrical needs sealed	Quote approved
Replacing all faded ARC Flash/safety outdoor labels	IN PROGRESS
Need new keypad/intercom system front gate	Temp. in place, IN PROGRESS for new
Install lights and camera at river	Quote approved
Few lights out on basin	Renting lift
Chlorine Pump #1 flow meter broken	Ordered new
Chlorine Pump #2 leaking around pump	Scheduling repair with OEC fluid
Meter boxed at clearwell need replacement	Replaced

Monthly Operating Reports (MORs) Summary

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

Year: 2023 PWS Name: Bladen Bluffs Water System PWSID# : NC5009012
 Month: July Facility Name: Bladen Bluff

Combined Filter Effluent (CFE) Turbidity

Samples exceeding 1 NTU (count):	<u>0</u>	Number of samples required:	<u>96</u>
Samples exceeding .3 NTU (count):	<u>0</u>	Number of samples taken:	<u>97</u>
Samples exceeding .3 NTU (pct):	<u>0.0%</u>	Highest single turbidity reading NTU:	<u>0.153</u>
		Monthly average turbidity NTU:	<u>0.075</u>

Individual Filter Effluent (IFE) Turbidity

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

Entry Point Residual Disinfectant Concentration (EPRD)

Disinfectant Used	<u>Chlorine</u>	Number of samples required	<u>96</u>
Minimum EPRD concentration	<u>0.5900</u>	Number of samples taken	<u>97</u>

Distribution Residual Disinfectant Concentration

Number of samples under 0.010 mg/L (without any detectable) excluding where HPC is \leq 500/mL	<u>0</u>
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Contact Time (CT) Ratio

Lowest CT ratio reading	<u>21.60</u>	Number of CT ratios required	<u>18</u>
Number of CT ratios below 1.0	<u>0</u>	Number of CT ratios calculated	<u>18</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 July, 2023 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: James Kern
 CERTIFICATE GRADE: A - Surface CERTIFICATE NUMBER: 120147

CONSENT AGENDA (CA4)

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 06/30/2023

Operating Fund:	Line-Item Budget Amount prior to Adjustment	Decrease	Increase	Budget Amount as of 06/30/2023
REVENUE				
EXPENSES				
4039-01 Insurance Property	\$94,301		\$5,647	\$99,948
4046-01 Attorney	\$45,000		\$695	\$45,695
4059-01 Office Expense	\$17,500		\$537	\$18,037
4064-01 Printing & Advertising	\$7,500		\$740	\$8,240
4070-01 Travel and Training	\$33,000		\$1,604	\$34,604
4501-00 Sales Tax Expense	\$100,000		\$29,704	\$129,704
4510-01 Bladen Bluffs Expenses	\$3,315,596		\$218,770	\$3,534,366
4520-01 Utilities Pump Station	\$730,336		\$6,722	\$737,058
4546-01 Series 2010 Bond Interest (BB)	\$256,998		\$193,796	\$450,794
7400-01 Operating Capital Expenses	\$2,846,069	\$458,215		\$2,387,854
Total	\$ 7,446,300	\$(458,215)	\$458,215	\$7,446,300

NEW BUSINESS (NB1)

**Lower Cape Fear Water & Sewer
Authority**

AGENDA ITEM

To: CHAIRMAN BLANCHARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: August 21, 2023

Re: LCFWASA 1.3-Megawatt Solar Generation

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

Background: The Authority is constantly looking for ways to save and innovate. This proposal outlines a potential alternative energy source for the Kings Bluff Plant. This is an initial inquiry into the opportunity for an alternative energy source. No decisions are expected currently. There is a federal incentive for the system of \$626,788. We are currently exploring other grants and anticipate asking the Board to authorize the pursuit of additional grants this Fiscal Year.

Action Requested: Informational purposes only.

CAPE FEAR SOLAR SYSTEMS

Prepared For
Lower Cape Fear Water & Sewer
Authority
(910) 383-1919

LCFWASA 1.3MW Solar Proposal

Prepared By 6/30/2023
Will Parker
(910) 777-3749
will@capefearsolarsystems.com



Cape Fear Solar Systems has been installing in Southeastern North Carolina since 2007. With NABCEP Certified Designers and Installers we have maintained a standard of excellence in over 1500 projects. The elegance and accuracy of our work is evident in every system and our customers are happy to share their experiences with you.



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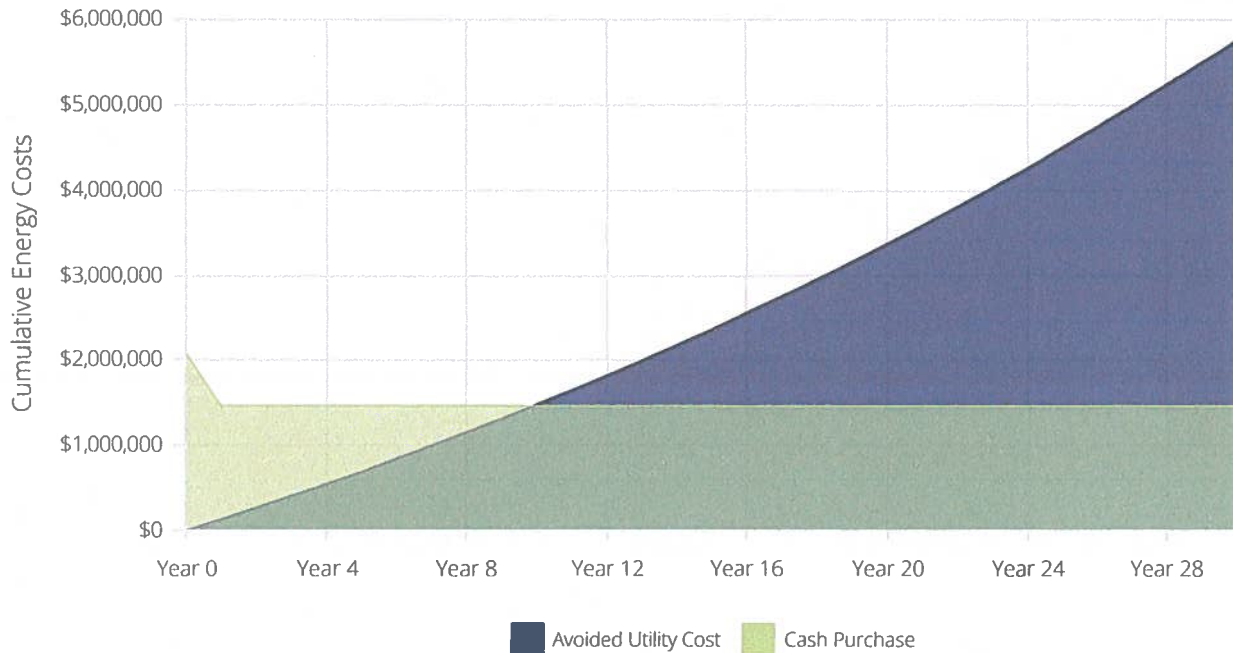
1 Project Summary

Payment Options	Cash Purchase
IRR - Term	10.2%
LCOE PV Generation	\$0.030 /kWh
Net Present Value	\$1,215,238
Payback Period	9.9 Years
Total Payments	\$2,089,293
Total Incentives	\$626,788
Net Payments	\$1,462,505
Electric Bill Savings - Term	\$5,763,003
Upfront Payment	\$2,089,293

Combined Solar PV Rating

Power Rating: 1,303,800 W-DC

Cumulative Energy Costs



2.1.1 PV System Details

General Information

Facility: Meter #1
 Address: 246 Private Rd, Riegelwood, NC, 28456

Solar PV System Rating

Power Rating: 1,303,800 W-DC
 Power Rating: 1,000,000.0 W-AC

Solar PV Equipment Description

Solar Panels: (2460) HT-SAAE HT72-18X
 Inverters: (20) SMA America STP 50-US-41

Energy Consumption Mix

Annual Energy Use: 9,575,841 kWh

Solar PV Equipment Warranty

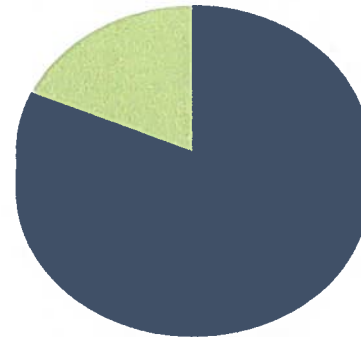
Solar Panels: 25 Years
 Inverters: 10 Years

Solar PV System Cost and Incentives

Solar PV System Cost \$2,089,293

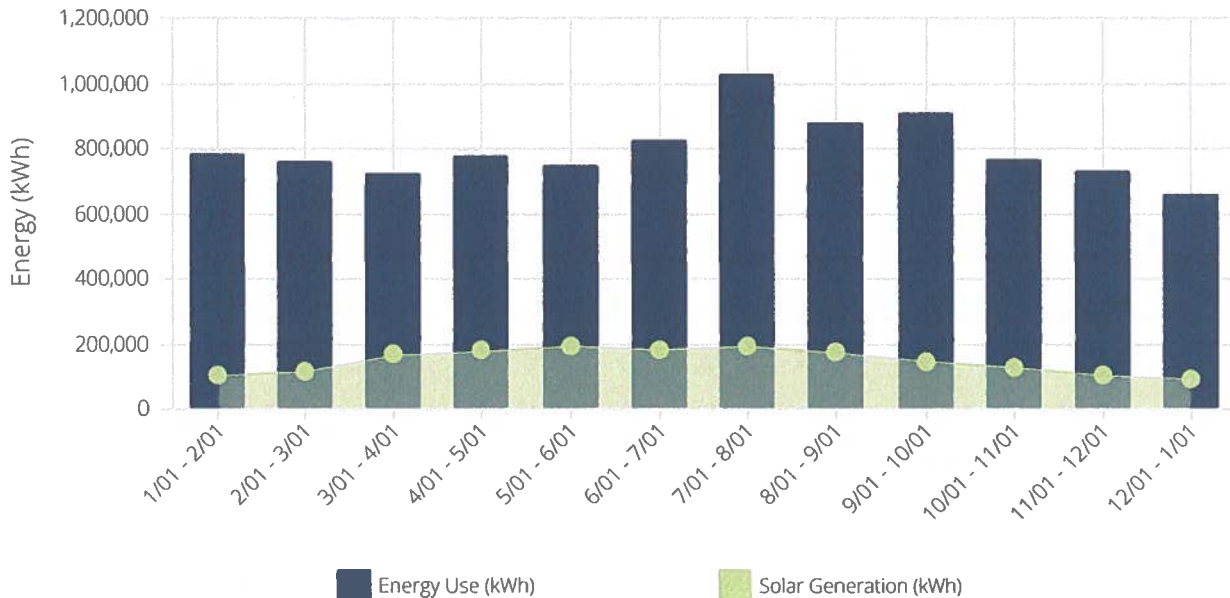
Direct pay - 30% ITC **-\$626,788**

Net Solar PV System Cost \$1,462,505



Utility 7,814,645 kWh (81.61%)
 Solar PV 1,761,196 kWh (18.39%)

Monthly Energy Use vs Solar Generation



2.1.2 Rebates and Incentives

This section summarizes all incentives available for this project. The actual rebate and incentive amounts for this project are shown in each example.

Direct Pay, Investment Tax Credit (ITC) - 30%

The Inflation Reduction Act (IRA) of 2022 contains a "direct pay" provision that enables certain tax-exempt customers, including state and local government, to receive a direct cash payment in lieu of an investment tax credit (ITC). Entities that qualify for direct pay are eligible to receive a 30% direct payment, assuming they meet the IRA established prevailing wage and apprenticeship requirements in order to qualify for the full 30% "increased rate", rather than a 6% "base rate". The IRA states that direct pay is only available for entities, including: an entity exempt from the tax, any State government (or political subdivision thereof), the Tennessee Valley Authority, an Indian tribal government, an Alaska Native Corporation, any corporation operating on a cooperative basis which is engaged in furnishing electric energy to persons in rural areas. These entities may take direct pay for solar and storage in the ITC and PTC as well as the ITC/PTC when tech neutral starts after 2025.

Total Incentive Value: \$626,788

Annual Electricity Savings: \$132,160

3.1 Cash Purchase

Assumptions and Key Financial Metrics

IRR - Term	10.2%	Net Present Value	\$1,215,238	Payback Period	9.9 Years
ROI	205.8%	PV Degradation Rate	0.50%	Discount Rate	5.0%
Energy Cost Escalation Rate	3.0%	Federal Income Tax Rate	30.0%	State Income Tax Rate	5.0%
Total Project Costs	\$2,089,293				

Years	Project Costs	Direct pay - 30% ITC	Electric Bill Savings	PV Generation (kWh)	Total Cash Flow	Cumulative Cash Flow
Upfront	-\$2,089,293	-	-	-	-\$2,089,293	-\$2,089,293
1	-	\$626,788	\$132,160	1,761,196	\$758,948	-\$1,330,345
2	-	-	\$135,444	1,752,390	\$135,444	-\$1,194,901
3	-	-	\$138,807	1,743,584	\$138,807	-\$1,056,094
4	-	-	\$142,249	1,734,778	\$142,249	-\$913,845
5	-	-	\$145,772	1,725,972	\$145,772	-\$768,073
6	-	-	\$149,380	1,717,166	\$149,380	-\$618,693
7	-	-	\$153,072	1,708,360	\$153,072	-\$465,621
8	-	-	\$156,851	1,699,554	\$156,851	-\$308,770
9	-	-	\$160,720	1,690,748	\$160,720	-\$148,050
10	-	-	\$164,679	1,681,942	\$164,679	\$16,629
11	-	-	\$168,732	1,673,136	\$168,732	\$185,360
12	-	-	\$172,879	1,664,330	\$172,879	\$358,239
13	-	-	\$177,123	1,655,524	\$177,123	\$535,362
14	-	-	\$181,466	1,646,718	\$181,466	\$716,829
15	-	-	\$185,911	1,637,912	\$185,911	\$902,739
16	-	-	\$190,459	1,629,106	\$190,459	\$1,093,198
17	-	-	\$195,112	1,620,300	\$195,112	\$1,288,310
18	-	-	\$199,873	1,611,494	\$199,873	\$1,488,183
19	-	-	\$204,744	1,602,688	\$204,744	\$1,692,927
20	-	-	\$209,728	1,593,882	\$209,728	\$1,902,655
21	-	-	\$214,826	1,585,076	\$214,826	\$2,117,481
22	-	-	\$220,042	1,576,270	\$220,042	\$2,337,523
23	-	-	\$225,377	1,567,464	\$225,377	\$2,562,900
24	-	-	\$230,834	1,558,658	\$230,834	\$2,793,734
25	-	-	\$236,416	1,549,852	\$236,416	\$3,030,150
26	-	-	\$242,125	1,541,046	\$242,125	\$3,272,275
27	-	-	\$247,963	1,532,240	\$247,963	\$3,520,238
28	-	-	\$253,934	1,523,434	\$253,934	\$3,774,172
29	-	-	\$260,041	1,514,628	\$260,041	\$4,034,213
30	-	-	\$266,285	1,505,822	\$266,285	\$4,300,498
Totals:	-\$2,089,293	\$626,788	\$5,763,003	49,005,270	\$4,300,498	-

4.1 Cash Purchase

Assumptions and Key Financial Metrics

IRR - Term	10.2%	Net Present Value	\$1,215,238	Payback Period	9.9 Years						
ROI	205.8%	PV Degradation Rate	0.50%	Discount Rate	5.0%						
Energy Cost Escalation Rate	3.0%	Federal Income Tax Rate	30.0%	State Income Tax Rate	5.0%						
Total Project Costs	\$2,089,293										
Years	1	2	3	4	5	6	7	8	9	10	11
Cash											
Project Costs	-	-	-	-	-	-	-	-	-	-	-
Direct pay - 30% ITC	\$626,788										
Electric Bill Savings	\$132,160	\$135,444	\$138,807	\$142,249	\$145,772	\$149,380	\$153,072	\$156,851	\$160,720	\$164,679	\$168,732
Cash Total	-\$2,089,293	\$135,444	\$138,807	\$142,249	\$145,772	\$149,380	\$153,072	\$156,851	\$160,720	\$164,679	\$168,732
Total Cash Flow	-\$2,089,293	\$135,444	\$138,807	\$142,249	\$145,772	\$149,380	\$153,072	\$156,851	\$160,720	\$164,679	\$168,732
Cumulative Cash Flow	-\$2,089,293	-\$1,330,345	-\$1,056,094	-\$913,845	-\$768,073	-\$618,693	-\$465,621	-\$308,770	-\$148,050	\$16,629	\$185,360

4.1 Cash Purchase

Assumptions and Key Financial Metrics

IRR - Term	10.2%	Net Present Value	\$1,215,238	Payback Period	9.9 Years							
ROI	205.8%	PV Degradation Rate	0.50%	Discount Rate	5.0%							
Energy Cost Escalation Rate	3.0%	Federal Income Tax Rate	30.0%	State Income Tax Rate	5.0%							
Total Project Costs	\$2,089,293											
Years	12	13	14	15	16	17	18	19	20	21	22	23
Cash												
Project Costs	-	-	-	-	-	-	-	-	-	-	-	-
Direct pay - 30% ITC	-	-	-	-	-	-	-	-	-	-	-	-
Electric Bill Savings	\$172,879	\$177,123	\$181,466	\$185,911	\$190,459	\$195,112	\$199,873	\$204,744	\$209,728	\$214,826	\$220,042	\$225,377
Cash Total	\$172,879	\$177,123	\$181,466	\$185,911	\$190,459	\$195,112	\$199,873	\$204,744	\$209,728	\$214,826	\$220,042	\$225,377
Total Cash Flow	\$172,879	\$177,123	\$181,466	\$185,911	\$190,459	\$195,112	\$199,873	\$204,744	\$209,728	\$214,826	\$220,042	\$225,377
Cumulative Cash Flow	\$358,239	\$535,362	\$716,829	\$902,739	\$1,093,198	\$1,288,310	\$1,488,183	\$1,692,927	\$1,902,655	\$2,117,481	\$2,337,523	\$2,562,900



Prepared By: Will Parker
 P: (910) 777-3749, E: will@capefearsolarsystems.com
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AGENDA ITEM

To: CHAIRMAN BLANCHARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: August 21, 2023

Re: Air Backwash and Access Walkway Building Preliminary Engineering Report

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

Background: On June 5th, the Board awarded the contract for engineering services associated with the Kings Bluff raw water pump station air backwash building and access walkway replacement to McKim & Creed, Inc. The Board is being presented with the cost of the first deliverable of this project for approval. The cost of the Preliminary Engineering Report is \$72,635.

To proceed, the following items are presented for consideration of approval.

Action Requested: Motion to approve.

RESOLUTION OF THE LOWER CAPE FEAR WATER AND SEWER AUTHORITY BOARD OF DIRECTORS APPROVING ENGINEERING SERVICES PROPOSAL ASSOCIATED WITH KINGS BLUFF RAW WATER PUMP STATION AIR BACKWASH BUILDING AND ACCESS WALKWAY REPLACEMENT

WHEREAS, at its June 5, 2023, Meeting, the Lower Cape Fear Water and Sewer Authority (“LCFWASA”) Board of Directors awarded the contract for engineering services associated with the Kings Bluff raw water pump station air backwash building and access walkway replacement to McKim & Creed, Inc. (the “Engineer”);

WHEREAS, the replacement of the walkway is KB-6 of the Master Planning Document approved by the Board, and the criticality of the condition of the walkway warrants an expedited replacement schedule;

WHEREAS, on August 10, 2023, the Engineer provided LCFWASA with an Engineering Services Proposal for the above-referenced engineering services setting forth the scope of work, exclusions, deliverables, project schedule and proposed fee, which includes \$37,375.00 for Geotechnical Services and \$35,260.00 for a Preliminary Engineering Report, for a total lump sum cost of \$72,635.00; and

WHEREAS, the Board wishes to approve the above-referenced Engineering Services Proposal and proposed fee.

NOW, THEREFORE, BE IT RESOLVED by the LCFWASA Board of Directors as follows:

1. The Board of Directors approves the Engineering Services Proposal dated August 10, 2023, provided by McKim & Creed, Inc. for the Existing Kings Bluff P.S. Air Backwash Building Preliminary Engineering Report – Elevated Access Walkway & Equipment Building.
2. The Board of Directors designates that the Chairman and the Executive Director are duly authorized to execute the contract for the above-referenced engineering services on behalf of LCFWASA.
3. This Resolution shall be effective upon passage.

THEREFORE, BE IT FURTHER RESOLVED, that a copy of this Resolution be recorded in the permanent minutes of this Board.

Adopted this _____ day of August 2023.

Norwood Blanchard, Chairman

ATTEST:

Patrick DeVane, Secretary



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August 10th, 2023

M&C 231192

Mr. Tim Holloman
 Executive Director
 Lower Cape Fear Water and Sewer Authority
 1107 New Pointe Boulevard, Suite 17
 Leland, NC 28451

RE: Engineering Services Proposal
 Existing Kings Bluff P.S. Air Backwash Building
 Preliminary Engineering Report – Elevated Access Walkway &
 Equipment Building

Dear Mr. Holloman:

McKim & Creed, Inc. (the “Engineer”) is pleased to submit this letter proposal for providing a Preliminary Engineering Report (PER) to evaluate various options for the design of a new approximate 800 foot long elevated walkway and air backwash equipment building at the Kings Bluff Pump Station.

Background & Project Understanding

The existing timber structure for the air backwash facilities is in need of replacement. LCF desires to construct a new walkway and building to replace the existing facilities. The new walkway and the building will be supported on elevated framing assemblies above the existing river/wetlands. Framing assemblies will span between piles or drilled shaft deep foundations embedded in the existing river/wetlands. Both the walkway and the equipment building are to be located south of the existing walkway and the 48-inch and 60-inch diameter intake lines. This report will assess various construction materials and design considerations to ensure the successful implementation of the project. Primarily the various materials to be considered will include pre-cast reinforced concrete, cast-in-place (c.i.p.) reinforced concrete, structural steel, stainless steel, and aluminum.

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Scope of Services

The Engineer will provide the Client with Preliminary Engineering Report ("PER") that will evaluate the following key design aspects of the proposed new structure:

1. Evaluation of Construction Material Options for New Deep Foundation Assemblies:

It is M&C's understanding concrete piers or piles are the preferred option. Due to expected higher fabrication and installation costs, hot-dipped galvanized steel piles will be an alternative option included in engineering and cost analyses. Note the following:

- i. Steel Piles, HP sections concrete encased where exposed and to a depth of 5' minimum below the existing river/wetlands mud line.
- ii. Drill Shaft Piers, circular c.i.p. reinforced concrete sections with steel pipe encasements if required for soil stabilization based on depth.
- iii. Precast Piles, circular or square reinforced concrete sections.

2. Evaluation of Construction Material Options for New Walkway Decking:

Similar to the deep foundations, it is M&C's understanding concrete decking is the preferred option. However due to the potential that this option could result in higher fabrication and construction costs, alternative options will include aluminum and steel grating. Timber materials will not be considered an option for decking, due to longevity/maintenance concerns discussed during the aforementioned conference call. Note the following:

- i. Precast Concrete Panels, reinforced concrete slab sections.
- ii. Combination of Aluminum Grating / Precast Concrete Panels. Assembly consists of precast concrete surrounding a central block out area for the grating.
- iii. Aluminum or Steel Grating, aluminum with a mill finish and steel grating with a hot dipped galvanized finish.

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3. Evaluation of Construction Material Options for Walkway Support Framing:

Similar to both the deep foundations and walkway decking, it is M&C's understanding concrete support framing is the preferred option. Also similar to the foundation and decking concrete options, concrete precast or c.i.p.



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concrete walkway support framing potentially could result in higher fabrication and construction costs. Hot-dipped galvanized steel beams will be an alternative option included in engineering and cost analyses. Timber materials will not be considered an option for support framing for reasons noted in the aforementioned decking section.

4. Construction Material Matrix Options for New Walkway Support Framing and Decking:

The PER will evaluate various combinations of construction materials for deep foundation, walkway support framing and decking, considering different pile types (steel, drill shaft, precast) and framing options (steel, precast and c.i.p. concrete). Reference the Construction Material Matrix Options provided in the project brief and included as an Attachment to this proposal.

5. Evaluation of Construction Material Options for New Equipment Building:

M&C will evaluate (3) alternative options for the Air Backwash equipment building. In addition to engineering considerations, constructability and expected probable construction costs will be considered. The building assemblies to be evaluated include the following:

- i. Precast Concrete.
- ii. Timber 2x Framed Stick Built Structure.
- iii. Prefabricated Aluminum.

6. Evaluation of Construction Material Options for New Handrail:

M&C will evaluate (2) options for the elevated walkway handrail, guardrail and post assemblies. Assemblies will be side mounted connections to the walkway support framing and include toe plates and easily removable similarly sized sections. The walkway rail and post assemblies options include the following:

- i. Aluminum.
- ii. Stainless Steel.

7. Geotechnical Scope of Work:

Boring work and deep foundations for new piles and/or piers will be carried out as per the scope of work coordinated by M&C with the Geotechnical Engineering subconsultant. The following summarized the scope of work:

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- i. Perform Standard Penetration Test (SPT) borings using a marsh buggy to gain access. Perform four (4) Standard Penetration Test (SPT) borings to a target depth of 50 feet each. Borings will be advanced to the target depth or until significant water loss occurs in the underlying geological formation or 50 blow per 1 inch material is encountered, whichever occurs first.
- ii. Perform laboratory testing on selected representative samples.
- iii. Provide geotechnical report based on findings

8. Design Considerations to be included in the PER:

Design of the elevated walkway and equipment building options to be in conformance with the current edition of the North Carolina Building Code (2018 edition) regarding loads and load combinations. Regarding the code, in addition to the various material dead loads, design shall incorporate applicable live, flood, snow, wind and seismic loads. In addition to the aforementioned loads, the PER will address the following design considerations:

- i. Raise the new top of decking elevation of the elevated walkway structure 4-6' above the existing decking elevation to ensure resilience against potential waterline fluctuations.
- ii. Design a ramp to enable easy access for gator/golf cart type vehicles from the rear of the pump station building to the walkway without steps/stairs.
- iii. Construction of a single building for the air backwash tank with two tanks, one for each screen, utilizing the same components where possible.
- iv. The report will investigate the feasibility of utilizing the existing tank or the need for a new tank.
- v. Assessment of alternative brands for improved equipment satisfaction.
- vi. Consideration of electric operator vs. pneumatic operator for enhanced operational efficiency.

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Exclusions

Our scope of services does not include the following:



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1. Non-destructive testing of existing piles requiring investigation or material testing, that includes coring or sampling, x-ray, sonar or ground penetrating radar, or dye penetrant. In the event such testing is warranted an amendment to the proposal will be provided to the Client subject for approval.
2. Testing of existing anchor bolt, connection bolt, or welded material capacities.
3. Load testing to verify existing assembly deflections or material stresses.
4. Geotechnical engineering services not mentioned in the scope above.

Deliverables

Our project deliverables to the Client will include the following:

- i. Evaluation of construction material options and matrices for deep foundation pilings/piers, walkway decking, support framing and rail assemblies and the equipment building.
- ii. Summary of the geotechnical investigations and recommendations for new piles/piers.
- iii. Comments addressing design considerations regarding project requirements and owner preferences.
- iv. Conceptual 11x17 and/or 8 ½ x 11 drawings illustrating proposed designs prepared in AutoCAD format.
- v. Engineer's opinion of construction cost estimates for the various material options and the material matrices for the deep foundations, walkway decking, support framing and rail assemblies, and the equipment building.

Project Schedule

The proposed project schedule consists of the following:

1. The geotechnical services will be completed eight weeks from M&C's receipt of the "Notice to Proceed."
2. The review copy of the final draft of the PER to be provided twelve weeks from M&C's receipt of the "Notice to Proceed."
3. The "Final" draft of the PER to be provided two weeks from M&C's receipt of all comments from the review copy.

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Fee

The Engineer proposes to perform the scope of work for a lump sum cost as outlined in the table below:

Task	Fee
Geotechnical Services	\$37,375
Preliminary Engineering Report	\$35,260
Total	\$72,635

Acceptance

If acceptable, sign and return (1) copy of this document and all attachments for our files. Our receipt of the executed copy of this proposal will serve as our Notice to Proceed. This proposal is valid for thirty (30) days from the date of the proposal.

McKim & Creed looks forward to working with you on this project.

Sincerely,

McKIM & CREED, INC.

Jesse Powell, P.E.
Sr. Project Engineer

Attachments: M&C General Conditions

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Accepted by:

LOWER CAPE FEAR WATER & SEWER AUTHORITY

NAME: Norwood Blanchard

SIGNATURE: _____

TITLE: Chairman, Board of Directors

DATE: _____

E-Verify Requirement. As a condition of payment for services rendered under this agreement, Engineer shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (requirement that employers use E-Verify). Further, if Engineer provides the services to the Client utilizing a subcontractor, Engineer shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes as well. Engineer shall verify by affidavit compliance with the terms of this section upon request of Client.

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act, this the ____ day of _____, 2023

Finance Officer, Lower Cape Fear Water and Sewer Authority

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Billing and Payment. Invoices will be submitted by McKim & Creed, Inc. (the "Engineer") to the Client monthly for services performed and expenses incurred pursuant to this Agreement. Payment of each such invoice will be due upon receipt and considered past due if not paid within thirty (30) days of the date of the invoice. Any retainers shall be credited on the final invoice.

a) Interest. A service charge will be added to delinquent accounts at 18 percent per annum (1.5 percent per month).

b) Suspension of Services. If the Client fails to make any payment due the Engineer for services and expenses within thirty (30) days of the invoice date on the project(s) covered by this agreement or any other project(s) being performed by Engineer for Client, the Engineer may suspend services under this Agreement until it has been paid in full for all past due amounts owed by Client for services and expenses. The Engineer shall have no liability whatsoever to the Client for any costs or damages occurring as a result of such suspension caused by any such breach of this Agreement by Client.

c) Collection Costs. In the event legal action is necessary to enforce the payment provisions of this Agreement, the Engineer shall be entitled to collect from the Client any judgment or settlement sums due, reasonable attorneys' fees, court costs.

d) Termination Of Services. The failure of the Client to make payment to the Engineer in accordance with the payment terms set forth herein shall constitute a material breach of this Agreement and shall entitle the Engineer, at its option, to terminate the Agreement. Any material breach of this Agreement by the Client shall, at the Engineer's option and in its sole discretion, constitute a breach of and default under any and/or all other agreements between the Client and Engineer.

Confidentiality. The Engineer agrees to keep confidential and not to disclose to any person or entity, other than the Engineer's employees, sub-consultants and the general contractor and subcontractors, if appropriate, any data and information not previously known to and generated by the Engineer or furnished to the Engineer and marked CONFIDENTIAL by the Client. These provisions shall not apply to information in whatever form that comes into the public domain, nor shall it restrict the Engineer from giving notices required by law or complying with an order to provide information or data when such order is issued by a court, administrative agency or other authority with proper jurisdiction, or if it is reasonably necessary for the Engineer to defend itself from any suit or claim.

~~The Client agrees that the technical methods, techniques and pricing information contained in any proposal submitted by the Engineer pertaining to this project or in this Agreement or any addendum thereto, are to be considered confidential and proprietary, and shall not be released or otherwise made available to any third party without the express written consent of the Engineer.~~

Consequential Damages. Notwithstanding any other provision of the Agreement, neither party shall be liable to the other for any consequential damages incurred due to the fault of the other party, regardless of the nature of the fault or whether it was committed by the Client or the Engineer, their employees, agents, sub-consultants or subcontractors. Consequential damages include, but are not limited to, loss of use and lost profit.

Non-Contingency. The Client acknowledges and agrees that the payment for services rendered and expenses incurred by the Engineer pursuant to this Agreement is not subject to any contingency unless the same is expressly set forth in this Agreement. Payments to the Engineer shall not be withheld, postponed or made contingent on the financing, construction, completion or success of the project or upon receipt by the Client of offsetting reimbursement or credit from other parties causing Additional Services or expenses. No withholdings, deductions or offsets shall be made from the Engineer's compensation for any reason.

Opinions of Cost.

(a) Since the Engineer has no control over the cost of labor, materials, equipment or services furnished by others, or over methods of determining prices, or over competitive bidding or market conditions, any and all opinions as to costs rendered hereunder, including but not limited to opinions as to the costs of construction and materials, are estimates only and shall be made on the basis of its experience and qualifications and represent its best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but the Engineer cannot and does not guarantee that proposals, bids or actual costs will not vary from opinions of probable cost prepared by it and the Engineer shall have no liability whatsoever if the actual cost differs from the Engineers estimate. If at any time the Client wishes greater assurance as to the amount of any cost, Client shall employ an independent cost estimator to make such determination. Engineering services required to bring costs within any limitation established by the Client will be paid for as additional services hereunder by the Client.

Termination. The obligation to provide further services under this Agreement may be terminated by either party upon seven (7) days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. In the event of any termination, the Engineer shall provide a final statement of charges due and will be paid for all services rendered to the date of termination, all expenses subject to reimbursement hereunder, and other reasonable expenses incurred by the Engineer as a result of such termination. In the event the Engineer's compensation under this Agreement is a fixed fee, upon such termination the amount payable to the Engineer for services rendered will be determined using a proportional amount of the total fee based on a ratio of the amount of the work done, as reasonably determined by the Engineer, to the total amount of work which was to have been performed, less prior partial payments, if any, which have been made.

Reuse of Documents. All documents, including but not limited to drawings and specifications, prepared by the Engineer pursuant to this Agreement are related exclusively to the services described herein. They are not intended or represented to be suitable for reuse by the Client or others on extensions of this project or on any other project. Any reuse without written verification or adaptation by the Engineer for specific purposes intended will be at the Client's sole risk and without liability or legal exposure to the Engineer. The Client releases the Engineer harmless from all claims that the Client may have against the Engineer and arising out of any unauthorized reuse.

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Limitation of Liability. In performing its professional services hereunder, the Engineer will use that degree of care and skill ordinarily exercised, under similar circumstances, by reputable members of its profession practicing in the same or similar locality. No other warranty, express or implied, is made or intended by the Engineer's undertaking herein or its performance of services hereunder. THE CLIENT UNDERSTANDS AND AGREES THAT THE ENGINEER HAS NOT MADE AND IS NOT MAKING ANY PROMISE, WARRANTY OR REPRESENTATION EXCEPT THE WARRANTIES EXPRESSLY MADE HEREIN, AND THE ENGINEER EXPRESSLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER IMPLIED WARRANTIES. Under no circumstances shall the Engineer be liable for extra costs or other consequences due to changed conditions or for costs related to the failure of the contractor or material men to install work in accordance with the plans and specifications. The Engineer shall not be liable for ~~errors in judgment~~ or for any loss or damage, which occurs for any reason beyond the control of the Engineer. ~~No action may be instituted hereunder more than one year after the cause of action accrued or should have been discovered by reasonable diligence.~~ The provisions of this paragraph shall survive the termination of this Agreement.

Controlling Law. This Agreement is to be governed by the law of the State of North Carolina. ~~The parties agree that any suit or action related to this Agreement shall be instituted and prosecuted in the courts of the County of Wake, State of North Carolina, and each party waives any right or defense relating to such jurisdiction or venue.~~

Binding Effect. This Agreement shall bind, and the benefits thereof shall inure to the respective parties hereto, their legal representatives, executors, administrators, successors and permitted assigns.

Merger; Amendment. This Agreement constitutes the entire agreement between the Engineer and the Client with respect to its subject matter, and all negotiations and oral understandings between the parties are merged herein. This Agreement can be supplemented and/or amended only by a written document executed by both the Engineer and the Client.

Ownership Of Instruments Of Service. All reports, plans, specifications, field data, notes and other documents, including all documents on electronic media, prepared by the Engineer as instruments of service shall become the property of the Owner. The Owner shall retain all common law, statutory and other reserved rights, including the copyright thereto. If the Owner uses any reports, plans, specification, field data, notes or other documents ("documents") for any project other than the specific project for which the documents were intended, then Owner waives any claims for damages related to these other projects.

Photographs. Photographs of any completed project embodying the services of the Engineer provided hereunder may be made by the Engineer and shall be considered as its property, and may be used by it for publication.

Assignment. Neither party to this Agreement shall transfer, sublet or assign any rights under or interest in this Agreement, including but not limited to fees that are due or fees that may be due, without the prior written consent of the other party.

Archiving of Project Documentation. Engineer shall maintain copies of printed project documentation for a period of three years from substantial completion of Engineer's services. Engineer shall maintain copies of all electronic media related to the project for a period of one year from substantial completion of Engineer's services. Requests for reproduction of project documentation after these periods have expired will be considered additional services and will be invoiced at the Engineer's prevailing hourly rates at the time of the request, plus expenses.

Betterment. If, due to the Engineer's error, any required item or component of the project is omitted from the Engineer's construction documents, the Engineer shall not be responsible for paying the cost to add such item or component to the extent that such item or component would have been otherwise necessary to the project or otherwise adds value or betterment to the project. In no event will the Engineer be responsible for any cost or expense that provides betterment, upgrade or enhancement of the project.

Electronic Files. Because data stored on electronic media can deteriorate undetected or be modified without the Engineer's knowledge, the Client agrees that it will accept responsibility for the completeness, correctness, or readability of any electronic media delivered to the Client after an acceptance period of 30 days after delivery of the electronic files, and that upon the expiration of this acceptance period, Client will release, indemnify and save harmless the Engineer from any and all claims, losses, costs, damages, awards or judgments arising from use of the electronic media files or output generated from them. The Engineer agrees that it is responsible only for the printed and sealed drawings and documents, and if there is a conflict between these printed documents and the electronic media, the sealed documents will govern. Engineer makes no warranties, express or implied, under this agreement or otherwise, in connection with the Engineer's delivery of electronic files.

Certifications, Guarantees and Warranties. The Engineer shall not be required to sign any documents, no matter by whom they may be requested, that would result in the Engineer's having to certify, guarantee or warrant the existence of conditions which the Engineer cannot ascertain. The Client also agrees that it has no right to make the resolution of any dispute with the Engineer or the payment of any amounts due to the Engineer in any way contingent upon the Engineer's signing any such certification.

Corporate Protection. It is intended by the parties to this Agreement that the Engineer's services in connection with the project shall not subject the Engineer's individual employees, officers or directors to any personal legal exposure for the risks associated with this project. Therefore, and notwithstanding anything to the contrary contained herein, the Client agrees that as the Client's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against the Engineer, a North Carolina corporation, and not against any of the Engineer's employees, shareholders, officers or directors.

Job-Site Safety. Neither the professional activities of the Engineer, nor the presence of the Engineer or its employees and sub-consultants at a construction site, shall relieve the General Contractor and any other entity of their obligations, duties and responsibilities including, but not limited to, construction means, methods, sequence, techniques or procedures necessary for performing, superintending or coordinating all portions of the Work of construction in accordance with the contract documents and any health or safety precautions required by any regulatory

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agencies. The Engineer and its personnel have no authority to exercise any control over any construction contractor or other entity or their employees in connection with their work or any health or safety precautions. The Client agrees that the General Contractor is solely responsible for job-site safety, and warrants that this intent shall be made evident in the Client's agreement with the General Contractor. ~~The Client also agrees that the Client, the Engineer and the Engineer's consultants shall be indemnified and shall be made additional insured under the General Contractor's general liability insurance policy.~~ The Client, upon written request of the Engineer, agrees to use its best efforts to add the Engineer as an additional insured on the contractor's general liability and auto liability policies.

Scope of Services. Services not set forth as Basic Services or Additional Services and listed in this Agreement are excluded from the scope of the Engineer's services and the Engineer assumes no responsibility to perform such services.

Severability And Survival. Any provision of this Agreement later held to be unenforceable for any reason shall be deemed void, and all remaining provisions shall continue in full force and effect. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between the Client and the Engineer shall survive the completion of the services hereunder and the termination of this Agreement.

Shop Drawing Review. If included in the scope of services to be provided, the Engineer shall review and approve Contractor submittals, such as shop drawings, product data, samples and other data, as required by the Engineer, but only for the limited purpose of checking for conformance with the design concept and the information expressed in the contract documents. This review shall not include review of the accuracy or completeness of details, such as quantities, dimensions, weights or gauges, fabrication processes, construction means or methods, coordination of the work with other trades or construction safety precautions, all of which are the sole responsibility of the Contractor. The Engineer's review shall be conducted with reasonable promptness while allowing sufficient time in the Engineer's judgment to permit adequate review. Review of a specific item shall not indicate that the Engineer has reviewed the entire assembly of which the item is a component. The Engineer shall not be responsible for any deviations from the contract documents not brought to the attention of the Engineer in writing by the Contractor and approved by the Engineer. The Engineer shall not be required to review partial submissions or those for which submissions of correlated items have not been received.

Specification Of Materials. The Client understands and agrees that products or building materials, which are permissible under current building codes or ordinances may, at some future date, be banned or limited in use in the construction industry because of presently unknown hazardous characteristics. The Client agrees that if the Client directs the Engineer to specify any product or material, after the Engineer has informed the Client that such product or material may not be suitable or may embody characteristics that are suspected of causing or may cause the product or material to be considered a hazardous substance in the future, the Client waives all claims as a result thereof against the Engineer. ~~The Client further agrees that if any product or material specified for this project by the Engineer shall, at any future date be suspected or discovered to be a health or safety hazard, the Client hereby releases the Engineer from any and all~~

~~liabilities and waives all claims against the Engineer relating thereto.~~

Standard Of Care. Services provided by the Engineer under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances in the same geographic area.

Suspension Of Services. If the project is suspended for more than thirty (30) calendar days in the aggregate, the Engineer shall be compensated for services performed and charges incurred prior to such suspension and, upon resumption of services, the Engineer shall be entitled to an equitable adjustment in fees to accommodate the resulting demobilization and re-mobilization costs. In addition, there shall be an equitable adjustment in the project schedule based on the delay caused by the suspension. If the project is suspended for more than ninety (90) calendar days in the aggregate, the Engineer may, at its option, terminate this Agreement upon giving notice in writing to the Client.

Unauthorized Changes To Documents. In the event the Client consents to, allows, authorizes or approves of changes to any plans, specifications, construction documents or electronic media, and these changes are not approved in writing by the Engineer, the Client recognizes that such changes and the results thereof are not the responsibility of the Engineer. Therefore, the Client releases the Engineer from any liability arising from the construction, use or result of such changes. ~~In addition, the Client agrees, to the fullest extent permitted by law, to indemnify and hold the Engineer harmless from any damage, liability or cost (including reasonable attorneys' fees and costs of defense) arising from such changes.~~

Compensation for Additional Services. The undertaking of the Engineer to perform professional services under this Agreement extends only to those services specifically described herein. If upon the request of the Client, the Engineer agrees to perform additional services hereunder, the Client and the Engineer shall negotiate and agree upon an additional fee to be paid to the Engineer for completion of the agreed upon Additional Services. The Engineer will be under no obligation to begin or complete requested Additional Services until the additional fee has been negotiated and agreed upon in writing by the Client and the Engineer.

Hourly Billing Rates. All services to be billed on an hourly basis under this agreement will be billed using the Engineer's prevailing billing rate schedule at the time services are provided. If a specific rate schedule is to be used for this Agreement, it shall expire no later than one year from the date of this Agreement and will be replaced with the prevailing rate schedule in effect at that time.

Priority Over Form Agreements. The parties agree that the provisions of this Agreement shall control and govern over any Work Orders, Purchase Orders or other documents, which the Client may issue to Engineer in regard to the project(s) which is (are) the subject of this Agreement. The Client may issue such documents to Engineer for its convenience for accounting or other purposes, but any such Orders will not alter the terms of this Agreement, regardless of any contrary language appearing therein.

McKim & Creed, Inc.
Engineering Division
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Paragraph Headings. The paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Third Parties. Nothing in this Agreement shall be construed as giving any person, firm, corporation or other entity other than the parties to this Agreement and their respective successors and permitted assigns, any right, remedy or claim under or in respect of this Agreement or any of its provisions.

Default. The Client shall be in default under this Agreement if (i) it fails to pay in full any invoice from the Engineer on the due date or fails to make any other payment due to the Engineer under this Agreement, (ii) it fails to observe or perform any other term, condition or covenant under this Agreement, (iii) it breaches any warranty or representation made under this Agreement, (iv) it dissolves, terminates or liquidates its business, or its business fails or its legal existence is terminated or suspended, (v) any voluntary or involuntary bankruptcy, reorganization, insolvency, receivership, or other similar proceeding is commenced by or against the Client, or (vi) it becomes insolvent, makes an assignment for the benefit of creditors, or conveys substantially all of its assets.

Design Without Construction Phase Services. If the services to be provided by Engineer hereunder do not include construction observation and/or construction administration services, or if such services are included in Engineers contracted services and Client later decides to perform these services itself or decides to retain other consultants or individuals to perform these services, Engineer assumes no responsibility for interpretations of the Engineer's services or for any construction observation, construction administration and/or supervision performed by Client or other parties and Client waives any and all claims against Engineer for any losses, claims, costs or damages of any kind whatsoever that may be in any way connected thereto.

~~In addition Client agrees, to the fullest extent permitted by law, to indemnify and hold Engineer harmless from any loss, claim, damage or cost, including reasonable attorneys' fees and costs of defense, arising or resulting from the performance of construction observation, construction administration and/or supervision by Client, its employees, agents or consultants, and including any and all claims arising from the modification or adjustment of, or any clarifications or interpretations of, the Engineer's Work by others.~~

~~Unless, in the Engineer's sole opinion, appropriate levels of construction observation and construction administration services are contracted for and performed by Engineer, Engineer will not be responsible to provide any engineering or other certifications related to the construction or installation of any improvements.~~

Reliance on Data Provided by Others. Engineer shall be entitled to reasonably rely on the accuracy of information provided to it by Client or any of Client's other consultants or sub-consultants. Engineer shall not be responsible to extensively review the information provided to insure the accuracy thereof. Client agrees to not hold Engineer responsible for errors or omissions in Engineer's work that are directly attributable to errors or incorrect data provided to Engineer by Client or Client's other consultants. Client further acknowledges that any redesign or corrective efforts required by Engineer resulting from incorrect information provided by Client or Client's other consultants will be paid for by the Client as additional services.

Credit and Financial Obligations. Prior to commencement of the work, Engineer may require that Client provide reasonable credit information and other documentation to confirm that the Client has made financial arrangements to fulfill the Client's payment obligations under this Agreement. Engineer may also require such information at any time during the performance of Engineer's services should the Client fail to make payments per this Agreement, a change in the scope materially changes the contract sum, or Engineer identifies in writing a reasonable concern regarding the Client's ability to make payment when payment is due. The Client may be required to furnish this information prior to further commencement or continuation of services by Engineer and Engineer shall not be responsible for the cost of any delay occurring as a result of such a request.

Markup on Expenses. Unless specified otherwise in our proposal, all sub consultant costs and other project related costs incurred by Engineer will be billed with a 15% markup. Company vehicle mileage and internal reproduction costs will be billed at the Engineer's prevailing rate for those items. Personal vehicle mileage costs incurred on the project by employees of Engineer will be billed at the prevailing IRS mileage rate in effect at the time of travel.

SUE Technical Standards. Quality Level A information obtained by direct exposure of the existing utilities can greatly increase the level of confidence with respect to the location of underground utilities at a particular jobsite. Utility exposure (Quality Level A) permits three-dimensional measurements to be taken on utilities for accurate location at each test hole. The overall level of confidence with respect to the location of site utilities can be raised by increasing the number of test holes examined; however, Engineer provides no guarantee of the location of utilities on the site other than at the locations where test holes have been established.

Quality Level B services include the horizontal, above ground detection, marking and mapping of underground utilities. Geophysical prospecting methods are used to indicate the presence and surface position of buried utilities. Utilities are identified and marked in the field in order to be surveyed and mapped. Quality Level B information should not be used for construction purposes, or where exact horizontal and vertical measurements are required.

The accuracy of Quality Level B designating information and depth of cover readings obtained by utilizing Geophysical and Ground Penetrating Radar equipment and techniques are subject to field and soil conditions beyond our control. Engineer will make reasonable efforts to provide comprehensive and correct positional utility marks to the limits obtainable by the instrumentation used and the existing ground conditions; however, Engineer provides no guarantee that all existing utilities on a particular site will be properly located using these methods.

Utilizing Engineer's SUE services does not relieve any party from their obligation to contact the utility damage prevention system before digging begins. Utility marks placed on the ground by Engineer are not to be used for construction purposes.

**McKim & Creed, Inc.
Engineering Division
General Conditions
(01/2011-1)**

INSURANCE. Engineer shall take out and maintain during the life of this Contract the following insurance:

- a. Statutory Workers Compensation insurance;
- b. Comprehensive General Liability insurance in an amount of \$1,000,000.00 for each occurrence and \$2,000,000.00 aggregate;
- c. Automobile Insurance in an amount of \$1,000,000.00

Client shall be named as an additional insured on the Comprehensive General Liability and Automobile insurance policies. Prior to commencing work, Engineer shall provide evidence that the required insurance is in place. Each policy shall provide that Client shall receive not less than thirty days prior written notice of any cancellation, non-renewal or reduction of coverage of any of the policies.

AGENDA ITEM

To: CHAIRMAN BLANCHARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: August 21, 2023

Re: Partial Roof Replacement for Kings Bluff

- A) A Resolution of Lower Cape Fear Water & Sewer Authority Exempting Lower Cape Fear Water & Sewer Authority from The Provisions of N.C.G.S. §143-64.31
- B) Approve the Partial Standing Seam Metal Roof Replacement Proposal

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

Background: The existing section of Kings Bluff's metal roof is in poor condition after almost 40 years. The Executive Director began soliciting bids for replacement. Still, the scope of work needed to be uniform among the bidders, and questions of structural integrity were varied to the point of needing more precise engineering specifications for removal and replacement.

The Authority consulted with McKim and Creed, and they are presenting a proposal for the design and construction administration. In addition to considering approval of the proposal, the Board will also need to adopt a resolution waiving the Mini Brooks Act to approve acceptance without additional advertising. The total bid is \$17,000.

- A) A Resolution of Lower Cape Fear Water & Sewer Authority Exempting Lower Cape Fear Water & Sewer Authority from The Provisions of N.C.G.S. §143-64.31
- B) Approve the Partial Standing Seam Metal Roof Replacement Proposal

Action Requested: Motion to approve.

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

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

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

WHEREAS, LCFWASA proposes to enter into a contract with McKim & Creed, Inc. (the “Engineer”) for engineering services related to the partial replacement of the existing roof at the Kings Bluff Pump Station, as more fully set forth in an Engineering Services Proposal, Existing Kings Bluff Pump Station Partial Standing Seam Metal Roof Replacement dated August 10, 2023 (the “Proposal”);

WHEREAS, the estimated professional fee for the work to be performed by Engineer in connection with the above-referenced project is less than \$50,000.00;

WHEREAS, under the Proposal, Engineer will provide LCFWASA with a Bid Package of construction documents consisting of construction drawings and specifications to allow LCFWASA to solicit public bids from prospective building contractors qualified to perform the work. The construction documents will be based upon partial roof replacement of the original construction;

WHEREAS, as more fully set forth in the Proposal, the Engineer shall provide LCFWASA with a preliminary set of “Final Design – Not Released for Construction” drawings and specifications for review, followed by the “Issued for Bid – Released for Construction” drawings and specifications incorporating LCFWASA’s comments from the preliminary review;

WHEREAS, in addition to issuing a Bid Package the Engineer will provide construction administration services to LCFWASA in the form of shop drawing reviews of contractor submittals, responses to contractor requests for information, and three site visits during construction;

WHEREAS, the Engineer shall perform the Bid Package work for a lump sum cost not to exceed twelve thousand dollars (\$12,000.00) and construction administration work shall be performed for a lump sum cost not to exceed five thousand dollars (\$5,000.00); and

WHEREAS, the LCFWASA Board, by its approval of this Resolution, intends to exempt the above-referenced Proposal for engineering services from the requirements of N.C.G.S. § 143-64.31.

NOW, THEREFORE, BE IT RESOLVED by the LCFWASA Board of Directors as follows:

1. Based upon the foregoing, pursuant to N.C.G.S. § 143-64.32, the Board of Directors hereby resolves that the above-referenced McKim & Creed, Inc. Engineering Services Proposal dated August 10,

2023, for the Existing Kings Bluff Pump Station Partial Standing Seam Metal Roof Replacement is hereby made exempt from the provisions of N.C.G.S. § 143-64.31.

2. The Board of Directors designates that the Chairman and the Executive Director are duly authorized to execute the contract with Engineer for the above-referenced engineering services on behalf of LCFWASA.

3. This Resolution shall be effective upon passage.

THEREFORE, BE IT FURTHER RESOLVED, that a copy of this Resolution be recorded in the permanent minutes of this Board.

Adopted this _____ day of August 2023.

Norwood Blanchard, Chairman

ATTEST:

Patrick DeVane, Secretary



ENGINEERS

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August 10, 2023

M&C 232914

Mr. Tim Holloman
 Executive Director
 Lower Cape Fear Water and Sewer Authority
 1107 New Pointe Boulevard, Suite 17
 Leland, NC 28451

RE: Engineering Services Proposal
 Existing Kings Bluff Pump Station
 Partial Standing Seam Metal Roof Replacement

Dear Mr. Holloman:

As per your July 5, 2023 request, McKim & Creed, Inc. (the "Engineer") is pleased to submit this proposal to the Lower Cape Fear Water and Sewer Authority (the "Client"), to provide a Bid Package and limited construction phase services for partial replacement of the existing roof at the Kings Bluff Pump Station.

Background

The existing Raw Water Pump Station building is an "L"-shaped single story combination masonry structural steel assembly with the long leg of the "L" in an approximate east / west orientation and the shorter approximate north / south leg at the west end of the long leg. The current building was constructed in (2) separate phases. Record drawings reviewed for the original construction were dated October 1981. Record drawings reviewed for the expansion phase were dated July 2009. Original construction consisted of the east end of the long leg of the "L"-shape and houses the original Pump Room, Control Room, Mechanical Room and a single toilet Restroom.

Scope of Services

The Engineer will provide the Client with a Bid Package of construction documents consisting of construction drawings and specifications to allow the Client to solicit public bids from prospective building contractors qualified to perform the work. The construction documents will be based upon partial roof replacement of the original construction. The existing roof is a standing seam metal panel ridge roof assembly with a high roof section over the original Pump

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Room and a low roof section over the original Control, Mechanical and Rest rooms. Record drawings reviewed indicated the high and low roof sections comprise an area approximately 65'-6" x 39'-8".

Regarding the Bid Package construction documents, note the following:

1. Drawings to include a demolition plan of the existing roof area.
2. Drawings to include an existing roof framing plan to include the new roofing standing seam metal panels system information and if required modifications to the steel support framing.
3. Drawings to include sections and details for the requirements of the roof system at the roof ridge, eave, rake and joint with the expansion phase roofing.
4. Drawings will be 24" x 36" Arch D sized drawings produced in AutoCAD format. Electronic files of the design drawings can be provided to the Client at the completion of the project upon request.

In addition to issuing a Bid Package the Engineer will provide construction administration services in the form of shop drawing reviews of contractor submittals, responses to contractor requests for information and three site visits during construction.

Clarifications

Note the following items:

1. It is not anticipated the partial roof replacement will require modifications to the existing foundation, Wet Well or Pipe Gallery assemblies below the at grade floor elevation of the original construction.
2. Drawings will be prepared utilizing information from the existing drawings from the original construction and the expansion.
3. Prior to production of the construction documents the Engineer will conduct a site visit to verify record drawing information.

Design Loads

The design loads shall be included in the construction drawings issued. The existing roof framing shall be analyzed based upon applicable loads and load cases in conformance with the current edition of the North Carolina State Building Code. Design loads to be utilized includes the following:

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1. Roof system, support framing and interior suspended systems for ceiling, electrical and lighting, and HVAC assembly material dead loads.
2. Roof live loads.
3. Snow loads.
4. Wind loads.
5. Seismic loads.

Exclusions

Our scope of services does not include the following:

1. Non-destructive testing of existing concrete, masonry or steel requiring investigation or material testing, that includes coring or sampling, x-ray, sonar or ground penetrating radar, or dye penetrant. In the event such testing is warranted an amendment to the proposal will be provided to the Client subject for approval.
2. Testing of existing anchor bolt, connection bolt, or welded material capacities.
3. Testing of existing material for chemical composition or material grades.
4. Load testing to verify existing assembly deflections or material stresses.
5. Geotechnical engineering services.
6. Engineer's opinion of construction costs.
7. Record drawings after construction.

Deliverables

Our project deliverables to the Client will include the following:

1. Preliminary set of the "Final Design – Not Released for Construction" drawings and specifications for review by the Client.
2. Followed by the "Issued for Bid – Released for Construction" drawings and specifications incorporating Client's comments from the preliminary review.

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Project Schedule

The proposed project schedule consists of the following:

1. The site visit will be conducted within two weeks of receipt of the Client's signed Notice to Proceed.
2. The "Final Design – Not Released for Construction" set of the drawings and specifications to be provided approximately three weeks from conducting the site visit.
3. The "Issued for Bid – Released for Construction" bid package drawings and specifications to be provided approximately one week from receipt of the Clients comments of the "Final Design – Not Released for Construction" submittal.

Fee

The Engineer proposes to perform the Bid Package work for a lump sum cost not to exceed twelve thousand dollars (\$12,000.00).

The Engineer proposes to perform the Construction Administration work for a lump sum cost not to exceed five thousand dollars (\$5,000.00).

Sincerely,

McKIM & CREED, INC.

A handwritten signature in black ink, appearing to read "Jesse Powell".

Jesse Powell, P.E.
Sr. Project Engineer

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Attachments:
M&C General Conditions



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Acceptance

If acceptable, sign and return (1) copy of this document and all attachments for our files. Our receipt of the executed copy of this proposal will serve as our Notice to Proceed. This proposal is valid for thirty (30) days from the date of the proposal.

Accepted by:

LOWER CAPE FEAR WATER & SEWER AUTHORITY

NAME: Norwood Blanchard

SIGNATURE: _____

TITLE: Chairman, Board of Directors

DATE: _____

E-Verify Requirement. As a condition of payment for services rendered under this agreement, Engineer shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (requirement that employers use E-Verify). Further, if Engineer provides the services to the Client utilizing a subcontractor, Engineer shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes as well. Engineer shall verify by affidavit compliance with the terms of this section upon request of Client.

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act, this the ____ day of _____, 2023

Finance Officer, Lower Cape Fear Water and Sewer Authority

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McKim & Creed, Inc.
Engineering Division
General Conditions
(01/2011-1)

Billing and Payment. Invoices will be submitted by McKim & Creed, Inc. (the "Engineer") to the Client monthly for services performed and expenses incurred pursuant to this Agreement. Payment of each such invoice will be due upon receipt and considered past due if not paid within thirty (30) days of the date of the invoice. Any retainers shall be credited on the final invoice.

a) Interest. A service charge will be added to delinquent accounts at 18 percent per annum (1.5 percent per month).

b) Suspension of Services. If the Client fails to make any payment due the Engineer for services and expenses within thirty (30) days of the invoice date on the project(s) covered by this agreement or any other project(s) being performed by Engineer for Client, the Engineer may suspend services under this Agreement until it has been paid in full for all past due amounts owed by Client for services and expenses. The Engineer shall have no liability whatsoever to the Client for any costs or damages occurring as a result of such suspension caused by any such breach of this Agreement by Client.

c) Collection Costs. In the event legal action is necessary to enforce the payment provisions of this Agreement, the Engineer shall be entitled to collect from the Client any judgment or settlement sums due, reasonable attorneys' fees, court costs.

d) Termination Of Services. The failure of the Client to make payment to the Engineer in accordance with the payment terms set forth herein shall constitute a material breach of this Agreement and shall entitle the Engineer, at its option, to terminate the Agreement. Any material breach of this Agreement by the Client shall, at the Engineer's option and in its sole discretion, constitute a breach of and default under any and/or all other agreements between the Client and Engineer.

Confidentiality. The Engineer agrees to keep confidential and not to disclose to any person or entity, other than the Engineer's employees, sub-consultants and the general contractor and subcontractors, if appropriate, any data and information not previously known to and generated by the Engineer or furnished to the Engineer and marked CONFIDENTIAL by the Client. These provisions shall not apply to information in whatever form that comes into the public domain, nor shall it restrict the Engineer from giving notices required by law or complying with an order to provide information or data when such order is issued by a court, administrative agency or other authority with proper jurisdiction, or if it is reasonably necessary for the Engineer to defend itself from any suit or claim.

~~The Client agrees that the technical methods, techniques and pricing information contained in any proposal submitted by the Engineer pertaining to this project or in this Agreement or any addendum thereto, are to be considered confidential and proprietary, and shall not be released or otherwise made available to any third party without the express written consent of the Engineer.~~

Consequential Damages. Notwithstanding any other provision of the Agreement, neither party shall be liable to the other for any consequential damages incurred due to the fault of the other party, regardless of the nature of the fault or whether it was committed by the Client or the Engineer, their employees, agents, sub-consultants or subcontractors. Consequential damages include, but are not limited to, loss of use and lost profit.

Non-Contingency. The Client acknowledges and agrees that the payment for services rendered and expenses incurred by the Engineer pursuant to this Agreement is not subject to any contingency unless the same is expressly set forth in this Agreement. Payments to the Engineer shall not be withheld, postponed or made contingent on the financing, construction, completion or success of the project or upon receipt by the Client of offsetting reimbursement or credit from other parties causing Additional Services or expenses. No withholdings, deductions or offsets shall be made from the Engineer's compensation for any reason.

Opinions of Cost.

(a) Since the Engineer has no control over the cost of labor, materials, equipment or services furnished by others, or over methods of determining prices, or over competitive bidding or market conditions, any and all opinions as to costs rendered hereunder, including but not limited to opinions as to the costs of construction and materials, are estimates only and shall be made on the basis of its experience and qualifications and represent its best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but the Engineer cannot and does not guarantee that proposals, bids or actual costs will not vary from opinions of probable cost prepared by it and the Engineer shall have no liability whatsoever if the actual cost differs from the Engineers estimate. If at any time the Client wishes greater assurance as to the amount of any cost, Client shall employ an independent cost estimator to make such determination. Engineering services required to bring costs within any limitation established by the Client will be paid for as additional services hereunder by the Client.

Termination. The obligation to provide further services under this Agreement may be terminated by either party upon seven (7) days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. In the event of any termination, the Engineer shall provide a final statement of charges due and will be paid for all services rendered to the date of termination, all expenses subject to reimbursement hereunder, and other reasonable expenses incurred by the Engineer as a result of such termination. In the event the Engineer's compensation under this Agreement is a fixed fee, upon such termination the amount payable to the Engineer for services rendered will be determined using a proportional amount of the total fee based on a ratio of the amount of the work done, as reasonably determined by the Engineer, to the total amount of work which was to have been performed, less prior partial payments, if any, which have been made.

Reuse of Documents. All documents, including but not limited to drawings and specifications, prepared by the Engineer pursuant to this Agreement are related exclusively to the services described herein. They are not intended or represented to be suitable for reuse by the Client or others on extensions of this project or on any other project. Any reuse without written verification or adaptation by the Engineer for specific purposes intended will be at the Client's sole risk and without liability or legal exposure to the Engineer. The Client releases the Engineer harmless from all claims that the Client may have against the Engineer and arising out of any unauthorized reuse.

McKim & Creed, Inc.
Engineering Division
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Limitation of Liability. In performing its professional services hereunder, the Engineer will use that degree of care and skill ordinarily exercised, under similar circumstances, by reputable members of its profession practicing in the same or similar locality. No other warranty, express or implied, is made or intended by the Engineer's undertaking herein or its performance of services hereunder. THE CLIENT UNDERSTANDS AND AGREES THAT THE ENGINEER HAS NOT MADE AND IS NOT MAKING ANY PROMISE, WARRANTY OR REPRESENTATION EXCEPT THE WARRANTIES EXPRESSLY MADE HEREIN, AND THE ENGINEER EXPRESSLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER IMPLIED WARRANTIES. Under no circumstances shall the Engineer be liable for extra costs or other consequences due to changed conditions or for costs related to the failure of the contractor or material men to install work in accordance with the plans and specifications. The Engineer shall not be liable for ~~errors in judgment or~~ for any loss or damage, which occurs for any reason beyond the control of the Engineer. ~~No action may be instituted hereunder more than one year after the cause of action accrued or should have been discovered by reasonable diligence.~~ The provisions of this paragraph shall survive the termination of this Agreement.

Controlling Law. This Agreement is to be governed by the law of the State of North Carolina. ~~The parties agree that any suit or action related to this Agreement shall be instituted and prosecuted in the courts of the County of Wake, State of North Carolina, and each party waives any right or defense relating to such jurisdiction or venue.~~

Binding Effect. This Agreement shall bind, and the benefits thereof shall inure to the respective parties hereto, their legal representatives, executors, administrators, successors and permitted assigns.

Merger; Amendment. This Agreement constitutes the entire agreement between the Engineer and the Client with respect to its subject matter, and all negotiations and oral understandings between the parties are merged herein. This Agreement can be supplemented and/or amended only by a written document executed by both the Engineer and the Client.

Ownership Of Instruments Of Service. All reports, plans, specifications, field data, notes and other documents, including all documents on electronic media, prepared by the Engineer as instruments of service shall become the property of the Owner. The Owner shall retain all common law, statutory and other reserved rights, including the copyright thereto. If the Owner uses any reports, plans, specification, field data, notes or other documents ("documents") for any project other than the specific project for which the documents were intended, then Owner waives any claims for damages related to these other projects.

Photographs. Photographs of any completed project embodying the services of the Engineer provided hereunder may be made by the Engineer and shall be considered as its property, and may be used by it for publication.

Assignment. Neither party to this Agreement shall transfer, sublet or assign any rights under or interest in this Agreement, including but not limited to fees that are due or fees that may be due, without the prior written consent of the other party.

Archiving of Project Documentation. Engineer shall maintain copies of printed project documentation for a period of three years from substantial completion of Engineer's services. Engineer shall maintain copies of all electronic media related to the project for a period of one year from substantial completion of Engineer's services. Requests for reproduction of project documentation after these periods have expired will be considered additional services and will be invoiced at the Engineer's prevailing hourly rates at the time of the request, plus expenses.

Betterment. If, due to the Engineer's error, any required item or component of the project is omitted from the Engineer's construction documents, the Engineer shall not be responsible for paying the cost to add such item or component to the extent that such item or component would have been otherwise necessary to the project or otherwise adds value or betterment to the project. In no event will the Engineer be responsible for any cost or expense that provides betterment, upgrade or enhancement of the project.

Electronic Files. Because data stored on electronic media can deteriorate undetected or be modified without the Engineer's knowledge, the Client agrees that it will accept responsibility for the completeness, correctness, or readability of any electronic media delivered to the Client after an acceptance period of 30 days after delivery of the electronic files, and that upon the expiration of this acceptance period, Client will release, indemnify and save harmless the Engineer from any and all claims, losses, costs, damages, awards or judgments arising from use of the electronic media files or output generated from them. The Engineer agrees that it is responsible only for the printed and sealed drawings and documents, and if there is a conflict between these printed documents and the electronic media, the sealed documents will govern. Engineer makes no warranties, express or implied, under this agreement or otherwise, in connection with the Engineer's delivery of electronic files.

Certifications, Guarantees and Warranties. The Engineer shall not be required to sign any documents, no matter by whom they may be requested, that would result in the Engineer's having to certify, guarantee or warrant the existence of conditions which the Engineer cannot ascertain. The Client also agrees that it has no right to make the resolution of any dispute with the Engineer or the payment of any amounts due to the Engineer in any way contingent upon the Engineer's signing any such certification.

Corporate Protection. It is intended by the parties to this Agreement that the Engineer's services in connection with the project shall not subject the Engineer's individual employees, officers or directors to any personal legal exposure for the risks associated with this project. Therefore, and notwithstanding anything to the contrary contained herein, the Client agrees that as the Client's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against the Engineer, a North Carolina corporation, and not against any of the Engineer's employees, shareholders, officers or directors.

Job-Site Safety. Neither the professional activities of the Engineer, nor the presence of the Engineer or its employees and sub-consultants at a construction site, shall relieve the General Contractor and any other entity of their obligations, duties and responsibilities including, but not limited to, construction means, methods, sequence, techniques or procedures necessary for performing, superintending or coordinating all portions of the Work of construction in accordance with the contract documents and any health or safety precautions required by any regulatory

McKim & Creed, Inc.
Engineering Division
General Conditions
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agencies. The Engineer and its personnel have no authority to exercise any control over any construction contractor or other entity or their employees in connection with their work or any health or safety precautions. The Client agrees that the General Contractor is solely responsible for job-site safety, and warrants that this intent shall be made evident in the Client's agreement with the General Contractor. ~~The Client also agrees that the Client, the Engineer and the Engineer's consultants shall be indemnified and shall be made additional insured under the General Contractor's general liability insurance policy.~~ The Client, upon written request of the Engineer, agrees to use its best efforts to add the Engineer as an additional insured on the contractor's general liability and auto liability policies.

Scope of Services. Services not set forth as Basic Services or Additional Services and listed in this Agreement are excluded from the scope of the Engineer's services and the Engineer assumes no responsibility to perform such services.

Severability And Survival. Any provision of this Agreement later held to be unenforceable for any reason shall be deemed void, and all remaining provisions shall continue in full force and effect. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between the Client and the Engineer shall survive the completion of the services hereunder and the termination of this Agreement.

Shop Drawing Review. If included in the scope of services to be provided, the Engineer shall review and approve Contractor submittals, such as shop drawings, product data, samples and other data, as required by the Engineer, but only for the limited purpose of checking for conformance with the design concept and the information expressed in the contract documents. This review shall not include review of the accuracy or completeness of details, such as quantities, dimensions, weights or gauges, fabrication processes, construction means or methods, coordination of the work with other trades or construction safety precautions, all of which are the sole responsibility of the Contractor. The Engineer's review shall be conducted with reasonable promptness while allowing sufficient time in the Engineer's judgment to permit adequate review. Review of a specific item shall not indicate that the Engineer has reviewed the entire assembly of which the item is a component. The Engineer shall not be responsible for any deviations from the contract documents not brought to the attention of the Engineer in writing by the Contractor and approved by the Engineer. The Engineer shall not be required to review partial submissions or those for which submissions of correlated items have not been received.

Specification Of Materials. The Client understands and agrees that products or building materials, which are permissible under current building codes or ordinances may, at some future date, be banned or limited in use in the construction industry because of presently unknown hazardous characteristics. The Client agrees that if the Client directs the Engineer to specify any product or material, after the Engineer has informed the Client that such product or material may not be suitable or may embody characteristics that are suspected of causing or may cause the product or material to be considered a hazardous substance in the future, the Client waives all claims as a result thereof against the Engineer. ~~The Client further agrees that if any product or material specified for this project by the Engineer shall, at any future date be suspected or discovered to be a health or safety hazard, the Client hereby releases the Engineer from any and all~~

~~liabilities and waives all claims against the Engineer relating thereto.~~

Standard Of Care. Services provided by the Engineer under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances in the same geographic area.

Suspension Of Services. If the project is suspended for more than thirty (30) calendar days in the aggregate, the Engineer shall be compensated for services performed and charges incurred prior to such suspension and, upon resumption of services, the Engineer shall be entitled to an equitable adjustment in fees to accommodate the resulting demobilization and re-mobilization costs. In addition, there shall be an equitable adjustment in the project schedule based on the delay caused by the suspension. If the project is suspended for more than ninety (90) calendar days in the aggregate, the Engineer may, at its option, terminate this Agreement upon giving notice in writing to the Client.

Unauthorized Changes To Documents. In the event the Client consents to, allows, authorizes or approves of changes to any plans, specifications, construction documents or electronic media, and these changes are not approved in writing by the Engineer, the Client recognizes that such changes and the results thereof are not the responsibility of the Engineer. Therefore, the Client releases the Engineer from any liability arising from the construction, use or result of such changes. ~~In addition, the Client agrees, to the fullest extent permitted by law, to indemnify and hold the Engineer harmless from any damage, liability or cost (including reasonable attorneys' fees and costs of defense) arising from such changes.~~

Compensation for Additional Services. The undertaking of the Engineer to perform professional services under this Agreement extends only to those services specifically described herein. If upon the request of the Client, the Engineer agrees to perform additional services hereunder, the Client and the Engineer shall negotiate and agree upon an additional fee to be paid to the Engineer for completion of the agreed upon Additional Services. The Engineer will be under no obligation to begin or complete requested Additional Services until the additional fee has been negotiated and agreed upon in writing by the Client and the Engineer.

Hourly Billing Rates. All services to be billed on an hourly basis under this agreement will be billed using the Engineer's prevailing billing rate schedule at the time services are provided. If a specific rate schedule is to be used for this Agreement, it shall expire no later than one year from the date of this Agreement and will be replaced with the prevailing rate schedule in effect at that time.

Priority Over Form Agreements. The parties agree that the provisions of this Agreement shall control and govern over any Work Orders, Purchase Orders or other documents, which the Client may issue to Engineer in regard to the project(s) which is (are) the subject of this Agreement. The Client may issue such documents to Engineer for its convenience for accounting or other purposes, but any such Orders will not alter the terms of this Agreement, regardless of any contrary language appearing therein.

McKim & Creed, Inc.
Engineering Division
General Conditions
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Paragraph Headings. The paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Third Parties. Nothing in this Agreement shall be construed as giving any person, firm, corporation or other entity other than the parties to this Agreement and their respective successors and permitted assigns, any right, remedy or claim under or in respect of this Agreement or any of its provisions.

Default. The Client shall be in default under this Agreement if (i) it fails to pay in full any invoice from the Engineer on the due date or fails to make any other payment due to the Engineer under this Agreement, (ii) it fails to observe or perform any other term, condition or covenant under this Agreement, (iii) it breaches any warranty or representation made under this Agreement, (iv) it dissolves, terminates or liquidates its business, or its business fails or its legal existence is terminated or suspended, (v) any voluntary or involuntary bankruptcy, reorganization, insolvency, receivership, or other similar proceeding is commenced by or against the Client, or (vi) it becomes insolvent, makes an assignment for the benefit of creditors, or conveys substantially all of its assets.

Design Without Construction Phase Services. If the services to be provided by Engineer hereunder do not include construction observation and/or construction administration services, or if such services are included in Engineers contracted services and Client later decides to perform these services itself or decides to retain other consultants or individuals to perform these services, Engineer assumes no responsibility for interpretations of the Engineer's services or for any construction observation, construction administration and/or supervision performed by Client or other parties and Client waives any and all claims against Engineer for any losses, claims, costs or damages of any kind whatsoever that may be in any way connected thereto.

~~In addition Client agrees, to the fullest extent permitted by law, to indemnify and hold Engineer harmless from any loss, claim, damage or cost, including reasonable attorneys' fees and costs of defense, arising or resulting from the performance of construction observation, construction administration and/or supervision by Client, its employees, agents or consultants, and including any and all claims arising from the modification or adjustment of, or any clarifications or interpretations of, the Engineer's Work by others.~~

~~Unless, in the Engineer's sole opinion, appropriate levels of construction observation and construction administration services are contracted for and performed by Engineer, Engineer will not be responsible to provide any engineering or other certifications related to the construction or installation of any improvements.~~

Reliance on Data Provided by Others. Engineer shall be entitled to reasonably rely on the accuracy of information provided to it by Client or any of Client's other consultants or sub-consultants. Engineer shall not be responsible to extensively review the information provided to insure the accuracy thereof. Client agrees to not hold Engineer responsible for errors or omissions in Engineer's work that are directly attributable to errors or incorrect data provided to Engineer by Client or Client's other consultants. Client further acknowledges that any redesign or corrective efforts required by Engineer resulting from incorrect information provided by Client or Client's other consultants will be paid for by the Client as additional services.

Credit and Financial Obligations. Prior to commencement of the work, Engineer may require that Client provide reasonable credit information and other documentation to confirm that the Client has made financial arrangements to fulfill the Client's payment obligations under this Agreement. Engineer may also require such information at any time during the performance of Engineer's services should the Client fail to make payments per this Agreement, a change in the scope materially changes the contract sum, or Engineer identifies in writing a reasonable concern regarding the Client's ability to make payment when payment is due. The Client may be required to furnish this information prior to further commencement or continuation of services by Engineer and Engineer shall not be responsible for the cost of any delay occurring as a result of such a request.

Markup on Expenses. Unless specified otherwise in our proposal, all sub consultant costs and other project related costs incurred by Engineer will be billed with a 15% markup. Company vehicle mileage and internal reproduction costs will be billed at the Engineer's prevailing rate for those items. Personal vehicle mileage costs incurred on the project by employees of Engineer will be billed at the prevailing IRS mileage rate in effect at the time of travel.

SUE Technical Standards. Quality Level A information obtained by direct exposure of the existing utilities can greatly increase the level of confidence with respect to the location of underground utilities at a particular jobsite. Utility exposure (Quality Level A) permits three-dimensional measurements to be taken on utilities for accurate location at each test hole. The overall level of confidence with respect to the location of site utilities can be raised by increasing the number of test holes examined; however, Engineer provides no guarantee of the location of utilities on the site other than at the locations where test holes have been established.

Quality Level B services include the horizontal, above ground detection, marking and mapping of underground utilities. Geophysical prospecting methods are used to indicate the presence and surface position of buried utilities. Utilities are identified and marked in the field in order to be surveyed and mapped. Quality Level B information should not be used for construction purposes, or where exact horizontal and vertical measurements are required.

The accuracy of Quality Level B designating information and depth of cover readings obtained by utilizing Geophysical and Ground Penetrating Radar equipment and techniques are subject to field and soil conditions beyond our control. Engineer will make reasonable efforts to provide comprehensive and correct positional utility marks to the limits obtainable by the instrumentation used and the existing ground conditions; however, Engineer provides no guarantee that all existing utilities on a particular site will be properly located using these methods.

Utilizing Engineer's SUE services does not relieve any party from their obligation to contact the utility damage prevention system before digging begins. Utility marks placed on the ground by Engineer are not to be used for construction purposes.

McKim & Creed, Inc.
Engineering Division
General Conditions
(01/2011-1)

INSURANCE. Engineer shall take out and maintain during the life of this Contract the following insurance:

- a. Statutory Workers Compensation insurance;
- b. Comprehensive General Liability insurance in an amount of \$1,000,000.00 for each occurrence and \$2,000,000.00 aggregate;
- c. Automobile Insurance in an amount of \$1,000,000.00

Client shall be named as an additional insured on the Comprehensive General Liability and Automobile insurance policies. Prior to commencing work, Engineer shall provide evidence that the required insurance is in place. Each policy shall provide that Client shall receive not less than thirty days prior written notice of any cancellation, non-renewal or reduction of coverage of any of the policies.

AGENDA ITEM

To: CHAIRMAN BLANCHARD AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: August 21, 2023

Re: Executive Director's Report

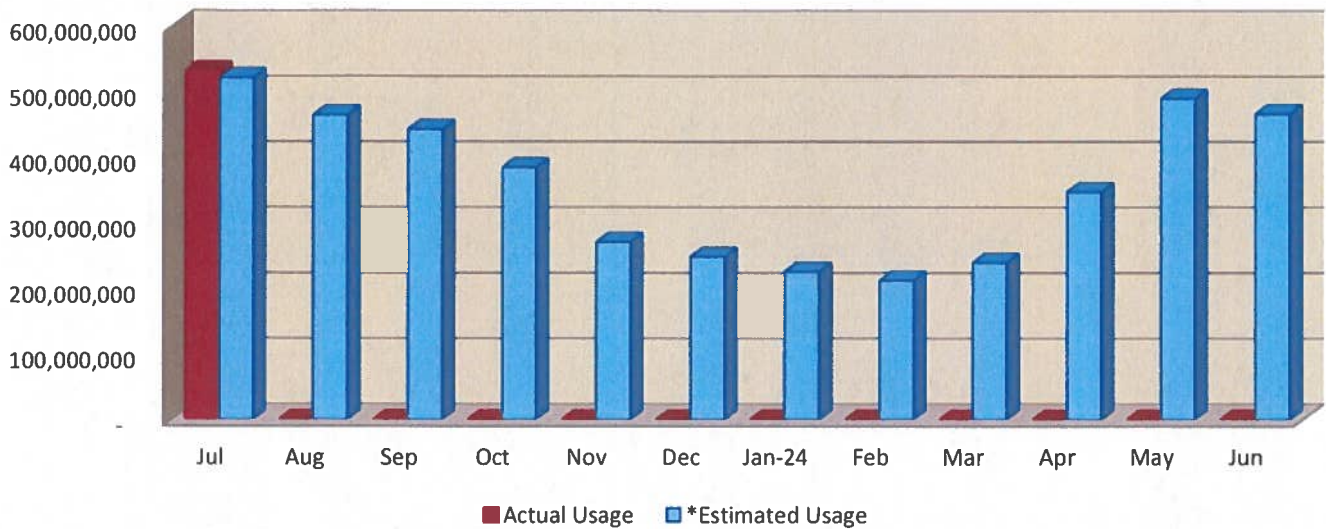
EDR1 - Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending July 31, 2023

EDR2 - Operating Budget Status, Ending June 30, 2023

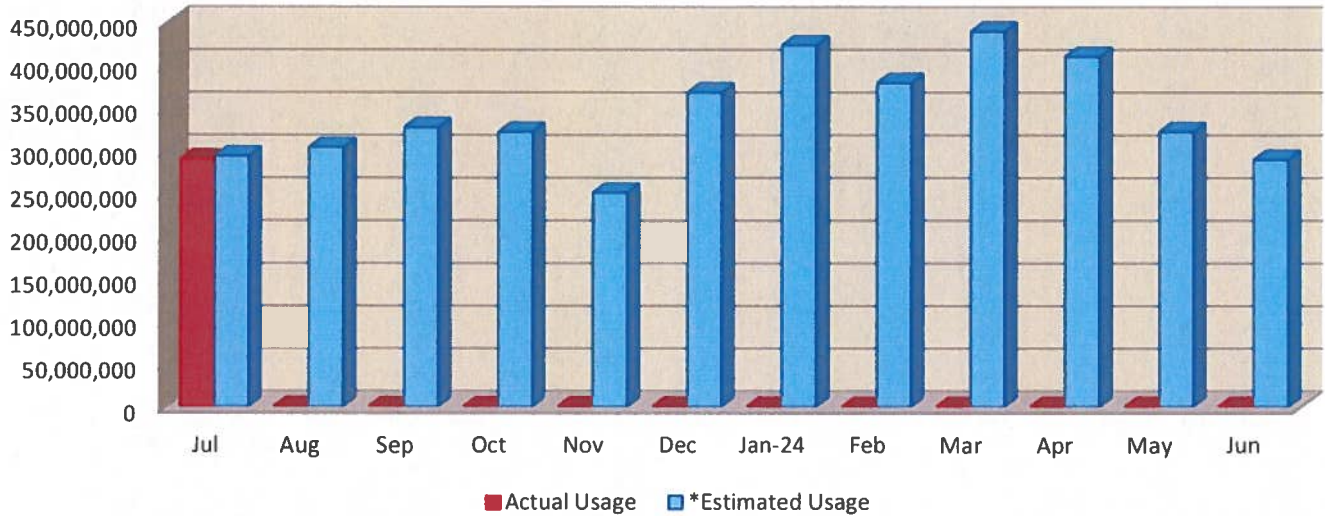
EDR3 - Summary of Activities.

Action Requested: For information purposes.

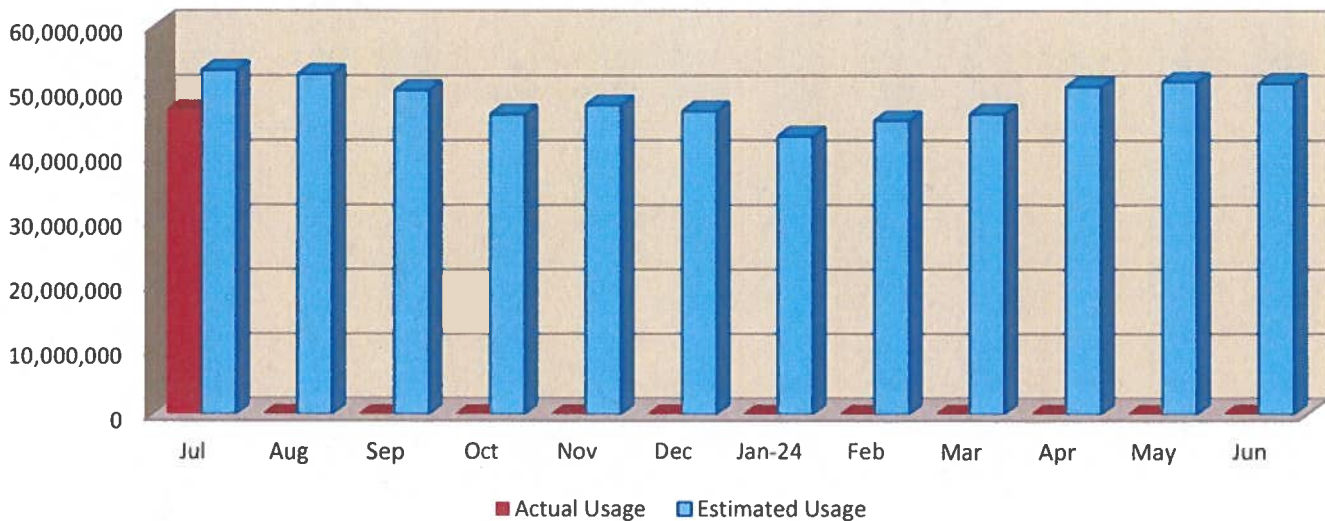
Brunswick County Water Usage FY 22-23



CFPUA Water Usage FY 22-23



Pender County Water Usage FY 22-23



OPERATING FUND BUDGET PERFORMANCE

Jul-1 through June 30

Income	Approved		Jul 1- Jun 30			Budget As of 06/30/2023
	Annual Budget	Adjusted Budget	Kings Bluff	Bladen Bluffs	OF BUDGET	
3000-01 - OPERATING REVENUE						
3001-01 - 01 Bruns County Public Utility	1,566,597	1,606,437	2,050,591		2,050,591	128%
3002-01 - 01 CFPUA	1,428,403	2,869,315	2,980,055		2,980,055	104%
3003-01 - 01 Pender County	199,518	551,428	552,787		552,787	100%
3004-01 - 01 HWY 421 - Stepan	79,618	141,566	209,855		209,855	148%
3005-01 - 01 Praxair, Inc	2,095	61,179	68,649		68,649	112%
3006-01 - 01 Bladen Bluffs Revenue	3,854,318	4,673,818		5,169,651	5,169,651	111%
Bladen Admin Reimb	102,190	102,190		139,090	139,090	136%
3007-01 - Sales Tax Refund Revenue	100,000	100,000		114,314	114,314	114%
Total 3000-01 - OPERATING REVENUE	7,132,739	10,105,933	5,861,937	5,423,055	11,284,992	112%
3100-00 - OF NONOPERATING REVENUE						
3120-00 - Revenue-Other						
Interest & Investment Revenue	500	500	1,969		1,969	394%
FEMA Reimbursement	0	0	6,630		6,630	
Refunds / Insurance Proceeds/ Other	0	0	3,957	1,251	5,208	
3156-00 - Rental Income	0	0	16,047		16,047	
3180-00 - SRF/Parallel Revenue	0	1,900,000	1,596,733		1,596,733	
3900-01 R&R Fund Appropriated	0	0	0		0	
2900-00 Fund Balance	0	0	0		0	
Total 3100-00 - OF NONOPERATING REVENUE	500	1,900,500	1,625,336	1,251	1,626,587	325317%
Total Income	7,133,239	12,006,433	7,487,273	5,424,306	12,911,579	108%
Expense						
4000-01 - ADMINISTRATION EXPENDITURES						
4001-01 - Salary - gross	187,024	187,024	124,323	56,107	180,430	96%
4010-01 - Per Diem= mileage+per diem pay	62,500	62,500	36,575	18,750	55,325	89%
4012-01 - Vehicle Allowance	5,200	5,200	3,640	1,560	5,200	100%
4070-02 - Phone Allowance	520	520	364	156	520	100%
4015-01 - Payroll Taxes	19,542	19,542	12,389	5,863	18,251	93%
4029-01 - Retirement Employer's Part	22,462	22,462	14,858	6,739	21,597	96%
4035-01 - 401K Employer PD Contribution	5,311	5,311	3,717	1,593	5,311	100%
4036-01 - Payroll Processing Exp	2,900	2,900	2,711		2,711	93%
4038-01 - Insurance Group	38,074	38,074	21,356	11,422	32,778	86%
4039-01 - Insurance, Property	94,301	99,948	71,657	28,290	99,948	100%
4046-00 Professional Services General	15,000	15,000	0	0	0	0%
4046-01 - Attorney	30,000	45,695	45,695		45,695	100%
4046-02 - Auditor	9,000	9,000	5,400	2,800	8,200	91%
4046-03 - Engineer	253,041	239,541	152,830	0	152,830	64%
4049-01 Information Technology	14,000	14,000	3,644	0	3,644	26%
4055-01 - Office Maint/Repair	23,902	23,902	13,729		13,729	57%
4058-01 Office Utilities	5,000	5,000	1,989		1,989	40%
4059-01 Office Expense	14,000	18,037	18,037		18,037	100%
4062-01 Office Equipment	10,000	15,000	13,015		13,015	87%
4084-01 Printing & Advertising	6,500	8,240	8,240		8,240	100%
4065-01 Telephone and Internet	3,500	3,500	3,173		3,173	91%
4070-01 - Travel & Training	26,000	34,604	34,604		34,604	100%
4080-01 - Miscellaneous Expenses	15,000	23,000	22,236		22,236	97%
Total 4000-01 - ADMINISTRATION EXPENDITURES	862,777	898,000	614,181	133,280	747,462	83%
4500-01 - OPERATING EXPENDITURES						
4501-00 - Sales Tax Expense - Other	100,000	129,704		129,704	129,704	100%
4510-01 - Bladen Bluffs Expenses	2,335,094	3,534,366		3,534,374	3,534,374	100%
4520-01 - Utilities-Energy Pump Station	756,336	737,058	737,058		737,058	100%
4530-01 - Kings Bluff O&M Expenses	510,822	549,822	502,742		502,742	91%
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)	850,000	910,000		910,000	910,000	100%
4546-01 - Series 2010 Bond Interest (BB)	297,500	450,794		450,794	450,794	100%
5180-00 - SRF/Parallel Expenditures	0	1,900,000		55,419	55,419	3%
7400-01 - Operating Capital Expense	911,875	2,387,854		2,219,441	2,219,441	93%
4998-05- Transfer to R&R- KB R&R Expense	250,000	250,000	250,000		250,000	100%
2041-01- 421 Relocation NHC Loan Principal	258,835	258,835		258,835	258,835	100%
Total 4500-01 - OPERATING EXPENDITURES	6,270,462	11,108,433	1,239,800	7,558,566	9,048,366	81%
Total Expense	7,133,239	12,006,433	1,853,981	7,691,846	9,795,827	82%

Executive Director Highlighted Activities:

- Meeting with Owners Advisor to review project status
- Continued meeting with Rick McClung of Willdan regarding rate study and preparation for Utility partner review.
- Reviewed the Solar Cogeneration proposal with Cape Fear Solar, Chairman and Vice-Chair
- Work with McKim and Creed to present a proposal for the Kings Bluff roof replacement.
- Director Meeting with CFPUA and ONWASA.
- The director took PTO leave for the World Jamboree from July 25 to August 11.