

**AGENDA**  
**Lower Cape Fear Water & Sewer Authority**  
**1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina**  
**8:30 a.m. – Finance Committee Meeting**  
**March 11, 2024**

**MEETING CALL TO ORDER:** Chairman Knight

**PRESENTATION:**

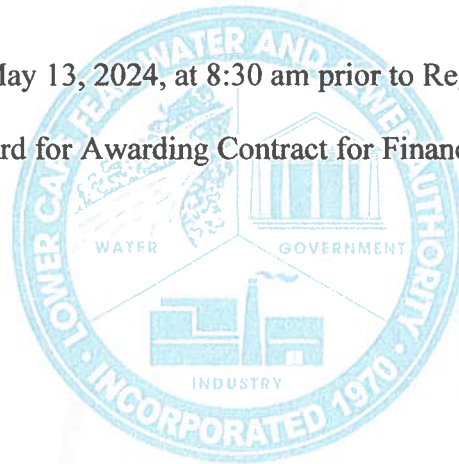
1. PowerPoint for Fiscal 2024-2025 Budget
2. Resolution Awarding Contract for Financial Advisory Services for the Lower Cape Fear Water and Sewer Authority

**DISCUSSION:** Directors' Comments and Questions

**ACTION/DIRECTION:**

1. Schedule final review for May 13, 2024, at 8:30 am prior to Regular Meeting and Public Hearing
2. Recommend to the full Board for Awarding Contract for Financial Advisory Services

**ADJOURNMENT**



**Resolution Awarding Contract for Financial Advisory Services for  
the Lower Cape Fear Water and Sewer Authority**

WHEREAS, the Lower Cape Fear Water and Sewer Authority (“LCFWASA”) serves Brunswick, Bladen, Pender, New Hanover, Columbus Counties, and the City of Wilmington with a Board of Directors representing those local governments. As the largest regional water system in Eastern North Carolina, the Authority’s primary role is to provide raw water from the Cape Fear River to supply treatment facilities that serve 550,000 customers;

WHEREAS, as the largest regional water system in Eastern North Carolina, LCFWASA recognizes the importance of financial planning in relation to infrastructure, construction, maintenance and emergency work;

WHEREAS, among the recommendations included in the Water Rate Study prepared for LCFWASA by Wildan Financial Services in 2023 is a recommendation that LCFWASA hire a financial advisor to assist with financial planning, including evaluating potential debt issuances in the future;

WHEREAS, LCFWASA advertised a Request for Qualifications (RFQ) for Financial Advisory Services, and after advertising, received three responses from firms to provide said services; and,

WHEREAS, after review of the three RFQ responses, the recommendation is to select First Tryon Advisors, LLC to serve as LCFWASA’s Financial Advisor.

NOW, THEREFORE, BE IT RESOLVED by the Chairman and Directors of the LCFWASA Board that LCFWASA awards the contract for financial advisory services to First Tryon Advisors, LLC. The Board hereby authorizes the Chairman to execute the proposed Financial Advisory Services Agreement with First Tryon Advisors, LLC dated March 6, 2024.

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

Adopted this \_\_\_\_\_ day of March 2024.

\_\_\_\_\_  
**Harry Knight, Chairman**

**ATTEST:**

\_\_\_\_\_  
**Scott Phillips, Secretary**



Request for Qualifications  
Submittal

**First Tryon Advisors**  
SIMPLIFYING PUBLIC FINANCE

**NORTH CAROLINA** 704.926.2457 | 6101 Carnegie Blvd., Suite 210 | Charlotte, NC 28209  
**MARYLAND** 410.267.8811 | 122 Severn Avenue | Annapolis, MD 21403

December 29, 2023

Lower Cape Fear Water and Sewer Authority

## 1. Letter of Transmittal

December 29, 2023

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

Dear Mr. Holloman,

On behalf of First Tryon Advisors, LLC (“First Tryon”), we are pleased to present our credentials to serve as Financial Advisor to Lower Cape Fear Water and Sewer Authority (“LCFWASA”). We have outlined several areas below and throughout our proposal that uniquely qualify First Tryon Advisors to meet the needs of LCFWASA. Additionally, as a Respondent to this RFQ, we acknowledge the following:

- The Respondent and Respondent’s key professionals do not have and do not anticipate a potential conflict of interest with LCFWASA.
- The Respondent acknowledges that all costs incurred by the Respondent in connection with responding to this RFQ shall be borne solely by the Respondent.

***Throughout this document, there are references noted by “\*” which means that we are referring to experience, transactions, etc. completed by First Tryon and First Tryon Securities, LLC (“First Tryon Securities”), a separate entity under common ownership with First Tryon.***

**First Tryon:** First Tryon is a full-service financial advisory practice serving the needs of utility systems, state and local governments, school districts, independent K-12 schools, colleges & universities, special purpose districts, not-for-profit associations/foundations, charter schools, healthcare organizations, senior living communities, economic development agencies and transportation clients since 2014\*.

**Deep Bench of Professionals with Relevant Experience:** First Tryon offers LCFWASA a client-first advisory platform led by a team of 13 professionals located within North Carolina. The team to be assigned to LCFWASA has extensive advisory experience working with utility systems within North Carolina and throughout the region. First Tryon currently provides advisory services to more than 125 clients throughout North Carolina and has developed positive relationships with other public finance professionals, lending partners, and credit rating analysts that cover North Carolina, including frequent contact with the Local Government Commission. These relationships give us key insights to personalities, preferences, or restrictions that help us better prepare clients for conversations and meetings.

**Capital Planning:** In addition to traditional bond-related advisory services, First Tryon has made key investments in product development to better serve our clients. For instance, we have invested significant time and resources in the development of our comprehensive capital planning model. To date, we have developed over 75 unique capital planning models for over 65 issuers in the Southeast\* that allow our clients to determine financial and credit impacts of capital funding scenarios more easily.

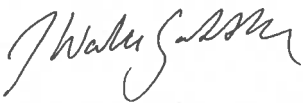
**Accessibility:** Headquartered in Charlotte, North Carolina, we focus much of our practice on serving the needs of clients in the Carolinas. Our close proximity to LCFWASA, a deep bench of thirteen dedicated professionals in our

## Lower Cape Fear Water and Sewer Authority

Charlotte office, and an existing schedule that already includes frequent travel to the area, will allow First Tryon to serve LCFWASA efficiently and cost effectively. First Tryon routinely attends Board or staff meetings and has found that in person meetings are an important way for us to get to know our clients, understand goals and objectives and provide the highest level of service and value.

Thank you for considering our proposal to provide financial advisory services to LCFWASA. As summarized above and detailed further herein, First Tryon's client-focused approach combined with our team of highly knowledgeable advisors offer LCFWASA what we believe is a powerful financial advisory platform. We look forward to the opportunity to discuss our qualifications further.

Sincerely,



**J. Walter Goldsmith**

*President & COO*



**Amy Vitner**

*Managing Director*

## 2. Table of Contents

1. LETTER OF TRANSMITTAL.....	1
2. TABLE OF CONTENTS.....	3
3. EXECUTIVE SUMMARY.....	4
4. BACKGROUND AND QUALIFICATIONS.....	6
5. EXPERIENCE.....	11
6. RATING AGENCY AND INVESTOR MARKETING APPROACH.....	15
7. PRICING APPROACH AND STRATEGY.....	19
8. CHARGES AND FEES.....	21
9. ADDITIONAL SERVICES.....	22
10. LEGAL AND FIRM ISSUES.....	26
11. RESPONDENT’S CERTIFICATION.....	27
APPENDIX A – MUNICIPAL ADVISOR REGISTRATION.....	28
APPENDIX B – REVENUE BOND DEAL LIST SINCE 2021.....	31

### 3. Executive Summary

In two pages or less, provide a brief statement explaining why LCFWASA should consider your firm for Financial Advisor Services. The Respondent must have significant experience and capacity to provide services related to public/governmental finance to LCFWASA pursuant to North Carolina State law.

First Tryon offers LCFWASA a deep bench of highly experienced financial advisors with a long history of serving local governments and utilities in North Carolina. We highlight below First Tryon's significant experience and capacity to provide municipal advisory services to LCFWASA.

#### RELEVANT EXPERIENCE

- LCFWASA will have direct access to two senior professionals (Ms. Vitner and Mr. Goldsmith) who have dedicated their careers to serving tax-exempt issuers in the Carolinas, with additional senior personnel available to provide services as needed.
- First Tryon serves as financial advisor for over 125 clients in North Carolina.
- First Tryon serves as financial advisor for over 50 utility clients, including over 20 issuers in North Carolina.
  - Includes advanced utility rate modeling for the City of Charlotte and credit rating model (Moody's, S&P, and Fitch) for Fayetteville PWC.
- Since 2021, First Tryon has served as financial advisor on over 130 transactions in North Carolina totaling over \$6.0 billion in par amount\*.
  - Includes 14 utility transactions totaling over \$715 million in par amount\*.
- Since 2021, First Tryon has prepared clients for and participated in over 200 credit rating presentations\*.
- Advisory experience with wholesale utility providers including:
  - Piedmont Triad Regional Water Authority – Wholesale water provider to six member agencies (Greensboro, High Point, Randolph Co, Archdale, Jamestown and Randleman)
  - Anderson Regional Joint Water System – Wholesale water provider to 14 members/customers including Clemson University
- Experience with utility projects involving multiple governmental units
  - City of Sanford, NC – Serving as financial advisor on a \$308 million water filtration facility expansion that will be owned and operated by the City, but will provide capacity to Fuquay-Varina and Holly Springs. Fuquay-Varina and Holly Springs will fund their respective portions of the debt and pay the City ongoing operational costs.
  - Town of Pendleton, SC – Serving as financial advisor on a \$50 million sewer treatment plant expansion that will be owned and operated by the Town of Pendleton, and provide capacity to Anderson County (SC) and City of Clemson (SC). Similar to Sanford, Anderson County and Clemson will fund their respective portions of the debt and pay the Town ongoing operational costs.

#### ACCESSIBILITY AND CLIENT SERVICE DRIVEN

- Deep bench of 13 senior advisors and support staff located in North Carolina to ensure the highest level of customer service and timely execution of deliverables.
- Frequently in the area with other clients such as New Hanover County, Town of Leland, and Columbus County, allowing our team regular in-person contact and local expertise.
- Client satisfaction evidenced by a growing client list (currently over 400 clients), the maintenance of long-term relationships such as Fayetteville PWC and Charleston County (both over 15 years\*), and client testimonials that follow.
- Primary focus on the Carolinas allows us insight into credit characteristics, familiarity with financing professionals that serve the area, and understanding of the Local Government Commission.



## FIRM EXPERTISE AND RESOURCES

- In-house proprietary pricing model that allows our advisors to advocate and negotiate with underwriters from a position of strength.
- Advanced quantitative modeling expertise, in-house capital planning, debt affordability and capacity modeling – over 75 unique capital planning models built to date\* (see Section 9).
- Subscriptions to rating agency databases, Bloomberg, and other third-party resource data feeds.
- Ancillary services such as operational consulting, investment cashflow modeling, escrow bidding, among other services.

## CLIENT TESTIMONIALS

First Tryon provides the following feedback it has received from clients as material indicative of our financial advisory capabilities.

- *“First Tryon has provided a high level of work to the City since becoming the debt modeling/capital plan development for the City's Water & Sewer and Storm Water utilities. First Tryon was able to develop a high quality model in a short time-frame as both enterprises needed models ready for bond sales that were occurring a little over two months after they were brought on board.” Matt Hastedt, Debt Manager at the City of Charlotte, North Carolina*
- *“First Tryon has provided excellent financial advice for us on many levels. They are always intricately involved in any debt offerings of the County. In recent years they have produced a Capital Planning Model. They keep it updated and are available to make presentations to our board as needed. This was used heavily in determining the amount of tax increase for our latest GO bond issue. First Tryon is always at the table for ratings calls. They provide essential information and support for myself and management on these calls. I highly recommend using First Tryon and would be happy to answer any further questions.” Debra L. Cheek, Finance Director at Iredell County, North Carolina*
- *“We have worked with First Tryon for a number of years. We have worked with Walter Goldsmith even longer. First Tryon is with us every step of the way when we are issuing bonds. They help us determine what we can afford to bond, work with us on cash flows, provide issuance calendars and manage the scheduling of all meeting necessary. They provide information needed for the POS and are part of that review process. They prepare the presentation for the rating agencies, schedule and participate in the presentations to these agencies. They are there when we need them, have always provided prompt service (such as running numbers for us), and provide sound advice. They are a fantastic team to work with and I highly recommend them to any entity looking for an FA.” Corine Altenhein, CFO at Charleston County, South Carolina*

Please note that the above testimonials were given by current municipal advisory clients and may not be representative of the experience of other clients, nor are they a guarantee of future performance or success.



## 4. Background and Qualifications

Indicate your firm's closest physical office location to the Town of Leland, NC.

### FIRST TRYON BACKGROUND

First Tryon Securities, LLC, an independent and privately-owned financial services firm headquartered in Charlotte, North Carolina, was founded over 25 years ago in 1996. In November 2021, the legal entity, First Tryon Advisors, LLC, was formed upon closing of the acquisition of Wye River Capital (headquartered in Annapolis, MD). In January 2023, the Charlotte advisory practice was separated from the First Tryon Securities, LLC broker-dealer and the combined Charlotte and Annapolis practices began to operate combined under the legal entity, First Tryon Advisors, LLC.

### OFFICE LOCATIONS

LCFWASA would be served primarily out of First Tryon's headquarters in Charlotte, NC, where 8 of our 22 advisors are located. **This office is our firm's closest physical office to the Town of Leland, NC.** However, we have several additional offices throughout the region in the following locations:

- Annapolis, MD (seven professional level advisors)
- Boone, NC (one professional level advisor)
- Columbia, SC (one professional level advisor)
- Greensboro, NC (one professional level advisor)
- Hertford, NC (one professional level advisor)
- Orlando, FL (one professional level advisor)
- Winston-Salem, NC (two professional level advisors)



### ACCESSIBILITY

First Tryon places a high value on in-person meetings and believes that in-person interaction allows us a better understanding of our clients leading to better quality service. With this goal in mind, First Tryon is regularly in the area and confident in our ability to ensure a high level of customer service and high accessibility. The following provides a list of the clients we service in the area:

- Bald Head Island, Village of
- Carolina Beach, City of
- Chadbourn, Town of
- Columbus County
- Jacksonville, City of
- Leland, Town of
- New Hanover County
- Southport, City of
- Topsail Beach, Town of
- University of North Carolina at Wilmington
- YMCA of Southeastern North Carolina

Provide documentation showing compliance with the municipal advisor registration requirements of the MSRB and SEC.

Please see **Appendix A** for documentation showing compliance with the municipal advisor registration requirements of the MSRB and SEC.

Provide a summary of the backgrounds and qualifications of the specific individuals at your firm who would be assigned to work with LCFWASA. Specify the person who will serve as the primary day-to-day contact person and discuss the primary roles of the other members of your professional team.

Since 2014, First Tryon has grown rapidly from three advisors to a team of 22, including 9 individuals that joined our group through our merger with Wye River in November 2021. Our growth is a testament to the success of our advisory practice and allows us to provide a high level of customer service, efficient turn-around on projects, and proactive management and monitoring of client debt portfolios. Further, our success has enabled us to attract some of the top talent in the public finance industry to our firm.

The financial advisory team for LCFWASA would be led by **Ms. Amy Vitner** and **Mr. Walter Goldsmith**, with Ms. Vitner serving as the primary day-to-day contact person. Additionally, **Mr. David Cheatwood** will serve as secondary senior support to LCFWASA. These individuals have dedicated their careers to serving the needs of governmental issuers and utilities in the Carolinas. First Tryon's familiarity with North Carolina finance will allow for a seamless transition of advisory services.

In addition to First Tryon's senior advisors, secondary transactional support and financial modeling expertise would be provided by **Mr. Brandon DeCoste**, **Mr. Chazzo Habliston**, and **Mr. Jordan Keysor**. We believe our team approach will ensure that LCFWASA will always have access to an advisor familiar with LCFWASA's capital funding needs and that projects and deliverables will always be completed in a timely manner.

All members of our primary banking team are registered as municipal advisors.

**Walter Goldsmith**  
President & COO  
Charlotte, NC

**Amy Vitner**  
Managing Director  
Charlotte, NC

**David Cheatwood**  
Managing Director  
Charlotte, NC

**Brandon DeCoste**  
Vice President  
Charlotte, NC

**Chazzo Habliston**  
Vice President  
Charlotte, NC

**Jordan Keysor**  
Vice President  
Charlotte, NC

Resumes and bios of LCFWASA's proposed key personnel are provided on the following pages.



---

Amy Vitner  
Managing Director  
Main Point of Contact  
☎ 704.926.2457  
✉ [avitner@firsttryon.com](mailto:avitner@firsttryon.com)

---

**Amy Vitner**  
Managing Director

- Ms. Vitner has over **25 years of public finance experience** directly serving clients in the Southeast. In her role as a public finance advisor, she assists clients in determining their available debt capacity, obtaining credit ratings for their bonds, structuring bond issues, and coordinating the issuance of the bonds.
- Ms. Vitner's utility experience consists of the following: Greenville Utilities Commission, Piedmont Triad Regional Water Authority, City of Concord, among others.
- Prior to joining First Tryon, Ms. Vitner worked at First Southwest Company (Hilltop) from 2019-2014, Banc of America Securities, First Union, and A.H. Williams from 1995-2008.
- Ms. Vitner is a graduate of Philadelphia University and is a Registered Representative of the Financial Industry Regulatory Authority and maintains the following licenses: Municipal Advisor Representative (Series 50), and Municipal Advisor Principal (Series 54).



---

Walter Goldsmith  
President & COO  
☎ 704.926.2453  
✉ [wgoldsmith@firsttryon.com](mailto:wgoldsmith@firsttryon.com)

---

**Walter Goldsmith**  
President and COO

- Mr. Goldsmith has over **23 years of public finance experience** directly serving clients in the Southeast. In his role as a public finance advisor, he assists clients in determining their available debt capacity, obtaining credit ratings for their bonds, structuring bond issues, and coordinating the issuance of the bonds.
- Mr. Goldsmith's utility experience consists of the following: Fayetteville PWC, Greenville Water, Anderson Regional Joint Water System, among others.
- Prior to joining First Tryon, Mr. Goldsmith worked at Davenport and Company LLC from 2010-2014 and First Southwest Company from 2002-2010.
- Mr. Goldsmith is a graduate of Clemson University and maintains his Municipal Advisor Representative License (Series 50) and Municipal Advisor Principal License (Series 54).



David Cheatwood  
Managing Director

704.926.2447

dcheatwood@firsttryon.com

**David Cheatwood**  
Managing Director

- Mr. Cheatwood has over **16 years public finance experience** directly serving issuers in the Southeast. In his role as a public finance advisor, he provides clients with a wide range of services including evaluating debt capacity, structuring bond issues, monitoring refunding/restructuring opportunities, obtaining credit ratings, and coordinating the bond issuance process.
- Mr. Cheatwood's utility experience consists of the following: Fayetteville PWC, Orange Water & Sewer Authority, City of Charlotte, among others.
- Prior to joining First Tryon, Mr. Cheatwood worked in the public finance investment banking group at Wells Fargo Securities from 2009-2015 and at Bank of America Merrill Lynch from 2006-2009.
- Mr. Cheatwood holds an undergraduate and law degree from The University of North Carolina at Chapel Hill. He holds his Municipal Advisor Representative license (Series 50).



Brandon DeCoste  
Vice President

704.926.2981

bdecoste@firsttryon.com

**Brandon DeCoste**  
Vice President

- Mr. DeCoste has over 5 years of public finance experience directly serving clients in the Southeast. He provides qualitative and quantitative support to First Tryon's issuer clients, including complex Excel modeling, DBC analysis, capital planning, and financing execution work.
- Mr. DeCoste's utility experience consists of the following: Greenville Utilities Commission, Piedmont Triad Regional Water Authority, City of Concord, among others.
- Prior to joining First Tryon, Mr. DeCoste worked at Davenport and Company LLC from 2018-2021 serving governmental clients across North Carolina.
- Mr. DeCoste is a graduate of Wake Forest University earning a Bachelor of Science in finance. He is also a Registered Representative of the Financial Industry Regulatory Authority and maintains his Municipal Advisor Representative License (Series 50).



## Lower Cape Fear Water and Sewer Authority



Chazzo Habliston  
Vice President

704.926.2456  
chabliston@firsttryon.com

### Chazzo Habliston Vice President

- Mr. Habliston has approximately 10 years public finance experience directly serving issuers in the Southeast. In his role, Mr. Habliston assists cities, counties, and utility systems with a wide range of debt related activities including bond structuring, debt capacity analysis, multi-variable capital planning models, transaction coordination and implementation, credit/rating strategy and development of debt policies.
- Mr. Habliston's utility experience consists of the following: Fayetteville PWC, Orange Water & Sewer Authority, City of Charlotte, among others.
- Prior to joining First Tryon, Mr. Habliston worked at Davenport and Company LLC from 2013-2019.
- Mr. Habliston is a graduate of Davidson College and holds his Municipal Advisor Representative license (Series 50).



Jordan Keysor  
Vice President

704.926.2459  
jkeysor@firsttryon.com

### Jordan Keysor Vice President

- Mr. Keysor has over 5 years of public finance experience directly serving clients in the Southeast. He provides qualitative and quantitative support to First Tryon's issuer clients, including complex Excel modeling, financial analysis, capital planning, and financing execution work.
- Prior to joining First Tryon, Mr. Keysor worked in wealth management with Merrill Lynch from 2013 to 2017 and SCS Financial from 2017 to 2018.
- Mr. Keysor is a graduate of Skidmore College and holds his Municipal Advisor Representative license (Series 50).

## 5. Experience

List in tabular format relevant experience with bond financings over the last three years, including date of sale, issuer, program type, rating, sale type, and final maturity. (This information may be included as an appendix and is not applicable to the 30-page limit.)

First Tryon has extensive experience with a wide range of bond offerings, structures and sale types. In fact, since 2021, First Tryon has served as financial advisor on 390 transactions totaling over \$13.4 billion par amount. Of these, over 130 transactions totaling over \$6.0 billion have been for North Carolina issuers and over 50 transactions totaling over \$1.6 billion have been for utilities. In **Appendix B**, we have provided a listing of our revenue bond transactions which would be most applicable to LCFWASA. We are happy to provide our longer list of financing experience upon request.

Describe two current financial advisor assignments involving your firm that are most relevant to debt issuance by large issuers in North Carolina. Please indicate the name of the issuer, a description(s) of the transactions(s), the individual(s) from your firm involved and the value added by your firm.



**Greenville Utilities Commission**  
 Jeff McCauley, Chief Financial Officer  
 (252) 551-1532  
[mccaulejw@guc.com](mailto:mccaulejw@guc.com)

*Client since 2022*

### Issuances Since 2022

- \$23,670,000 Combined Enterprise System Revenue Bonds, Series 2022

### COMBINED ENTERPRISE SYSTEM REVENUE BONDS, SERIES 2022

First Tryon was hired as Financial Advisor to the Greenville Utilities Commission (“GUC”) in 2022. In 2022, First Tryon worked with GUC on the issuance of its Combined Enterprise System Revenue Bonds, Series 2022 (the “Bonds”) to fund various projects including a new transmission line, peak shaving generator replacements, lagoon improvements, substation improvements, and improvements to the wastewater treatment plant. As is our standard approach, First Tryon worked closely with GUC from the kickoff of the financing through closing, including developing the financing calendar, preparing GUC for discussions with the Local Government Commission and rating agencies, reviewing documents, and taking in active role leading up to and on the day of pricing to ensure GUC was receiving a favorable result from the underwriting team. Additionally, a key part of our role was to plan not only for the current issuance but evaluate its impacts on future debt capacity. To that end, we built an Excel-based model for GUC that shows existing debt along with a dashboard to build in future planned debt issuances, which has the functionality to tweak assumption such as financing amount, term, interest rate, and fund. Our work with GUC encapsulates our typical, wholistic approach to financial advisory services which consists of three prongs: (1) pre-planning and preparation for future debt issuances, (2) transaction implementation, and (3) ongoing advisory service beyond closing.



**Piedmont Triad Regional Water Authority**  
 Joy L. Sparks, Finance Officer  
 (336) 498.5510  
[jsparks@ptrwa.org](mailto:jsparks@ptrwa.org)

*Client since 2021*

**Issuances Since 2021**

- ~\$176,000,000 Revenue Bonds, Series 2024 (in progress)
- \$10,129,565 Interest Rate Modification (2021)

**PLANNING WORK FOR WATER TREATMENT PLANT EXPANSION PROJECT**

First Tryon was hired as Financial Advisor to the Piedmont Triad Regional Water Authority (“PTRWA”) in 2021. In 2022, we begun planning work with PTRWA related to their upcoming Water Treatment Plant expansion project, which will also include projects related to emerging contaminants. As with LCFWASA, PTRWA has a number of member units, each of whom receive certain allocations of water and are then responsible for varying levels of debt service payments due to PTRWA.

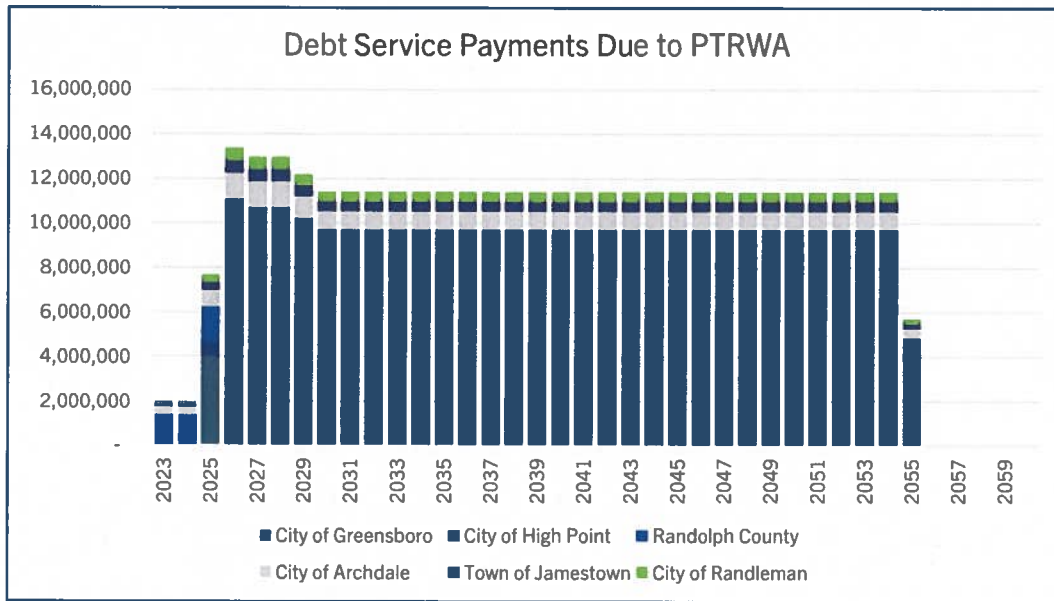
The upcoming projects require extensive planning as there are multiple components (plant expansion, emerging contaminants for current plant capacity, and emerging contaminants for additional plant capacity) for which each member unit will have varying levels of participation. To organize and think through the financing approach, First Tryon developed an Excel model (see screenshots below) in which PTRWA can see the existing debt service payments due from each member with proposed debt service related to these new projects layered in. Various input cells in the model allow First Tryon and/or PTRWA to toggle between different project assumptions (amounts, timing), ownership levels for each member, and potential cash contributions to see the debt service impacts in real time. As the project plans develop, this tool will be invaluable to evaluate the impacts of various funding scenarios and aid in structuring debt service as needed to meet any constraints.

**Sample Screenshots of Model**

<b>Water Treatment Plant Project</b>					
Project Cost			56,210,000		
Construction Start			7/1/2024		
<b><u>Member Allocations</u></b>	<b><u>% Ownership</u></b>	<b><u>Total Share</u></b>	<b><u>Cash Contribution</u></b>	<b><u>Debt Required</u></b>	<b><u>% Debt</u></b>
City of Greensboro	80.7%	45,361,470	-	45,361,470	80.7%
City of High Point	0.0%	-	-	-	0.0%
Randolph County	8.3%	4,684,167	-	4,684,167	8.3%
City of Archdale	7.4%	4,173,593	-	4,173,593	7.4%
Town of Jamestown	3.5%	1,990,771	-	1,990,771	3.5%
City of Randleman	0.0%	-	-	-	0.0%
<b>Total</b>	<b>100.0%</b>	<b>56,210,000</b>	<b>-</b>	<b>56,210,000</b>	
<b><u>Debt Assumptions</u></b>					
Par Amount		56,210,000			
Term		30 Years			
Interest Rate		5.00%			




Debt Service Payments Due to PTRWA							
FY	Series 2024 Bond						Total
	City of Greensboro	City of High Point	Randolph County	City of Archdale	Town of Jamestown	City of Randleman	
Total	227,117,575	31,350,441	33,546,754	24,201,016	12,452,658	13,750,193	342,418,636
2023	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-
2025	3,785,293	522,507	559,113	403,350	207,544	229,170	5,706,977
2026	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2027	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2028	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2029	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2030	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2031	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2032	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2033	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2034	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2035	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955



Provide five (5) client references. Include the name of the client, contact person, e-mail address, and phone number.

Client references and referrals are strong indicators of client satisfaction and customer service. As such, First Tryon has provided five references below and we strongly encourage LCFWASA to contact each of them and inquire about both their transaction related and capital planning model experience with our team. These references represent a cross-section of utility issuers throughout the Carolinas. First Tryon takes great pride in how our clients reflect upon our engagements. It speaks to the level of service and care we as a firm provide each and every day.



**Greenville Utilities Commission**  
 Jeff McCauley, Chief Financial Officer  
 (252) 551-1532  
[mccaulejw@guc.com](mailto:mccaulejw@guc.com)

*Client since 2022*

---

**Issuances Since 2022**

- \$23,670,000 Combined Enterprise System Revenue Bonds, Series 2022



**Piedmont Triad Regional Water Authority**

Joy L. Sparks, Finance Officer  
(336) 498.5510  
[jsparks@ptrwa.org](mailto:jsparks@ptrwa.org)

*Client since 2021*

**Issuances Since 2021**

- ~\$176,000,000 Revenue Bonds, Series 2024 (in progress)
- \$10,129,565 2021 Interest Rate Modification



**Anderson Regional Joint Water System**

Scott Willett, Executive Director  
(864) 231-5987  
[swillett@arjwater.com](mailto:swillett@arjwater.com)

*Client since 2016*

**Issuances Since 2016**

- \$9,270,000 Waterworks System Refunding Revenue Bonds, Series 2020A
- \$12,515,000 Waterworks System Advance Refunding Revenue Bonds, Taxable Series 2020B
- \$22,262,000 Waterworks System Improvement and Refunding Revenue Bonds, Series 2017A&B
- \$3,700,000 Waterworks System Improvement and Refunding Revenue Bond, Series 2016



**Concord, North Carolina**

Jessica Jones, Interim Finance Director  
(704) 920-5222  
[jonesj@concordnc.gov](mailto:jonesj@concordnc.gov)

*Client since 2015*

**Issuances Since 2015**

- ~\$25,000,000 Utilities Systems Revenue Bonds, Series 2024 (in progress)
- \$42,000,000 General Obligation Parks and Recreation Bonds, Series 2023
- \$6,200,000 2021 Installment Financing Contract
- \$910,000 Taxable Installment Financing, Series 2019
- \$6,572,000 Utilities Systems Revenue Refunding Bond, Series 2019
- \$6,553,517 Installment Financing Contract, Series 2017
- \$19,085,000 Utilities Systema Revenue Refunding Bonds, Series 2016
- \$5,759,000 Installment Financing Contract, Series 2015
- \$29,340,00 Limited Obligation Bonds, Series 2014A
- \$5,280,000 Taxable Limited Obligation Bonds, Series 2014B

In addition to debt issues, First Tryon has developed capital planning models for both the City's General Fund and Utility Enterprise Fund.



**Mount Pleasant Waterworks, South Carolina**  
 Mark Coffin, Chief Financial Officer  
 (843) 971-7529  
 mcoffin@mpwonline.com

*Client since 2014*

**Issuances Since 2014**

- \$111,000,000 Waterworks and Sewer System Revenue Bonds, Series 2017A
- \$7,000,000 Waterworks and Sewer System Revenue Bond, Series 2014A
- \$20,000,000 Waterworks and Sewer System Revenue Refunding Bond, Series 2014B

**6. Rating Agency and Investor Marketing Approach**

Please discuss any issues, benefits, or challenges associated with pricing and marketing bonds in the current market given the current rating levels and financial issues confronting LCFWASA.

In terms of broad and general market conditions, we have recently seen interest rates begin to decline following a period of steady increases throughout most of 2023. As demonstrated in Chart A below, 10-year interest rates, while remaining elevated in comparison to recent years, are beginning to return to a level that is more in line with historical trends. As inflationary pressure begins to lessen and the Federal Reserve contemplates cutting its target interest rate, we will carefully monitor if bond rates follow suit and continue in a downward trajectory. A downward trajectory of interest rates may also lead to more demand for municipal bonds, which has been lower this year due to fears of a rising rate environment, as demonstrated by Chart B below, which demonstrates net weekly cash flows for municipal bond flows (outflows, which indicate low demand, are shown in orange).

**Chart A**

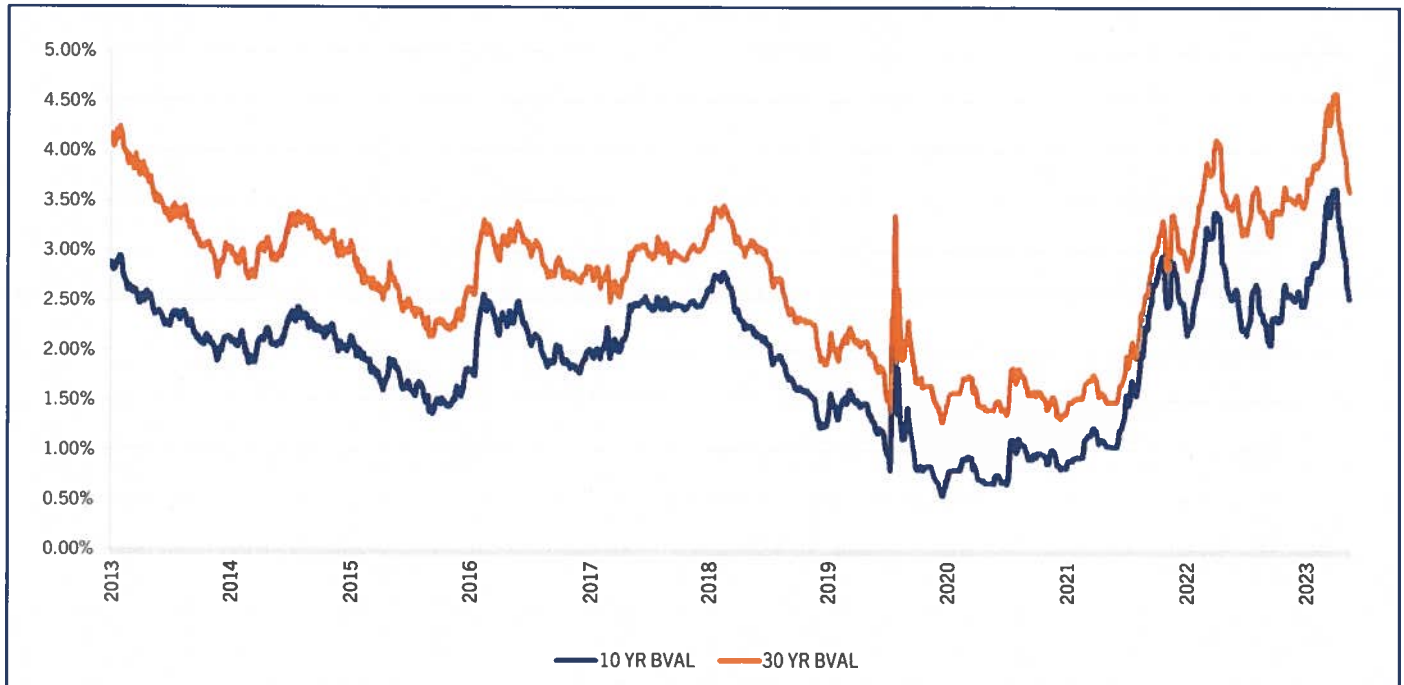
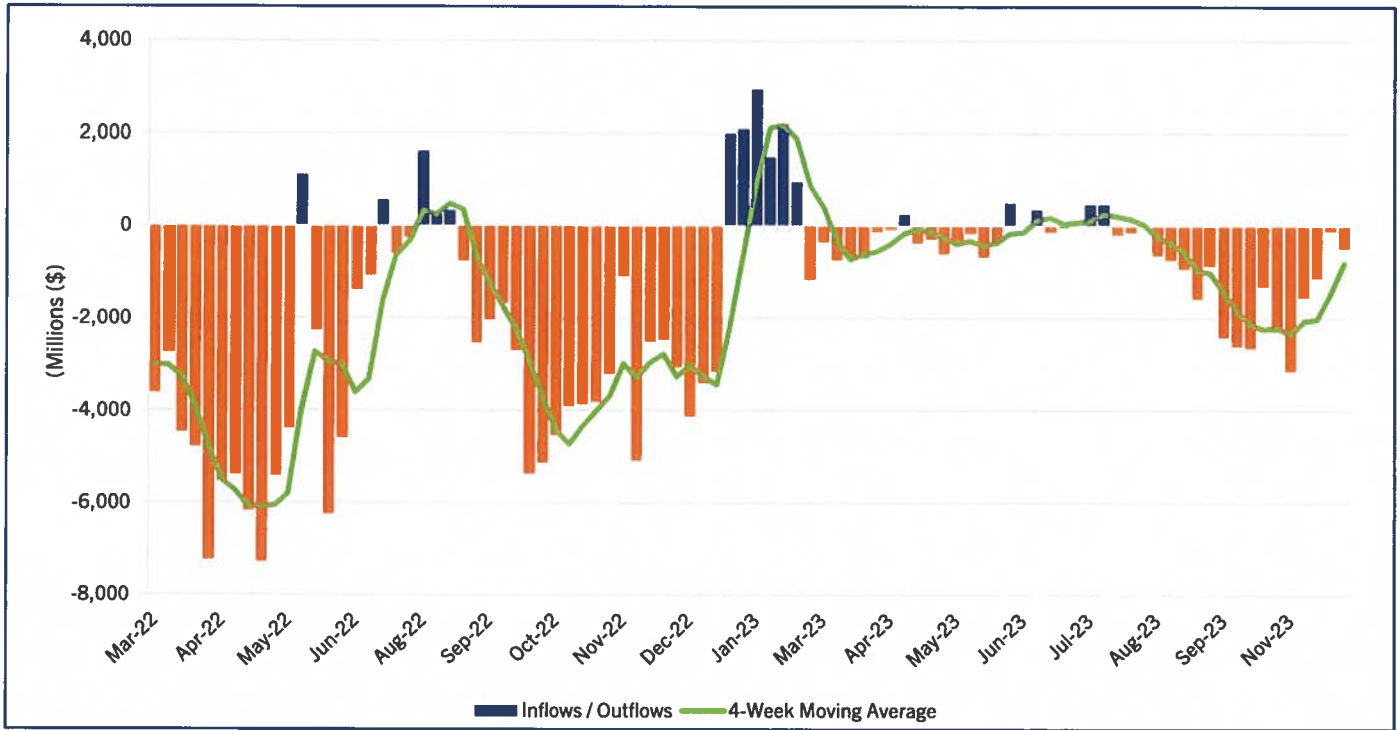


Chart B



With respect to the pricing and marketing of LCFWASA’s bonds, there are a number of positive attributes that, in our view, offset the challenges impacting in the general market:

- Strong Credit Profile:** While LCFWASA does not currently maintain a long-term debt rating from Moody’s, S&P Global, or Fitch, we estimate that the Authority is in a good position going into a future rating review. As demonstrated below, we estimate that LCFWASA would score out at the Aa3 level on the Moody’s rating scorecard, based on FY 2022 results. Additionally, the member units of LCFWASA maintain strong credit rating profiles (lowest Moody’s rating among the group is Aa3), which will also help to enhance LCFWASA’s rating outcome. In volatile markets, investors will place a greater value on the creditworthiness of an issuer. Credit rating strategy is an important service provided by First Tryon to help LCFWASA maximize its credit profile.

Broad Rating Factors	Rating Subfactors	2022				Implied Rating
		Subfactor Weighting	Issuer Value	Score	Weighted Scale	
System Characteristics	Asset Condition (Remaining Useful Life)	10%	23.24	2.64	0.26	A1
	Service Area Wealth (Median Family Income)	12.5%	92%	2.46	0.31	Aa3
	System Size (O&M)	7.5%	4,483,011	4.29	0.32	Baa3
Financial Strength	Annual Debt Service Coverage	15%	2.00	1.50	0.23	Aa1
	Days Cash on Hand	15%	276.60	0.50	0.08	Aaa
	Debt to Operating Revenues	10%	2.41	1.71	0.17	Aa1
Management	Rate Management <sup>(1)</sup>	10%	See Note 1	2.00	0.20	Aa2
	Regulatory Compliance & Capital Planning <sup>(2)</sup>	10%	See Note 2	3.00	0.30	A2
Legal Provisions	Rate Covenant	5%	1.00	2.50	0.13	A1
	Debt Service Reserve Requirement <sup>(3)</sup>	5%	See Note 3	4.00	0.20	Baa2
Average Score				2.19		2.19
Implied Rating						Aa3

(1) Strong rate-setting record; little political, practical, or regulatory limits on rate increases

(2) Moderate violations with adopted plan to address issues; Maintains manageable 5-year Capital Improvement Plan

(3) NO explicit DSRF; OR funded with speculative grade surety



Among LCFWASA's credit strengths are service area and financial performance, with strong debt service coverage and strong days cash on hand. As LCFWASA considers additional debt, First Tryon would work closely with its rate consultant to ensure these metrics remain strong. This will also be a good time to review or establish fiscal policies. The rating agencies ideally like to see formal policies in place as this often contributes to higher management scores on the rating scorecard. Fiscal policies also provide good guidance for financial decisions.

- **Infrequent Issuer:** LCFWASA only has one series of publicly sold debt outstanding, which are the Special Facility Revenue Bonds, Series 2010 (debt service paid by the Smithfield Farmland Corporation). As an infrequent issuer, the LCFWASA name will attract investors looking for a new name to diversify an investment portfolio.
- **Bank Market vs. Public Market:** Depending on the ultimate size of the borrowing, First Tryon would evaluate a bank market financing versus a public market financing. Historically, transactions under \$10 million and a 15-year or shorter amortization term have been good candidates for bank placed financing. This would allow LCFWASA to avoid the credit rating process, ongoing disclosure obligations and the need to draft an offering document for investors. Bank financing will incur lower upfront costs and less staff time than a publicly sold transaction. First Tryon will run a cost/benefit analysis early on in the financing process to ensure the plan of finance makes sense for the size of the borrowing and current market conditions. If a bank sale is deemed to be more cost effective, First Tryon would run a competitive process, distributing a bank RFP to our list of more than 30 local and regional banking institutions.

First Tryon has successfully advised clients in all kinds of interest rate environments – the good, the bad and the ugly. We don't always get the perfect market, but we can ensure that LCFWASA's bond issues are well-positioned for a successful sale. Factors that contribute to a successful sale include understanding the market environment, clearly communicating expectations with underwriters on a negotiated sale, ensuring adequate time for pre-marketing such as building in a little extra time between mailing of the POS and pricing date. First Tryon also uses in-house analytical tools such as our Pricing Model (described more fully in Section 9) to empower our advisors to negotiate with underwriters from a position of strength. On competitive sales, First Tryon reaches out to prospective underwriters to ensure they are looking at the transaction and to see if they have any questions ahead of the sale. We would also make sure that rating reports are released and available to investors at the time the POS is printed. With these additional planning steps, we do not anticipate LCFWASA having any difficulty pricing or marketing its bonds.

---

Please describe how your firm would assist LCFWASA in developing rating agency information as a part of an issuance.

---

Since 2021, First Tryon has prepared clients for and participated in over 200 credit rating presentations. As such, we have extensive knowledge and insight into key credit considerations and the analyst preferences that allow for a smooth and successful rating process.

First Tryon would take the following approach in developing rating agency strategy:

- Step 1:** Conduct a thorough review of LCFWASA and its member credit profiles using Moody's medians and peer comparisons.
- Step 2:** Note strengths and weaknesses, identify any areas for improvement, develop a regular communications strategy with the rating analysts, and keep LCFWASA informed of new "hot button" issues of the rating agencies or any updated credit methodologies.

## Lower Cape Fear Water and Sewer Authority

- Step 3:** First Tryon provides logistical support, scheduling of calls and meetings. For any New York travel, First Tryon will assist in coordination of air travel, hotel, ground transportation and meals.
- Step 4:** Prior to any calls or meetings, develop a detailed credit rating presentation book that highlights each of the focus areas of the rating agencies (local demographics/economic development, fiscal management, financial performance and debt and liabilities).
- Step 5:** Schedule time to thoroughly review information with LCFWASA to ensure that LCFWASA is comfortable with information for presenting directly to the rating analysts.
- Step 6:** Coordinate any follow up information and assist in review and delivery of final credit rating reports. Take note of any feedback (positive or negative) and incorporate back into step 1.

First Tryon and the individual advisors that would work with LCFWASA have a great deal of experience working with a wide variety of entities and different types of financings. With this experience comes regular exposure to the rating agencies and the specific analysts covering issuers in the Southeast region. We meet frequently with these analysts over the phone or in person (onsite at the issuer's location or in New York at the rating agencies' offices) to obtain ratings for specific financings coming to market as well as periodic surveillance rating reviews.

Regular interaction with the rating agencies has provided First Tryon with a high level of understanding of the particular credit aspects unique to the Southeast region and the issues that are most frequently raised by the analysts. We take great pride in being able to anticipate these questions/issues and prepare our issuer clients accordingly. We work with our clients to craft their own unique credit stories so that they will be viewed in the best possible light and put in the strongest position to achieve a favorable result. An important element of our approach is not only highlighting credit strengths, but also addressing credit challenges head-on so that the rating analysts involved understand how management is mitigating particular concerns or compensating in other credit areas, particularly for credit characteristics that are difficult to change.

Following the steps above, First Tryon is able to create a feedback loop that will ensure LCFWASA is prepared and knows exactly where it stands. Creating and maintaining a strong credit profile is critically important to keeping LCFWASA's interest rates as low as possible. Additionally, the attributes that go hand-in-hand with a high credit rating (healthy days cash on hand, financial flexibility, strong management), afford LCFWASA flexibility to take advantage of opportunities or deal with an unexpected challenge. Credit rating monitoring is also a critical part of our interactive debt models.

---

Please describe how your firm would assist LCFWASA in marketing bonds to both current and new investors.

---

There are two approaches that are typically utilized when marketing LCFWASA's bonds to both current and new investors. First Tryon's traditional and enhanced approaches are outlined in the chart below and summarized in the paragraphs that follow.

Traditional Approach	Enhanced Investor Communication Strategy
EMMA Postings	EMMA Postings
Official Statements	Official Statements
Rating Agency Reports	Rating Agency Reports
	In Person Meetings with Investors
	Technology Platforms
	- BondLink
	- Ipreo (electronic investor roadshow)
	Enhanced issuer webpage
	Investor Conferences
	Presentations at Industry Conferences

**Traditional Approach:** On all transactions, First Tryon will, at a minimum, assist LCFWASA in developing the official statement in a manner that presents the best picture of LCFWASA and provides potential investors with the necessary information on the bonds, LCFWASA's finances, and LCFWASA's economy / demographics. First Tryon then ensures that the official statement, along with LCFWASA's ratings, are properly posted to the various repositories where underwriters and investors will go for information on the issuance. These repositories include EMMA, Ipreo, and Bloomberg, among others. First Tryon will also field and answer any questions received on the bonds to ensure that all interested parties are provided with sufficient and comprehensive information on the transaction.

**Enhanced Investor Communication Strategy:** If desired, First Tryon is also available to coordinate a more concerted effort to provide additional communication to potential investors. A number of approaches are available to LCFWASA under this strategy. If LCFWASA wanted to target a specific group on investors, individual meetings can be set up with these investors to provide details on the bonds and tell the story/vision behind the projects being financed with the particular issuance. There are also certain technology platforms that can be utilized such as BondLink, Ipreo's investor roadshow, or simply a dedicated page on LCFWASA's website to ensure that the LCFWASA bonds reach a wider investor audience. Additional avenues for enhanced marketing include presenting at investor and/or industry conferences to alert investors of an upcoming issuance. Depending on LCFWASA's desired investor outreach, First Tryon will help LCFWASA strategically utilize one or more of these approaches.

## 7. Pricing Approach and Strategy

Please describe how you would advise LCFWASA in determining the best strategy about pursuing a competitive or negotiated deal.

Every transaction is unique. Going into each new transaction, you can only be certain that (i) market conditions will not be identical, (ii) the regulatory and political environment will have evolved and (iii) that LCFWASA's financing team should draft a plan of finance tailored to each individual transaction. As such, First Tryon is committed to evaluating every transaction on a case-by-case basis, especially when considering the method of sale, a driver of the entire financing process.

In North Carolina historically, competitive sales have been reserved almost exclusively for general obligation credits while Limited Obligation Bonds or Revenue Bonds have been sold on a negotiated basis, even for highly rated issuers. The conventional wisdom has been that revenue bonds and appropriation-backed credits require more pre-marketing and the involvement of an underwriter on the front end to tell the issuer's story to investors. However, in other states, issuers have been selling revenue bonds competitively for years and with much success.



## Lower Cape Fear Water and Sewer Authority

The advisors at First Tryon have been pioneers in rethinking this historical approach in North Carolina and have served as financial advisor on many non-GO competitive sales, including 13 since 2019\*. Each of these issuances has received strong support from the competitive markets, receiving anywhere from 3 to 14 bids, and have priced favorably to comparable transactions that were sold on a negotiated basis during the same timeframe.

### Competitive Revenue Bond Issuances Since 2019

Issuer	Sale Date	Par Amount	Term	Ratings (Moody's/S&P/Fitch)	Number of Bids	TIC	UW Discount (Per Bond)	% Impact to TIC
Fayetteville Public Works Commission	10/24/2023	\$169,420,000	30 Years	Aa2/AA/AA	9	4.677%	\$1.95	0.02%
City of Florence (SC)	9/7/2023	\$32,100,000	30 Years	Aa2/AA-/NR	11	4.138%	\$2.62	0.02%
Fayetteville Public Works Commission	10/19/2021	\$94,790,000	30 Years	Aa2/AA/AA	11	2.279%	\$3.47	0.03%
Orange Water and Sewer Authority	3/23/2021	\$18,840,000	25 Years	Aa1/AAA/AA+	9	1.900%	\$6.14	0.05%
North Charleston Sewer District	1/14/2021	\$8,320,000	10 Years	NR/AA-/NR	12	0.604%	\$2.46	0.04%
Isle of Palms Water and Sewer Commission	10/15/2020	\$14,770,000	19 Years	Aa2/NR/NR	5	1.727%	\$5.00	0.05%
Renewable Water Resources	9/17/2020	\$22,445,000	10 Years	Aa1/AAA/NR	12	0.496%	\$2.55	0.05%
Renewable Water Resources	9/17/2020	\$23,730,000	4 Years	Aa1/AAA/NR	9	0.389%	\$1.25	0.05%
Spartanburg Sanitary Sewer District	10/7/2019	\$7,635,000	8 Years	Aa3/AA/NR	3	1.587%	\$5.76	0.08%
Town of Mooresville (NC)	10/1/2019	\$14,075,000	17 Years	Aa2/AA+/NR	14	1.971%	\$7.31	0.09%
Berkeley County (SC)	9/24/2019	\$24,535,000	9 Years	Aa3/AA+/NR	13	1.450%	\$3.17	0.06%
City of Florence (SC)	9/19/2019	\$68,590,000	20 Years	Aa2/AA-/NR	9	2.464%	\$4.98	0.06%
Town of Fort Mill (SC)	3/28/2019	\$16,095,000	16 Years	NR/AA/NR	12	2.720%	\$8.50	0.08%

## OUR APPROACH

In our experience, we have seen competitive sales do as well as negotiated sales in the marketplace and many times price better. Our approach for evaluating the appropriate method of sale involves the analysis and review of the following characteristics:

- **Issuer credit rating:** In our view, an issuer with a credit rating in the “AA” category or higher may be a good candidate for the competitive market
- **Market stability:** Competitive sales work best in a stable market environment with moderate to low levels of new issuance in the marketplace and a relatively stable bond market.
- **Issue size:** As a general rule of thumb, larger transactions with larger block sizes (i.e. maturities over \$1 million) generally garner more interest from competitive underwriters. Transactions with the majority of maturities above the \$1 million threshold make for ideal structures to be brought competitively.
- **Unique security structure:** If the security structure for the bonds is particularly complex, a transaction may lend itself to a negotiated sale.
- **Unique structuring requirements:** If an issuer desires specific or unique couponing or unusual redemption provisions, the transaction may be a better candidate for negotiated sale.

Given that LCFWASA would be a new credit to the market and has a unique credit structure, versus a more traditional utility revenue bond, First Tryon would likely recommend a negotiated sale for LCFWASA’s inaugural public market transaction. A negotiated underwriter will be able to provide additional insight from an investor perspective as certain legal covenant preferences and structuring decisions such as optional redemption provisions or funding a reserve fund are made. LCFWASA’s bonds may also benefit from more robust pre-marketing as its credit is introduced to the marketplace.

Please describe how you would review and advise LCFWASA on proposed takedowns to confirm they are competitive with other issuers.

If LCFWASA decided to sell its bonds on a negotiated basis, First Tryon would assist as needed in the underwriter selection process and corresponding fee discussions. As one of the primary municipal advisors in the region, First Tryon has frequent conversations with issuers and underwriters regarding underwriter discounts and takedowns. First Tryon has confidence in its ability to negotiate directly with a given underwriter or conduct an RFP process to solicit pricing information from underwriters.

While takedowns are an important part of the cost structure to LCFWASA, the more significant component will be the coupons and yields ultimately assigned to the bonds. Ensuring on-market takedowns that properly compensate the underwriter's sales force to aggressively market LCFWASA's bonds will most likely lead to the best overall result.

## 8. Charges and Fees

Explain your method of determining fees, including charges for travel and out-of-pocket expenses. Also explain your approach to billing miscellaneous calls from LCFWASA for which you would spend minimal time.

Please provide an hourly rate by participant level for work that is performed outside of bond issue.

In establishing fees, First Tryon takes into account multiple factors. While time commitment is one consideration, we also consider the efficiency with which the work was done, complexity of the project, value added, any special experience or expertise applied, and the liability undertaken by our firm, among other factors.

Our core beliefs on client fees are as follows:

- Every assignment and situation is different.
- Clients should only be charged for the services they need and benefit from.
- We strive to keep fees as low as possible while being fairly compensated for the services provided.
- There should never be surprises or hidden fees.
- The client always has the right to adjust the fee to any amount it deems appropriate.

For all of the reasons above, our approach is to review each assignment with the client at the beginning of the process before establishing a fixed fee. Once we have a better understanding of the wider plan of finance, tasks involved and LCFWASA's expectations, we can then propose a fee that is fair both to LCFWASA and our firm.

In addition, First Tryon's engagement letters are unique compared to other municipal advisory firms. We allow our clients to unilaterally adjust our fees as desired after completion of the assignment. The following provision exists in our contracts:

***"If at any time the Client believes that the services provided are not consistent with the fees First Tryon has charged, the Client may adjust the fee for such services to any amount the Client deems appropriate."***

Generally, First Tryon does not charge for miscellaneous calls, routine questions or minor tasks. We consider these types of requests to be a part of our ongoing relationship and want to encourage LCFWASA to pick up the phone and call anytime without the "meter ticking". However, with respect to larger scale assignments such as rating surveillance calls, capital planning models, extensive analysis, special projects, etc. First Tryon will work with LCFWASA to establish a fee (either fixed or hourly) that is fair to both parties. If it is determined that an assignment is suited for hourly billing, First Tryon offers our current hourly rates by professional:

Professional	Hourly Rate
Managing Director	\$425 / Hour
Director	\$375 / Hour
Vice President	\$325 / Hour
Associate/Analyst	\$250 / Hour

In addition to the fee, First Tryon also typically charges for out-of-pocket expenses incurred in connection with the services provided. Customary out-of-pocket expenses include, without limitation, costs of travel, meals, lodging, printing/copying, etc. First Tryon bills direct expenses at cost, with no mark-up. First Tryon will not bill for indirect costs such as telephone, subscriptions and conference call services; instead, First Tryon charges an administrative expense fee equal to 4% of any invoiced fee for services as reimbursement for costs not reasonably allocable on a client-by-client basis.

We appreciate the opportunity to have an open dialogue with LCFWASA about potential assignments and provide a fee proposal customized to LCFWASA's exact needs.

## 9. Additional Services

Describe other services provided by your firm and efficiencies or cost savings that may be gained by LCFWASA engaging your firm for these ancillary services.

To better and more thoroughly serve our advisory clients, First Tryon has made key investments in technology, personnel, and resources to add value beyond traditional advisory services on debt offerings. Additional services offered by our firm include operational consultant services, procurement services such as bidding of banking services, bidding of escrows or construction funds, and development of advanced modelling tools like our pricing model and capital planning models. The following provides some additional information about our modeling tools that we believe would be relevant to LCFWASA.

### PRICING MODEL

Unique to First Tryon Advisors is our proprietary pricing model that was developed in-house and helps us evaluate and compare pricing on a public market bond sale. The model uses an algorithm to determine the best comparative financings for an issuer's proposed bond sale by comparing over 13 variables, including: state, security, tax status, rating, sale date, coupon, call provision and market sector of over 3,000 issuances. To the extent necessary, First Tryon also utilizes the sales and trading desk of First Tryon Securities, LLC for additional pricing guidance / oversight and to pull pricing data from specific primary or secondary trades.

First Tryon actively uses this model leading up to and on the date of a bond sale to 1) confirm that the underwriter's proposed pricing is at an acceptable level and 2) to highlight certain maturities where pricing could improve and work with the underwriter to get to that level. It helps us provide recommendations to our clients as to the key decisions points of a bond issuance, including sizing, maturity schedules, and call provisions. This innovative model has had direct impacts on issuer's pricings and resulted in debt service savings. A snapshot of the model is provided on the following page.





Lower Cape Fear Water and Sewer Authority							Comps Ranked L5										
State	NC	Include All	Not before	10/1/23			BRUNSWICK CNTY NC		ONSLow NC WTR & SWR		FAYETTEVILLE NC		NORFOLK VA WTR		MYRTLE BEACH SC LTD		
Moody's	Aa2		Tax Status	TE			ENTERPRISE SYS		AUTH COMB		PUBLIC WKS		REVENUE		OBLG		
S&P	AA		Payment dates	Apr			Sale Date	10/12/23	Sale Date	10/26/23	Sale Date	10/24/23	Sale Date	10/24/23	Sale Date	10/31/23	
Fitch	AA		Market	Current			Sale Type	NEG	Sale Type	NEG	Sale Type	COMP	Sale Type	COMP	Sale Type	NEG	
			# of Comps to include	10			Moody's	Aa2	Moody's	Aa3	Moody's	Aa2	Moody's	-	Moody's	-	
			Sale Type	All			S&P	AA	S&P	AA	S&P	AA	S&P	AA+	S&P	AA-	
							Fitch	-	Fitch	-	Fitch	AA	Fitch	AA+	Fitch	-	
<b>Industries to Include</b>							<b>Security Types to Include</b>										
Healthcare	No		General Obligation	No													
Higher Education	No		Limited Obligation	No													
Housing	No		Revenue Bonds	Yes													
Local Government	No		Special Tax	No													
NP/Ch Sch/Univ	No																
School Districts	No																
Transportation	No																
Utility System	Yes																
<b>Proposed Pricing</b>							<b>Spreads of Comps</b>										
Tenor	Maturity	Par Amount (000's)	Coupon	Spread (bps)	MMD	Yield	Low	Median	High	Coupon	Spread	Coupon	Spread	Coupon	Spread	Coupon	Spread
1	2025		5.000%	0	2.80%	2.80%	-9	8	34	5.000%	12	5.000%	8	5.000%	8	5.000%	25
2	2026		5.000%	-4	2.73%	2.69%	-9	8	34	5.000%	18	5.000%	4	5.000%	8	5.000%	28
3	2027		5.000%	14	2.59%	2.73%	-9	8	35	5.000%	14	5.000%	9	5.000%	6	5.000%	34
4	2028		5.000%	15	2.50%	2.65%	-9	9	39	5.000%	10	5.000%	13	5.000%	4	5.000%	34
5	2029		5.000%	18	2.46%	2.64%	-5	10	43	5.000%	16	5.000%	16	5.000%	6	5.000%	35
6	2030		5.000%	19	2.47%	2.66%	-3	14	45	5.000%	19	5.000%	19	5.000%	9	5.000%	39
7	2031		5.000%	21	2.45%	2.66%	-3	15	47	5.000%	22	5.000%	25	5.000%	15	5.000%	43
8	2032		5.000%	24	2.45%	2.72%	-1	15	47	5.000%	23	5.000%	27	5.000%	13	5.000%	45
9	2033		5.000%	20	2.50%	2.70%	1	14	47	5.000%	19	4.000%	29	5.000%	8	5.000%	47
10	2034		5.000%	25	2.55%	2.80%	0	12	47	5.000%	18	5.000%	24	5.000%	5	5.000%	43
11	2035		5.000%	18	2.63%	2.81%	-2	10	47	5.000%	15	5.000%	28	5.000%	3	5.000%	42
12	2036		5.000%	20	2.76%	2.96%	-2	11	46	5.000%	16	5.000%	26	5.000%	15	5.000%	42
13	2037		5.000%	21	2.91%	3.12%	-2	15	49	5.000%	16	5.000%	22	5.000%	14	5.000%	44
14	2038		5.000%	13	3.03%	3.16%	-2	16	52	5.000%	-	5.000%	17	5.000%	18	5.000%	46
15	2039		5.000%	13	3.11%	3.24%	-2	17	52	5.000%	22	5.000%	20	5.000%	19	5.000%	49
16	2040		5.000%	15	3.16%	3.31%	-1	19	52	5.000%	-	5.000%	27	5.000%	19	5.000%	52
17	2041		5.000%	16	3.21%	3.37%	4	20	56	5.000%	27	5.000%	29	5.000%	21	5.000%	60
18	2042		5.000%	30	3.27%	3.57%	4	21	58	5.000%	32	5.000%	32	5.000%	21	5.000%	61
19	2043		5.000%	35	3.33%	3.68%	5	21	58	4.375%	55	5.000%	33	5.000%	23	5.000%	56
20	2044		5.000%	45	3.36%	3.81%	7	21	58	4.375%	53	5.000%	34	5.000%	22	5.000%	58
21	2045				3.40%	-								5.000%	22	5.000%	
22	2046				3.45%	-								5.000%	22	5.000%	
23	2047				3.49%	-											
24	2048				3.51%	-											
25	2049				3.54%	-				4.500%	49	5.000%	46	4.500%	32		
26	2050				3.57%	-											
27	2051				3.59%	-								4.000%	29		
28	2052				3.60%	-											
29	2053				3.61%	-								5.000%	23		
30	2054				3.62%	-											
Par (000's)							21,835		48,415		169,420		51,515		14,485		

### CAPITAL PLANNING MODEL

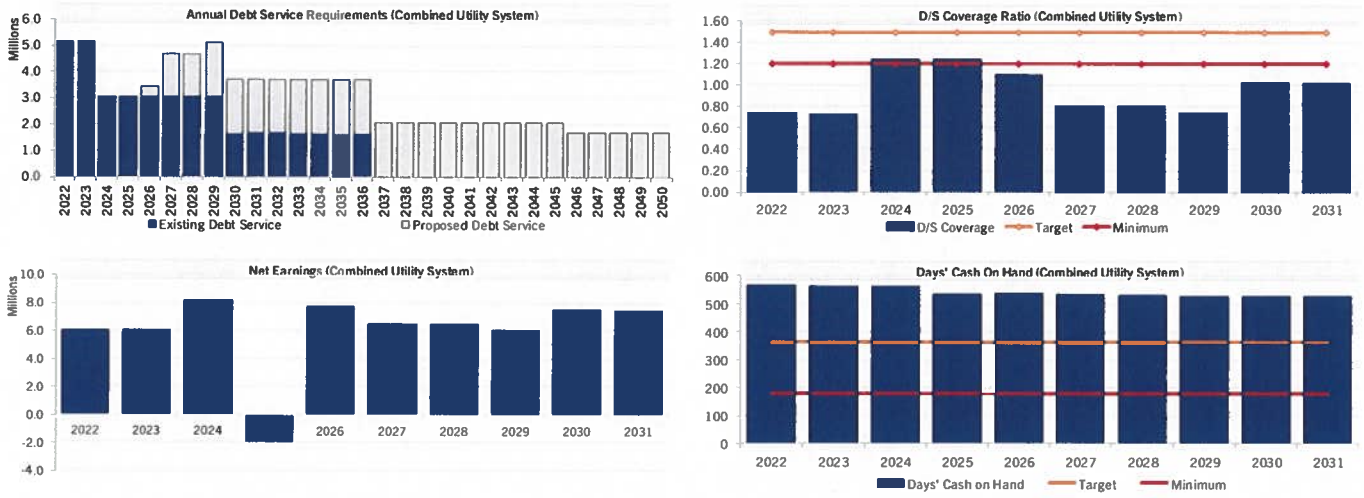
First Tryon's Capital Planning Model is a tool we developed that gives entities the ability to forecast the financial impact of capital projects over both a near-term and a long-term horizon, on a project-by-project basis. This interactive, dynamic tool allows an entity to quickly and easily run multiple scenarios with different assumptions, including project cost, timing, funding source, financing type, financing term and debt service structure, among others. We have found this model to be incredibly useful to our clients, many of which work with the model live in Board workshops/meetings.

**Project Dashboard and Funding Assumptions:** The primary functionality of the model comes from the analysis of various financing options: which projects are financed over what term and when. For illustrative purposes, we have provided a sample inputs table. First Tryon and/or LCFWASA can also input the entire capital improvement. For each project, we can specify their respective details, including (where relevant): cost, timing, debt service structure, term and interest rate. LCFWASA can also specify both the funding source (Enterprise Operating Fund or another fund, as applicable) as well as the funding type (general obligation bond, revenue bond, revolving loan, pay-go, etc.) on a project-by-project basis.

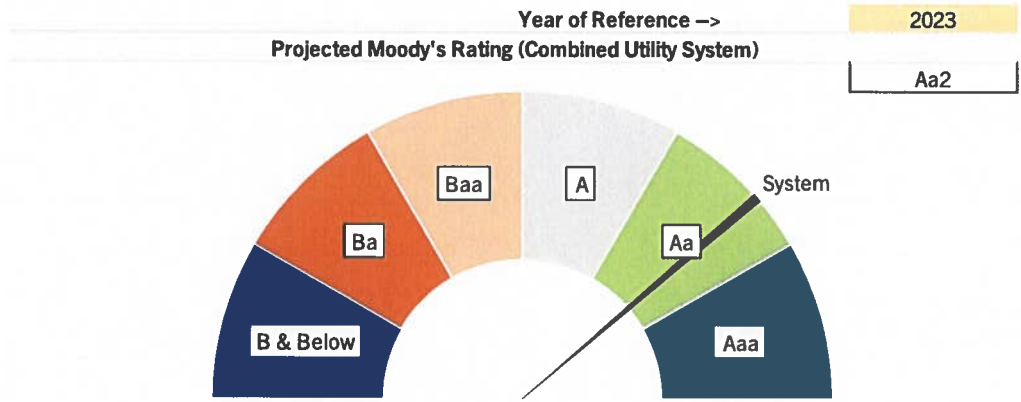
## Lower Cape Fear Water and Sewer Authority

Turn Projects On/Off	Specify project description, amount, and timing	Select fund and funding type	Customize repayment structure							
Projects Under Consideration										
	1	2	3	4	5	6	7	8	9	10
On/Off	Description	Amount	Timing (FY)	Fund / Revenue Source	Funding Type	Structure	Term	Principal Deferral	Rate	
On	Sample Project #1	25,000,000	2026	Enterprise Operating Fund	Revenue Bond	Level D/S	30	2	5.00%	
On	Sample Project #2	5,000,000	2025	Enterprise Operating Fund	SRF	Level D/S	20	0	4.50%	
On	Sample Project #3	10,000,000	2025	Other Fund	Cash					
Off										
Off										

**Outputs – Key Financial Metrics / Policies / Targets:** The Capital Planning Model allows issuers to track the impact a plan of finance will have on their key financial ratios to ensure that they remain in compliance with any financial policies or internal targets. While all models include certain standard metrics, LCFWASA's Capital Planning Model can be customized to include any additional metrics monitored by LCFWASA, such as Total Coverage Ratio, Days Cash on Hand, Cash Balance, and Debt to Operating Revenues.

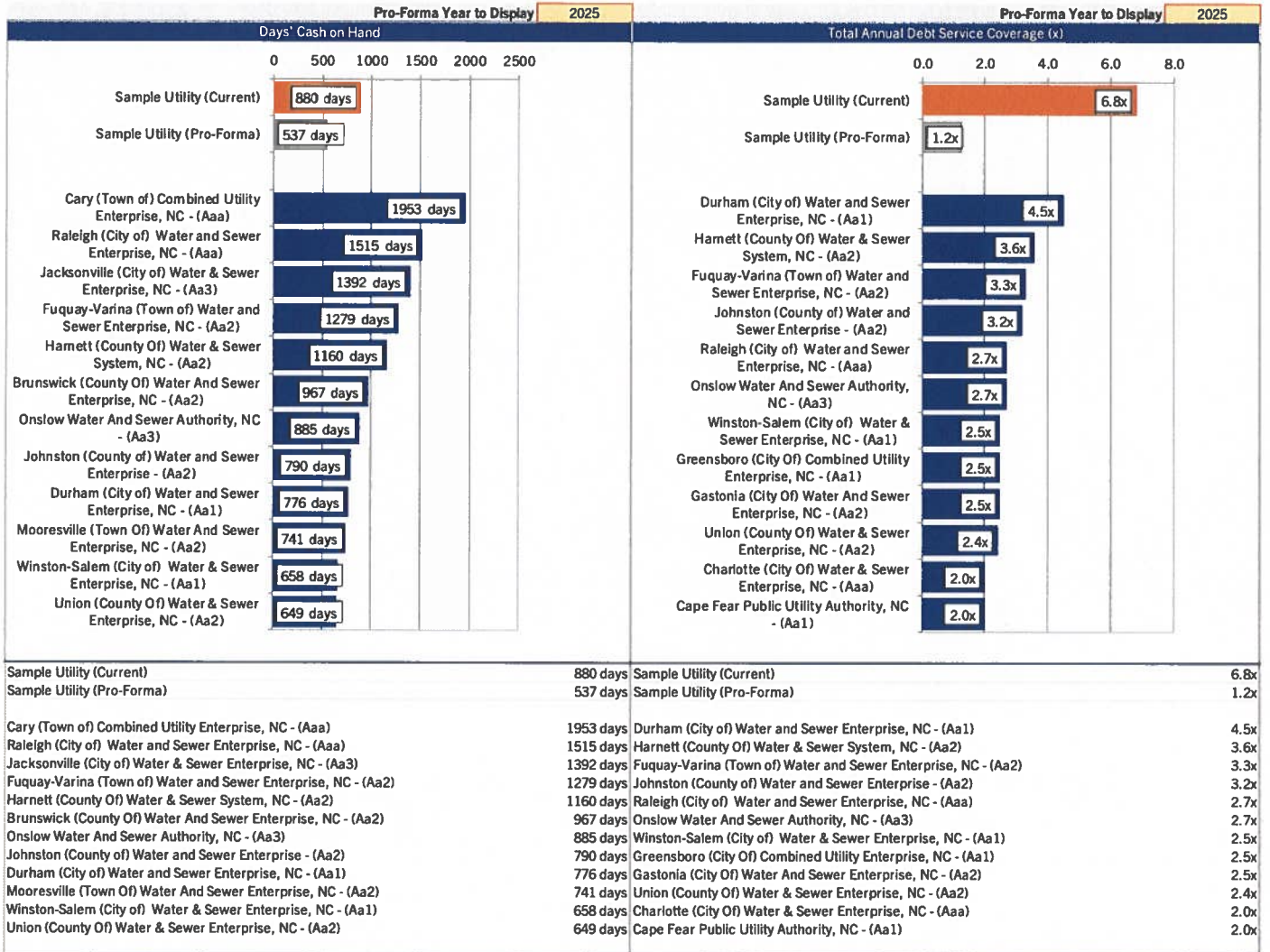


**Outputs – Moody's Scorecard:** Rating agency scorecard analysis can also be incorporated within the model. In addition to analyzing an issuer's current financial picture, the model can also run the analysis for future years to show how the long-term plan of finance affects the issuer's overall financial health.



## Lower Cape Fear Water and Sewer Authority

**Outputs – Peer Comparisons:** Not only will financial metrics be measured against LCFWASA’s policies / internal targets, but each metric will be compared to LCFWASA’s peers. The Capital Planning Model utilizes Moody’s MRFA.





## 10. Legal and Firm Issues

Please indicate if the Firm is any of the following:

MBE \_\_\_\_\_ WBE \_\_\_\_\_ SBE \_\_\_\_\_ None of the above

If the Firm has been certified with the designations above, indicate which agency, and the effective and expiration dates of that certification below:

Agency Certifying: Not Applicable

Effective Date: Not Applicable

Expiration Date: Not Applicable

Please disclose and explain any significant negative events in your firm's recent history including criminal charges, civil litigation, or administrative actions involving allegations of securities law violations by your firm or its employees during the past five (5) years. Please comment on the resolution and/or status of the actions.

First Tryon as a firm nor has First Tryon employees have been engaged in any criminal charges, civil litigation, or administrative actions involving allegations of securities law violations in the past five years.

Are there any other lines of business conducted by your firm that could complement or conflict with your role on LCFWASA transactions? Please disclose any arrangements that might present an actual or apparent conflict of interest with this role.

First Tryon is not aware of any arrangements that might present an actual or apparent conflict of interest with this role.

Separate from First Tryon Advisors, First Tryon Securities, LLC maintains a fixed income sales and trading desk which will provide value for LCFWASA by offering a source of live, real-time market information. The desk operates only in the secondary market and does not participate in the underwriting of bonds, thereby avoiding any or actual perceived conflict of interest.

Disclose any existing or contemplated relationship with any other person or entity, including relationships with LCFWASA staff, which would constitute an actual or potential conflict of interest in connection with the rendering of services detailed in this response. If a conflict does or might exist, please describe how your firm would resolve the conflict.

First Tryon is not aware of any existing or contemplated relationships with any other person or entity, including relationships with LCFWASA staff, which would constitute an actual or potential conflict of interest in connection with the rendering of services detailed in this response.



## 11. Respondent's Certification

The Respondent's Certification set forth below shall be completed and signed by the person submitting the response to the RFQ on behalf of your firm.

### RESPONDENT'S CERTIFICATION

I have carefully examined the submittal to the Request for Qualifications, and any other documents accompanying or made a part of this submittal.

The firm identified below hereby proposes to furnish the services specified in the Request for Qualifications. I agree that the submittal will remain firm for a period of up to 150 days in order to allow LCFWASA adequate time to evaluate the responses submitted.

I verify that all information contained in this submittal is truthful to the best of my knowledge and belief. I further certify that I am duly authorized to submit this response to the Request for Qualifications on behalf of the firm as its act and deed and that the firm is ready, willing, and able to perform if selected.

I further certify that this submittal to the Request for Qualifications is made without prior understanding, agreement, connection, discussion, or collusion with any other person, firm or corporation submitting a Request for Qualifications for the same product or service; no officer, employee or agent of LCFWASA; and that I, the undersigned, executed this certification with full knowledge and understanding of the matters therein contained and was duly authorized to do so.

First Tryon Advisors  
NAME OF BUSINESS

Amy Vitner  
SIGNATURE

Amy Vitner Managing Director  
NAME & TITLE, TYPED OR PRINTED

6101 Carnegie Blvd, Suite 210  
MAILING ADDRESS

Charlotte NC 28209  
CITY, STATE, ZIP CODE

704-458-9759  
TELEPHONE NUMBER

## Appendix A – Municipal Advisor Registration



Municipal Securities Rulemaking Board

### Certificate of Current MSRB Registration

The Municipal Securities Rulemaking Board (MSRB) certifies that the organization listed below is registered with the MSRB as of December 18, 2023 04:15:31 PM ET.

<b>Registrant's Name:</b>	First Tryon Advisors, LLC	<b>Type of Registration Maintained with the MSRB:</b>	Municipal Advisor
<b>MSRB ID:</b>	K1304	<b>Date Registered with the MSRB:</b>	October 29, 2021

This certificate may be confirmed by contacting the MSRB at 202-838-1330 or by email to [MSRBsupport@msrb.org](mailto:MSRBsupport@msrb.org)

Stephanie Braddell, Product Operations Manager

©2023 Municipal Securities Rulemaking Board



### EDGAR Search Results

[SEC Home](#) » [Search the Next-Generation EDGAR System](#) » [Company Search](#) » [Current Page](#)

**First Tryon Advisors, LLC** CIK#: 0001881014 ([see all company filings](#))  
State location: MD | State of Inc.: NC | Fiscal Year End: 1231

Give us feedback  
on EDGAR [Click Here](#)

Business Address  
122 SEVERNAVENUE  
ANNAPOLIS MD 21403  
7049662443

Mailing Address  
604 CALLEGIE BLVD.  
SUITE 210  
CHARLOTTE NC 28209

## Appendix B – Revenue Bond Deal List Since 2021

## FTA Revenue Bond Transactions since 2021

Date of Sale	Par Amount	Engagement Name	Issuer	Security Type	Rating	Public Offering/Private Offering	Sale Type	Final Maturity
10/24/23	\$169,420,000	Fayetteville PWC 2023 REV	Fayetteville Public Works Commission (NC)	Revenue	Aa2/AA/AA	Public Offering	Competitive	3/1/2053
10/16/23	\$1,600,000	Liberty-Chesnee-Fingerville 2023 REV	Liberty Chesnee Fingerville Water District (SC)	Revenue	NR	Private Offering	Competitive	11/11/2038
09/12/23	\$3,000,000	Georgetown 2023 CUS REV	Georgetown, City of (SC)	Revenue	NR	Private Offering	Competitive	6/1/2043
09/07/23	\$32,100,000	Florence, SC 2023 WS Rev	Florence, City of (SC)	Revenue	Aa2/AA-/NR	Public Offering	Competitive	9/1/2053
08/15/23	\$38,435,000	Myrtle Beach 2023 W&S REVs	Myrtle Beach, City of (SC)	Revenue	Aa3/AA-/NR	Public Offering	Negotiated	3/1/2048
07/19/23	\$37,055,000	Gastonia, NC 2023 Utility Rev	Gastonia, City of (NC)	Revenue	Aa2/NR/AA+	Public Offering	Negotiated	5/1/2043
05/24/23	\$28,220,000	Dorchester County 2023 W&S REV	Dorchester County (SC)	Revenue	NR/AA/NR	Public Offering	Negotiated	10/1/2048
04/24/23	\$96,525,000	Cherokee Co. W&S 2023 REV	Cherokee County Water and Sewerage Authority (GA)	Revenue	Aa1/AA/NR	Public Offering	Negotiated	8/1/2053
04/03/23	\$8,480,000	Hendersonville 2023 REV	Hendersonville, City of (NC)	Revenue	NR/NR/NR	Private Offering	Competitive	6/1/2043
02/22/23	\$2,067,000	Abbeville Co 2023 Solid Waste Revenue Bond	Abbeville County (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	4/1/2038
01/18/23	\$4,090,000	LCNGA 2023 REV	Lancaster County Natural Gas Authority (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	6/1/2033
12/01/22	\$23,670,000	GUC 2022 Rev Bond	Greenville Utilities Commission (NC)	Revenue	Aa1/NR/AA-	Public Offering	Negotiated	12/1/2046
10/11/22	\$8,000,000	YCONGA 2022 REV	York County Natural Gas Authority (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	4/1/2033
10/06/22	\$71,505,000	South Island PSD 2022 Revenue bond	South Island Public Service District (SC)	Revenue	A1/AA+/NR	Public Offering	Negotiated	4/1/2052
09/28/22	\$4,150,000	Dorchester County 2022 Stormwater REV	Dorchester County (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	4/1/2032
09/08/22	\$60,000,000	Horry Co 2022 Hospitality Fee Revenue Bond	Horry County (SC)	Revenue	NR/AA/AA	Public Offering	Negotiated	9/1/2052
08/08/22	\$22,154,000	Rock Hill 2022CD CUS REVs	Rock Hill, City of (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	1/1/2042
07/27/22	\$120,000,000	ReWa 2022 REV (Interim)	Renewable Water Resources (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	9/1/2026
07/11/22	\$1,500,000	Inman 2022 Hospitality REV	Inman, City of (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	3/1/2037
05/05/22	\$18,558,000	Rock Hill 2022A CUS REVs	Rock Hill, City of (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	1/1/2030
05/03/22	\$38,000,000	MetroConnects 2022 Revenue Bond	MetroConnects (Metropolitan Sewer Subdistrict of	Revenue	NR/NR/NR	Private Offering	Competitive	6/1/2042
04/21/22	\$33,670,000	Charleston 2022 Hospitality Revenue Bonds	Charleston, City of (SC)	Revenue	NR/AA/NR	Public Offering	Negotiated	9/1/2036
02/16/22	\$7,695,000	Greenville, SC 2022 Sewer Rev Bond	Greenville, City of (SC)	Revenue	NR	Private Offering	Competitive	4/1/2037
01/12/22	\$64,555,000	Winston-Salem, NC 2022 WS Rev Bonds	Winston Salem, City of (NC)	Revenue	Aa1/AA-/NR	Public Offering	Negotiated	6/1/2052
01/06/22	\$4,731,000	Thomasville 2022 Revenue Refunding Bond	Thomasville, City of (NC)	Revenue	NR	Private Offering	Competitive	5/1/2028
01/05/22	\$6,915,000	Hendersonville 2022 W&S Revenue Bond	Hendersonville, City of (NC)	Revenue	NR	Private Offering	Competitive	6/1/2041
11/30/21	\$55,000,000	Fulton Co 2021 Urban Redevel Bonds	Fulton County (GA)	Revenue	NR	Private Offering	Competitive	8/1/2036
11/04/21	\$73,545,000	Charleston Co 2021 SSRB Refunding	Charleston County (SC)	Revenue	NR/AA+/AA+	Public Offering	Negotiated	12/1/2038
10/27/21	\$25,340,000	Cassatt Water 2021 Revenue Bonds	Cassatt Water Company (SC)	Revenue	A3/A+/NR	Public Offering	Negotiated	6/1/2051
10/26/21	\$10,129,565	Piedmont Triad Regional Water Authority - 2021 Modification	Piedmont Triad Regional Water Authority	Revenue	NR	Private Offering	Negotiated	9/1/2028
10/20/21	\$16,165,000	Richland County 2021 Assessment Revenue Refunding	Richland County (SC)	Revenue	NR	Public Offering	Negotiated	11/1/2036
10/19/21	\$94,790,000	Fayetteville PWC 2021 Revenue Bonds	Fayetteville Public Works Commission (NC)	Revenue	Aa2/AA/AA	Public Offering	Competitive	3/1/2051
10/13/21	\$20,425,000	Anderson 2022 W&S REV Refunding	Anderson, City of (SC)	Revenue	Aa3/A+/NR	Public Offering	Negotiated	7/1/2032
10/13/21	\$23,255,000	Anderson 2021 W&S REV Refunding	Anderson, City of (SC)	Revenue	Aa3/A+/NR	Public Offering	Negotiated	07/1/2039
09/23/21	\$10,747,000	City of Shelby - 2021 Revenue Bond Refunding	Shelby, City of (NC)	Revenue	NR	Private Offering	Competitive	11/1/2030
08/03/21	\$61,520,000	PEG 2021 Revenue Bonds	Patriots Energy Group (SC)	Revenue	A2/NR/NR	Public Offering	Negotiated	6/1/2051
07/29/21	\$241,795,000	Durham 2021 W&S Revs	Durham, City of (NC)	Revenue	Aa1/AAA/AA+	Public Offering	Negotiated	8/1/2051
06/29/21	\$7,000,000	Florence, City of 2021 Stormwater Rev	Florence, City of (SC)	Revenue	NR	Private Offering	Competitive	6/1/2036
06/28/21	\$7,000,000	Anderson 2021 Hospitality Fee Revenue Bond	Anderson, City of (SC)	Revenue	NR	Private Offering	Competitive	2/1/2037

## Lower Cape Fear Water and Sewer Authority

### FTA Revenue Bond Transactions since 2021 (continued)

Date of Sale	Par Amount	Engagement Name	Issuer	Security Type	Rating	Public Offering	Private Offering	Sale Type	Final Maturity
05/05/21	\$10,264,000	MetroConnects 2021 Sewer Bond	MetroConnects (Metropolitan Sewer Subdistrict of Greenville County)	Revenue	NR		Private Offering	Competitive	6/1/2023
04/12/21	\$19,510,000	Spartanburg Sewer 2021 Taxable Refunding Bonds	Spartanburg Sanitary Sewer District (SC)	Revenue	Aa3/AA/NR		Public Offering	Negotiated	3/1/2040
03/23/21	\$18,840,000	OWASA 2021 Revenue Bonds	Orange Water and Sewer Authority (NC)	Revenue	Aa1/AAA/AA+		Public Offering	Competitive	6/1/2046
03/15/21	\$17,689,000	North Augusta 2021 W&S Refunding Bond	North Augusta, City of (SC)	Revenue	NR		Private Offering	Competitive	5/1/2036
03/15/21	\$23,053,000	Mooreville 2021 REV Refunding	Mooreville, Town of (NC)	Revenue	NR		Private Offering	Competitive	5/1/2029
02/24/21	\$2,500,000	Liberty-Fingerville Water District 2021 Revenue Bond	Liberty Chesnee Fingerville Water District (SC)	Revenue	NR		Private Offering	Competitive	3/11/2036
02/17/21	\$3,227,000	Greenville, SC 2021 Hosp Tax Ref Bond	Greenville, City of (SC)	Revenue	NR		Private Offering	Competitive	4/1/2031
01/14/21	\$8,320,000	North Charleston Sewer Dist 2021 GO Ref	North Charleston Sewer District (SC)	Revenue	NR/AA+/NR		Public Offering	Competitive	1/1/2031
<b>Total</b>	<b>\$1,656,209,565</b>	<b>47 Transactions</b>							



## DISCLAIMER

This communication was prepared by First Tryon Advisors, LLC (“First Tryon Advisors”) and is for informational purposes only and should not be construed as an offer or solicitation to sell or buy any securities. This material does not provide tax, regulatory, accounting, or legal advice. Prior to entering into any proposed transaction, recipients should determine, in consultation with their own investment, legal, tax, regulatory and accounting advisors, the economic risks and merits, as well as the legal, tax, regulatory, and accounting characteristics and consequences, of the proposed transaction. Any proposal included in this communication is confidential information of First Tryon Advisors and is solely for the benefit of the recipient(s), and the recipient(s) is (are) not authorized to sell, redistribute, forward or deliver this communication to any other person without the prior written consent of First Tryon Advisors.

The statements within this material constitute the views, perspective and judgment of First Tryon Advisors at the time of distribution and are subject to change without notice. First Tryon Advisors gathers its data from sources it considers reliable; however, it does not guarantee the accuracy or completeness of the information provided within this communication. The material presented reflects information known to First Tryon Advisors at the time this communication was prepared, and this information is subject to change without notice. First Tryon Advisors makes no warranties regarding the accuracy of this material.

Any forecasts, projections, or predictions of the market, the economy, economic trends, and equity or fixed-income markets are based upon current opinion as of the date of issue, and are also subject to change. Opinions and data presented are not necessarily indicative of future events or expected performance. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or performance. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes only to simplify the presentation and/or calculation of any projections or estimates, and First Tryon Advisors does not represent that any such assumptions will reflect actual future events. Accordingly, there can be no assurance that estimated projections will be realized or that actual performance results will not materially differ from those estimated herein.

First Tryon Advisors is registered as a municipal advisor with the Securities and Exchange Commission (“SEC”) and the Municipal Securities Rulemaking Board (“MSRB”). Neither the SEC, MSRB, nor any other regulatory organization endorses, indemnifies, or guarantees First Tryon Advisors’ business practices or selling methods.



**AGENDA**  
**Lower Cape Fear Water & Sewer Authority**  
**1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina**  
**9:00 a.m. – Regular Monthly Board Meeting**  
**March 11, 2024**

**MEETING CALL TO ORDER:** Chairman Knight

**INVOCATION**

**PLEDGE OF ALLEGIANCE**

**APPROVAL OF CONSENT AGENDA**

- C1 – Minutes of February 12, 2024, Regular Board Meeting
- C2 – Minutes of February 12, 2024, Finance Committee Meeting
- C3 – Minutes of February 12, 2024, Personnel Committee Meeting
- C4 – Kings Bluff Monthly Operations and Maintenance Report
- C5 – Bladen Bluffs Monthly Operations and Maintenance Reports

**OLD BUSINESS**

**OB1** – Resolution of Lower Cape Fear Water and Sewer Authority Board of Directors Rejecting Sole Bid Submitted for Partial Replacement of Existing Roof at the Kings Bluff Pump Station

**NEW BUSINESS**

- NB1** – Budget Amendment #2
- NB2** – Resolution Awarding Contract for Financial Advisory Services for the Lower Cape Fear Water and Sewer Authority

**PRESENTATION:** Source Water Protection Regional Plan by Krysden Burden with Brunswick County Public Utilities

**ENGINEER'S COMMENTS**

**ATTORNEY COMMENTS**

**EXECUTIVE DIRECTOR REPORT**

- EDR1** – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending February 29, 2023
- EDR2** – Operating Budget Status, Ending January 31, 2024
- EDR3** – Summary of Activities

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

**PUBLIC COMMENT**

**CLOSED SESSION**

**CS1** - Closed session pursuant to N.C.G.S. § 143-318.11(a)(3) to discuss with our attorney a matter within the attorney-client privilege.

**ADJOURNMENT**

*The next board meeting of the Lower Cape Fear Water & Sewer Authority is scheduled for Monday, April 8<sup>th</sup> at 9:00 a.m. in the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.*

## **AGENDA ITEM**

To: CHAIRMAN KNIGHT AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: March 11, 2024

Re: Consent Agenda

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

---

Please find enclosed the items of a routine nature for consideration and approval by the Board of Directors with one motion. However, that does not preclude a board member from selecting an item to be voted on individually, if so desired.

- C1-** Minutes of February 12, 2024, Regular Board Meeting
- C2-** Minutes of February 12, 2024, Finance Committee Meeting
- C3-** Minutes of February 12, 2024, Personnel Committee Meeting
- C4-** Kings Bluff Monthly Operations and Maintenance Report
- C5-** Bladen Bluffs Monthly Operations and Maintenance Report

**Action Requested:** Motion to approve/disapprove Consent Agenda.

Lower Cape Fear Water & Sewer Authority  
Regular Board Meeting Minutes  
February 12, 2024

Chairman Knight called to order the Authority meeting scheduled on February 12<sup>th</sup>, 2024, at 9:00 a.m. and welcomed everyone present. The meeting was held at the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina. Director Leonard gave the invocation.

**Roll Call by Chairman Knight:**

**Present:** Norwood Blanchard, Patrick DeVane, Wayne Edge, Harry Knight, Al Leonard, Jackie Newton, Scott Phillips, Charlie Rivenbark, Chris Smith, Bill Sue, and Phil Tripp

**Present by Virtual Attendance:** Bill Saffo

**Absent:** Frank Williams and Rob Zapple

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

**Guests Present:** Glenn Walker, Brunswick County Water Resources Manager; Jorgen Holmberg, Computer Warriors; Anthony Colon, Pender County Utilities Director of Utilities; and James Proctor, Pender County Utilities Deputy Director of Utilities

**Guests Virtual Attendance:** Tom Hendrick, Pender County Utilities Water Treatment Plant Superintendent; and Benjamin Kearns, Cape Fear Public Utility Authority Water Resources Manager Water Treatment

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

**APPROVAL OF CONSENT AGENDA**

**C1 – Minutes of January 8, 2024, Regular Board Meeting**

**C2 – Minutes of January 8, 2024, Finance Committee Meeting**

**C3 – Kings Bluff Monthly Operations and Maintenance Report**

**C4 – Bladen Bluffs Monthly Operations and Maintenance Reports**

**C5 – Line-Item Adjustment for December 31, 2023**

**Motion:** Director Edge **MOVED**; seconded by Director Blanchard, approval of the Consent Agenda Items C1-C5. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

**NEW BUSINESS**

**NB1- Resolution Awarding Annual Audit Contract for Fiscal Year Ending June 30, 2024, to Thompson, Price, Scott, Adams & Co. P.A. in the Amount of \$8,500.00**

Executive Director Holloman presented the item. The audit contract may be renewed for one more year following this year.

**Motion:** Director Sue **MOVED**; seconded by Director Blanchard, approval of the Resolution Awarding Annual Audit Contract for Fiscal Year Ending June 30, 2024, to Thompson • Price Scott • Adams & Co. P.A. for \$8,500.00. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

**NB2- Resolution of the Lower Cape Fear Water and Sewer Authority Board of Directors regarding accounting responsibilities for the Kings Bluff Raw Water Pump Station**

Executive Director Holloman advised that the auditor and the rate study recommended that LCFWASA handle Kings Bluff accounts payable and receivable. Executive Director Holloman wanted to address some of the concerns of Director Williams's email. LCFWASA intends to keep the procurement process the same. He would only like to handle accounts payable and receivable in the LCFWASA office. LCFWASA pays at least \$12,000 yearly to Brunswick County's finance person to handle the Kings Bluff invoices. Chairman Knight thinks there is a discount between Brunswick County and LCFWASA. Executive Director Holloman advised he would like the LCFWASA staff, Brunswick County staff, LCFWASA Chairman, and Vice-Chairman to have a meeting or two on this matter.

**Motion:** Director Phillips **MOVED**; seconded by Director DeVane, to table the Resolution of the Lower Cape Fear Water and Sewer Authority Board of Directors regarding accounting responsibilities for the Kings Bluff Raw Water Pump Station. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

**ENGINEER'S COMMENTS**

Jess Powell advised McKim & Creed to advertise the roof replacement project, which was readvertised and is due on February 22, 2024, by 2p.m. The Walkway PER draft submittal will happen this week, so he will have a review and report for the board at the March meeting.

**ATTORNEY COMMENTS**

No comments

**EXECUTIVE DIRECTOR REPORT**

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

Executive Director Holloman reported that during January 2024, Brunswick County, Cape Fear Public Utilities Authority, and Pender County were above projections.

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

No comments

**PUBLIC COMMENT**

No comments

**CLOSED SESSION**

Chairman Knight requested a motion to go into a closed session in accordance with NCGS §143-318.11(a)(3) to consult with attorney in order to preserve the attorney-client privilege:

**Motion:** Director Rivenbark **MOVED**; seconded by Director DeVane, to go into closed session in accordance with NCGS §143-318.11(a)(3) to consult with attorney in order to preserve the attorney-client privilege. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

At 9:16 a.m., the board went into closed session. At 9:30 a.m., the board returned to open session. Discussion only; no action taken.

**ADJOURNMENT**

There being no further business, Chairman Knight adjourned the meeting at 9:31 a.m.

Respectfully Submitted:

\_\_\_\_\_  
Scott Phillips, Secretary

**Lower Cape Fear Water & Sewer Authority**

Finance Committee Meeting Minutes

February 12, 2024

Chairman Knight called to order the Finance Committee Meeting on February 12, 2024, at 8:23 a.m. The meeting was held at the Authority’s office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

**Present:** Norwood Blanchard, Patrick DeVane, Harry Knight, Charlie Rivenbark, and Phil Tripp

**Absent:** Al Leonard and Chris Smith

**Present by Virtual Attendance:** None

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

**Guests Present:** Director Wayne Edge; Jorgen Holmberg, Computer Warriors; Glenn Walker, Brunswick County Water Resources Manager; and Amy Vitner, First Tryon Advisors

**Guests Virtual Attendance:** None

**Review/Interview with First Tryon for the LCFWASA Financial Advisor**

The request for qualifications submittal is attached to the minutes. Director DeVane questioned the status of bond issuance in North Carolina at the municipal and county levels. Amy advised that the issuance has been lower for the past year or so, which means there is a demand for issuance right now.

**ADJOURNMENT**

There being no further business, Chairman Knight adjourned the meeting at 8:44 a.m.

Respectfully Submitted,

\_\_\_\_\_  
Tim Holloman, Executive Director

*The next Finance Committee Meeting of the Lower Cape Fear Water & Sewer Authority is scheduled for Monday, March 11, 2024, at 8:30 a.m. in the Authority’s office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.*



December 29, 2023

Lower Cape Fear Water and Sewer Authority



# Request for Qualifications Submittal

**First Tryon Advisors**  
SIMPLIFYING PUBLIC FINANCE

**NORTH CAROLINA** 704.926.2457 | 6101 Carnegie Blvd., Suite 210 | Charlotte, NC 28209  
**MARYLAND** 410.267.8811 | 122 Severn Avenue | Annapolis, MD 21403



Office Location (Corporate Headquarters)  
 6101 Carnegie Blvd, Suite 210  
 Charlotte, NC 28209  
 (704) 926-2457  
<https://www.firsttryon.com/>

## 1. Letter of Transmittal

December 29, 2023

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

Dear Mr. Holloman,

On behalf of First Tryon Advisors, LLC (“First Tryon”), we are pleased to present our credentials to serve as Financial Advisor to Lower Cape Fear Water and Sewer Authority (“LCFWASA”). We have outlined several areas below and throughout our proposal that uniquely qualify First Tryon Advisors to meet the needs of LCFWASA. Additionally, as a Respondent to this RFQ, we acknowledge the following:

- The Respondent and Respondent’s key professionals do not have and do not anticipate a potential conflict of interest with LCFWASA.
- The Respondent acknowledges that all costs incurred by the Respondent in connection with responding to this RFQ shall be borne solely by the Respondent.

***Throughout this document, there are references noted by “\*” which means that we are referring to experience, transactions, etc. completed by First Tryon and First Tryon Securities, LLC (“First Tryon Securities”), a separate entity under common ownership with First Tryon.***

**First Tryon:** First Tryon is a full-service financial advisory practice serving the needs of utility systems, state and local governments, school districts, independent K-12 schools, colleges & universities, special purpose districts, not-for-profit associations/foundations, charter schools, healthcare organizations, senior living communities, economic development agencies and transportation clients since 2014\*.

**Deep Bench of Professionals with Relevant Experience:** First Tryon offers LCFWASA a client-first advisory platform led by a team of 13 professionals located within North Carolina. The team to be assigned to LCFWASA has extensive advisory experience working with utility systems within North Carolina and throughout the region. First Tryon currently provides advisory services to more than 125 clients throughout North Carolina and has developed positive relationships with other public finance professionals, lending partners, and credit rating analysts that cover North Carolina, including frequent contact with the Local Government Commission. These relationships give us key insights to personalities, preferences, or restrictions that help us better prepare clients for conversations and meetings.

**Capital Planning:** In addition to traditional bond-related advisory services, First Tryon has made key investments in product development to better serve our clients. For instance, we have invested significant time and resources in the development of our comprehensive capital planning model. To date, we have developed over 75 unique capital planning models for over 65 issuers in the Southeast\* that allow our clients to determine financial and credit impacts of capital funding scenarios more easily.

**Accessibility:** Headquartered in Charlotte, North Carolina, we focus much of our practice on serving the needs of clients in the Carolinas. Our close proximity to LCFWASA, a deep bench of thirteen dedicated professionals in our

**Lower Cape Fear Water and Sewer Authority**

Charlotte office, and an existing schedule that already includes frequent travel to the area, will allow First Tryon to serve LCFWASA efficiently and cost effectively. First Tryon routinely attends Board or staff meetings and has found that in person meetings are an important way for us to get to know our clients, understand goals and objectives and provide the highest level of service and value.

Thank you for considering our proposal to provide financial advisory services to LCFWASA. As summarized above and detailed further herein, First Tryon's client-focused approach combined with our team of highly knowledgeable advisors offer LCFWASA what we believe is a powerful financial advisory platform. We look forward to the opportunity to discuss our qualifications further.

Sincerely,



**J. Walter Goldsmith**

*President & COO*



**Amy Vitner**

*Managing Director*

Lower Cape Fear Water and Sewer Authority

2. Table of Contents

1. LETTER OF TRANSMITTAL..... 1

2. TABLE OF CONTENTS ..... 3

3. EXECUTIVE SUMMARY ..... 4

4. BACKGROUND AND QUALIFICATIONS..... 6

5. EXPERIENCE ..... 11

6. RATING AGENCY AND INVESTOR MARKETING APPROACH ..... 15

7. PRICING APPROACH AND STRATEGY ..... 19

8. CHARGES AND FEES..... 21

9. ADDITIONAL SERVICES ..... 22

10. LEGAL AND FIRM ISSUES ..... 26

11. RESPONDENT’S CERTIFICATION..... 27

APPENDIX A – MUNICIPAL ADVISOR REGISTRATION ..... 28

APPENDIX B – REVENUE BOND DEAL LIST SINCE 2021 ..... 31

## Lower Cape Fear Water and Sewer Authority

### 3. Executive Summary

In two pages or less, provide a brief statement explaining why LCFWASA should consider your firm for Financial Advisor Services. The Respondent must have significant experience and capacity to provide services related to public/governmental finance to LCFWASA pursuant to North Carolina State law.

First Tryon offers LCFWASA a deep bench of highly experienced financial advisors with a long history of serving local governments and utilities in North Carolina. We highlight below First Tryon's significant experience and capacity to provide municipal advisory services to LCFWASA.

#### RELEVANT EXPERIENCE

- LCFWASA will have direct access to two senior professionals (Ms. Vitner and Mr. Goldsmith) who have dedicated their careers to serving tax-exempt issuers in the Carolinas, with additional senior personnel available to provide services as needed.
- First Tryon serves as financial advisor for over 125 clients in North Carolina.
- First Tryon serves as financial advisor for over 50 utility clients, including over 20 issuers in North Carolina.
  - Includes advanced utility rate modeling for the City of Charlotte and credit rating model (Moody's, S&P, and Fitch) for Fayetteville PWC.
- Since 2021, First Tryon has served as financial advisor on over 130 transactions in North Carolina totaling over \$6.0 billion in par amount\*.
  - Includes 14 utility transactions totaling over \$715 million in par amount\*.
- Since 2021, First Tryon has prepared clients for and participated in over 200 credit rating presentations\*.
- Advisory experience with wholesale utility providers including:
  - Piedmont Triad Regional Water Authority – Wholesale water provider to six member agencies (Greensboro, High Point, Randolph Co, Archdale, Jamestown and Randleman)
  - Anderson Regional Joint Water System – Wholesale water provider to 14 members/customers including Clemson University
- Experience with utility projects involving multiple governmental units
  - City of Sanford, NC – Serving as financial advisor on a \$308 million water filtration facility expansion that will be owned and operated by the City, but will provide capacity to Fuquay-Varina and Holly Springs. Fuquay-Varina and Holly Springs will fund their respective portions of the debt and pay the City ongoing operational costs.
  - Town of Pendleton, SC – Serving as financial advisor on a \$50 million sewer treatment plant expansion that will be owned and operated by the Town of Pendleton, and provide capacity to Anderson County (SC) and City of Clemson (SC). Similar to Sanford, Anderson County and Clemson will fund their respective portions of the debt and pay the Town ongoing operational costs.

#### ACCESSIBILITY AND CLIENT SERVICE DRIVEN

- Deep bench of 13 senior advisors and support staff located in North Carolina to ensure the highest level of customer service and timely execution of deliverables.
- Frequently in the area with other clients such as New Hanover County, Town of Leland, and Columbus County, allowing our team regular in-person contact and local expertise.
- Client satisfaction evidenced by a growing client list (currently over 400 clients), the maintenance of long-term relationships such as Fayetteville PWC and Charleston County (both over 15 years\*), and client testimonials that follow.
- Primary focus on the Carolinas allows us insight into credit characteristics, familiarity with financing professionals that serve the area, and understanding of the Local Government Commission.



## Lower Cape Fear Water and Sewer Authority

### FIRM EXPERTISE AND RESOURCES

- In-house proprietary pricing model that allows our advisors to advocate and negotiate with underwriters from a position of strength.
- Advanced quantitative modeling expertise, in-house capital planning, debt affordability and capacity modeling – over 75 unique capital planning models built to date\* (see Section 9).
- Subscriptions to rating agency databases, Bloomberg, and other third-party resource data feeds.
- Ancillary services such as operational consulting, investment cashflow modeling, escrow bidding, among other services.

### CLIENT TESTIMONIALS

First Tryon provides the following feedback it has received from clients as material indicative of our financial advisory capabilities.

- *“First Tryon has provided a high level of work to the City since becoming the debt modeling/capital plan development for the City's Water & Sewer and Storm Water utilities. First Tryon was able to develop a high quality model in a short time-frame as both enterprises needed models ready for bond sales that were occurring a little over two months after they were brought on board.” **Matt Hastedt, Debt Manager at the City of Charlotte, North Carolina***
- *“First Tryon has provided excellent financial advice for us on many levels. They are always intricately involved in any debt offerings of the County. In recent years they have produced a Capital Planning Model. They keep it updated and are available to make presentations to our board as needed. This was used heavily in determining the amount of tax increase for our latest GO bond issue. First Tryon is always at the table for ratings calls. They provide essential information and support for myself and management on these calls. I highly recommend using First Tryon and would be happy to answer any further questions.” **Debra L. Cheek, Finance Director at Iredell County, North Carolina***
- *“We have worked with First Tryon for a number of years. We have worked with Walter Goldsmith even longer. First Tryon is with us every step of the way when we are issuing bonds. They help us determine what we can afford to bond, work with us on cash flows, provide issuance calendars and manage the scheduling of all meeting necessary. They provide information needed for the POS and are part of that review process. They prepare the presentation for the rating agencies, schedule and participate in the presentations to these agencies. They are there when we need them, have always provided prompt service (such as running numbers for us), and provide sound advice. They are a fantastic team to work with and I highly recommend them to any entity looking for an FA.” **Corine Altenhein, CFO at Charleston County, South Carolina***

Please note that the above testimonials were given by current municipal advisory clients and may not be representative of the experience of other clients, nor are they a guarantee of future performance or success.

## Lower Cape Fear Water and Sewer Authority

## 4. Background and Qualifications

Indicate your firm's closest physical office location to the Town of Leland, NC.

### FIRST TRYON BACKGROUND

First Tryon Securities, LLC, an independent and privately-owned financial services firm headquartered in Charlotte, North Carolina, was founded over 25 years ago in 1996. In November 2021, the legal entity, First Tryon Advisors, LLC, was formed upon closing of the acquisition of Wye River Capital (headquartered in Annapolis, MD). In January 2023, the Charlotte advisory practice was separated from the First Tryon Securities, LLC broker-dealer and the combined Charlotte and Annapolis practices began to operate combined under the legal entity, First Tryon Advisors, LLC.

### OFFICE LOCATIONS

LCFWASA would be served primarily out of First Tryon's headquarters in Charlotte, NC, where 8 of our 22 advisors are located. **This office is our firm's closest physical office to the Town of Leland, NC.** However, we have several additional offices throughout the region in the following locations:

- Annapolis, MD (seven professional level advisors)
- Boone, NC (one professional level advisor)
- Columbia, SC (one professional level advisor)
- Greensboro, NC (one professional level advisor)
- Hertford, NC (one professional level advisor)
- Orlando, FL (one professional level advisor)
- Winston-Salem, NC (two professional level advisors)



### ACCESSIBILITY

First Tryon places a high value on in-person meetings and believes that in-person interaction allows us a better understanding of our clients leading to better quality service. With this goal in mind, First Tryon is regularly in the area and confident in our ability to ensure a high level of customer service and high accessibility. The following provides a list of the clients we service in the area:

- Bald Head Island, Village of
- Carolina Beach, City of
- Chadbourn, Town of
- Columbus County
- Jacksonville, City of
- Leland, Town of
- New Hanover County
- Southport, City of
- Topsail Beach, Town of
- University of North Carolina at Wilmington
- YMCA of Southeastern North Carolina

Lower Cape Fear Water and Sewer Authority

Provide documentation showing compliance with the municipal advisor registration requirements of the MSRB and SEC.

Please see **Appendix A** for documentation showing compliance with the municipal advisor registration requirements of the MSRB and SEC.

Provide a summary of the backgrounds and qualifications of the specific individuals at your firm who would be assigned to work with LCFWASA. Specify the person who will serve as the primary day-to-day contact person and discuss the primary roles of the other members of your professional team.

Since 2014, First Tryon has grown rapidly from three advisors to a team of 22, including 9 individuals that joined our group through our merger with Wye River in November 2021. Our growth is a testament to the success of our advisory practice and allows us to provide a high level of customer service, efficient turn-around on projects, and proactive management and monitoring of client debt portfolios. Further, our success has enabled us to attract some of the top talent in the public finance industry to our firm.

The financial advisory team for LCFWASA would be led by **Ms. Amy Vitner** and **Mr. Walter Goldsmith**, with Ms. Vitner serving as the primary day-to-day contact person. Additionally, **Mr. David Cheatwood** will serve as secondary senior support to LCFWASA. These individuals have dedicated their careers to serving the needs of governmental issuers and utilities in the Carolinas. First Tryon’s familiarity with North Carolina finance will allow for a seamless transition of advisory services.

In addition to First Tryon’s senior advisors, secondary transactional support and financial modeling expertise would be provided by **Mr. Brandon DeCoste**, **Mr. Chazzo Habliston**, and **Mr. Jordan Keysor**. We believe our team approach will ensure that LCFWASA will always have access to an advisor familiar with LCFWASA’s capital funding needs and that projects and deliverables will always be completed in a timely manner.

All members of our primary banking team are registered as municipal advisors.

**Walter Goldsmith**  
President & COO  
Charlotte, NC

**Amy Vitner**  
Managing Director  
Charlotte, NC

**David Cheatwood**  
Managing Director  
Charlotte, NC

**Brandon DeCoste**  
Vice President  
Charlotte, NC

**Chazzo Habliston**  
Vice President  
Charlotte, NC

**Jordan Keysor**  
Vice President  
Charlotte, NC

Resumes and bios of LCFWASA’s proposed key personnel are provided on the following pages.

## Lower Cape Fear Water and Sewer Authority



Amy Vitner  
 Managing Director  
 Main Point of Contact  
 ☎ 704.926.2457  
 ✉ avitner@firsttryon.com

### Amy Vitner Managing Director

- Ms. Vitner has over **25 years of public finance experience** directly serving clients in the Southeast. In her role as a public finance advisor, she assists clients in determining their available debt capacity, obtaining credit ratings for their bonds, structuring bond issues, and coordinating the issuance of the bonds.
- Ms. Vitner's utility experience consists of the following: Greenville Utilities Commission, Piedmont Triad Regional Water Authority, City of Concord, among others.
- Prior to joining First Tryon, Ms. Vitner worked at First Southwest Company (Hilltop) from 2019-2014, Banc of America Securities, First Union, and A.H. Williams from 1995-2008.
- Ms. Vitner is a graduate of Philadelphia University and is a Registered Representative of the Financial Industry Regulatory Authority and maintains the following licenses: Municipal Advisor Representative (Series 50), and Municipal Advisor Principal (Series 54).



Walter Goldsmith  
 President & COO  
 ☎ 704.926.2453  
 ✉ wgoldsmith@firsttryon.com

### Walter Goldsmith President and COO

- Mr. Goldsmith has over **23 years of public finance experience** directly serving clients in the Southeast. In his role as a public finance advisor, he assists clients in determining their available debt capacity, obtaining credit ratings for their bonds, structuring bond issues, and coordinating the issuance of the bonds.
- Mr. Goldsmith's utility experience consists of the following: Fayetteville PWC, Greenville Water, Anderson Regional Joint Water System, among others.
- Prior to joining First Tryon, Mr. Goldsmith worked at Davenport and Company LLC from 2010-2014 and First Southwest Company from 2002-2010.
- Mr. Goldsmith is a graduate of Clemson University and maintains his Municipal Advisor Representative License (Series 50) and Municipal Advisor Principal License (Series 54).



## Lower Cape Fear Water and Sewer Authority



David Cheatwood  
Managing Director

704.926.2447

dcheatwood@firsttryon.com

### David Cheatwood Managing Director

- Mr. Cheatwood has over **16 years public finance experience** directly serving issuers in the Southeast. In his role as a public finance advisor, he provides clients with a wide range of services including evaluating debt capacity, structuring bond issues, monitoring refunding/restructuring opportunities, obtaining credit ratings, and coordinating the bond issuance process.
- Mr. Cheatwood's utility experience consists of the following: Fayetteville PWC, Orange Water & Sewer Authority, City of Charlotte, among others.
- Prior to joining First Tryon, Mr. Cheatwood worked in the public finance investment banking group at Wells Fargo Securities from 2009-2015 and at Bank of America Merrill Lynch from 2006-2009.
- Mr. Cheatwood holds an undergraduate and law degree from The University of North Carolina at Chapel Hill. He holds his Municipal Advisor Representative license (Series 50).



Brandon DeCoste  
Vice President

704.926.2981

bdecoste@firsttryon.com

### Brandon DeCoste Vice President

- Mr. DeCoste has over 5 years of public finance experience directly serving clients in the Southeast. He provides qualitative and quantitative support to First Tryon's issuer clients, including complex Excel modeling, DBC analysis, capital planning, and financing execution work.
- Mr. DeCoste's utility experience consists of the following: Greenville Utilities Commission, Piedmont Triad Regional Water Authority, City of Concord, among others.
- Prior to joining First Tryon, Mr. DeCoste worked at Davenport and Company LLC from 2018-2021 serving governmental clients across North Carolina.
- Mr. DeCoste is a graduate of Wake Forest University earning a Bachelor of Science in finance. He is also a Registered Representative of the Financial Industry Regulatory Authority and maintains his Municipal Advisor Representative License (Series 50).



## Lower Cape Fear Water and Sewer Authority



Chazzo Habliston  
Vice President

704.926.2456  
chabliston@firsttryon.com

### Chazzo Habliston Vice President

- Mr. Habliston has approximately 10 years public finance experience directly serving issuers in the Southeast. In his role, Mr. Habliston assists cities, counties, and utility systems with a wide range of debt related activities including bond structuring, debt capacity analysis, multi-variable capital planning models, transaction coordination and implementation, credit/rating strategy and development of debt policies.
- Mr. Habliston's utility experience consists of the following: Fayetteville PWC, Orange Water & Sewer Authority, City of Charlotte, among others.
- Prior to joining First Tryon, Mr. Habliston worked at Davenport and Company LLC from 2013-2019.
- Mr. Habliston is a graduate of Davidson College and holds his Municipal Advisor Representative license (Series 50).



Jordan Keysor  
Vice President

704.926.2459  
jkeysor@firsttryon.com

### Jordan Keysor Vice President

- Mr. Keysor has over 5 years of public finance experience directly serving clients in the Southeast. He provides qualitative and quantitative support to First Tryon's issuer clients, including complex Excel modeling, financial analysis, capital planning, and financing execution work.
- Prior to joining First Tryon, Mr. Keysor worked in wealth management with Merrill Lynch from 2013 to 2017 and SCS Financial from 2017 to 2018.
- Mr. Keysor is a graduate of Skidmore College and holds his Municipal Advisor Representative license (Series 50).

## Lower Cape Fear Water and Sewer Authority

## 5. Experience

List in tabular format relevant experience with bond financings over the last three years, including date of sale, issuer, program type, rating, sale type, and final maturity. (This information may be included as an appendix and is not applicable to the 30-page limit.)

First Tryon has extensive experience with a wide range of bond offerings, structures and sale types. In fact, since 2021, First Tryon has served as financial advisor on 390 transactions totaling over \$13.4 billion par amount. Of these, over 130 transactions totaling over \$6.0 billion have been for North Carolina issuers and over 50 transactions totaling over \$1.6 billion have been for utilities. In **Appendix B**, we have provided a listing of our revenue bond transactions which would be most applicable to LCFWASA. We are happy to provide our longer list of financing experience upon request.

Describe two current financial advisor assignments involving your firm that are most relevant to debt issuance by large issuers in North Carolina. Please indicate the name of the issuer, a description(s) of the transactions(s), the individual(s) from your firm involved and the value added by your firm.


**Greenville Utilities Commission**
*Jeff McCauley, Chief Financial Officer*

(252) 551-1532

[mccaaljw@guc.com](mailto:mccaaljw@guc.com)
*Client since 2022*
**Issuances Since 2022**

- \$23,670,000 Combined Enterprise System Revenue Bonds, Series 2022

**COMBINED ENTERPRISE SYSTEM REVENUE BONDS, SERIES 2022**

First Tryon was hired as Financial Advisor to the Greenville Utilities Commission (“GUC”) in 2022. In 2022, First Tryon worked with GUC on the issuance of its Combined Enterprise System Revenue Bonds, Series 2022 (the “Bonds”) to fund various projects including a new transmission line, peak shaving generator replacements, lagoon improvements, substation improvements, and improvements to the wastewater treatment plant. As is our standard approach, First Tryon worked closely with GUC from the kickoff of the financing through closing, including developing the financing calendar, preparing GUC for discussions with the Local Government Commission and rating agencies, reviewing documents, and taking in active role leading up to and on the day of pricing to ensure GUC was receiving a favorable result from the underwriting team. Additionally, a key part of our role was to plan not only for the current issuance but evaluate its impacts on future debt capacity. To that end, we built an Excel-based model for GUC that shows existing debt along with a dashboard to build in future planned debt issuances, which has the functionality to tweak assumption such as financing amount, term, interest rate, and fund. Our work with GUC encapsulates our typical, wholistic approach to financial advisory services which consists of three prongs: (1) pre-planning and preparation for future debt issuances, (2) transaction implementation, and (3) ongoing advisory service beyond closing.

Lower Cape Fear Water and Sewer Authority



**Piedmont Triad Regional Water Authority**  
 Joy L. Sparks, Finance Officer  
 (336) 498.5510  
[jsparks@ptrwa.org](mailto:jsparks@ptrwa.org)

Client since 2021

**Issuances Since 2021**

- ~\$176,000,000 Revenue Bonds, Series 2024 (in progress)
- \$10,129,565 Interest Rate Modification (2021)

**PLANNING WORK FOR WATER TREATMENT PLANT EXPANSION PROJECT**

First Tryon was hired as Financial Advisor to the Piedmont Triad Regional Water Authority (“PTRWA”) in 2021. In 2022, we begun planning work with PTRWA related to their upcoming Water Treatment Plant expansion project, which will also include projects related to emerging contaminants. As with LCFWASA, PTRWA has a number of member units, each of whom receive certain allocations of water and are then responsible for varying levels of debt service payments due to PTRWA.

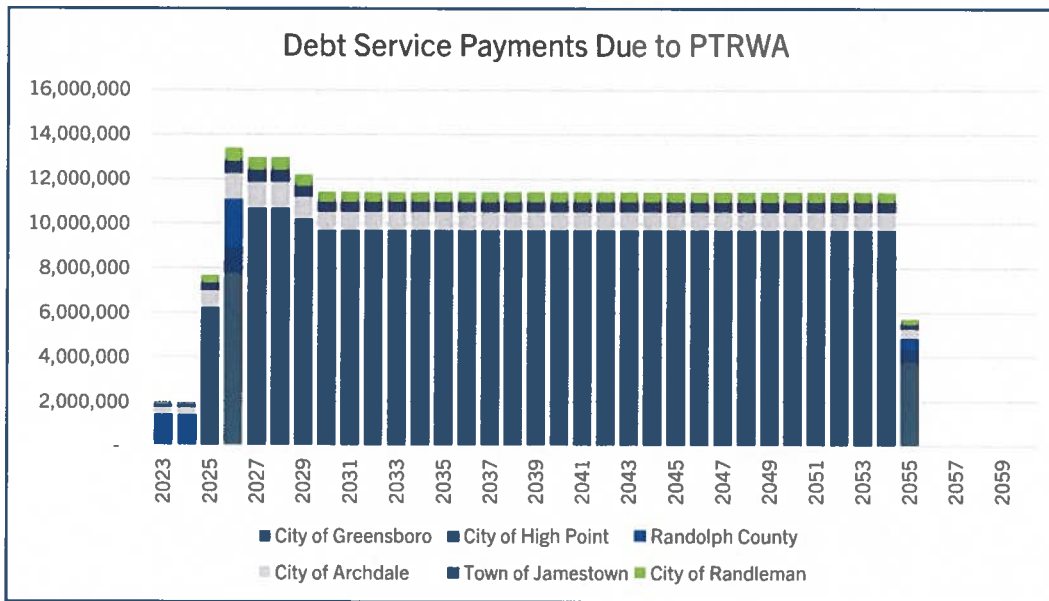
The upcoming projects require extensive planning as there are multiple components (plant expansion, emerging contaminants for current plant capacity, and emerging contaminants for additional plant capacity) for which each member unit will have varying levels of participation. To organize and think through the financing approach, First Tryon developed an Excel model (see screenshots below) in which PTRWA can see the existing debt service payments due from each member with proposed debt service related to these new projects layered in. Various input cells in the model allow First Tryon and/or PTRWA to toggle between different project assumptions (amounts, timing), ownership levels for each member, and potential cash contributions to see the debt service impacts in real time. As the project plans develop, this tool will be invaluable to evaluate the impacts of various funding scenarios and aid in structuring debt service as needed to meet any constraints.

**Sample Screenshots of Model**

<b>Water Treatment Plant Project</b>					
Project Cost			56,210,000		
Construction Start			7/1/2024		
<b><u>Member Allocations</u></b>	<b><u>% Ownership</u></b>	<b><u>Total Share</u></b>	<b><u>Cash Contribution</u></b>	<b><u>Debt Required</u></b>	<b><u>% Debt</u></b>
City of Greensboro	80.7%	45,361,470	-	45,361,470	80.7%
City of High Point	0.0%	-	-	-	0.0%
Randolph County	8.3%	4,684,167	-	4,684,167	8.3%
City of Archdale	7.4%	4,173,593	-	4,173,593	7.4%
Town of Jamestown	3.5%	1,990,771	-	1,990,771	3.5%
City of Randleman	0.0%	-	-	-	0.0%
<b>Total</b>	<b>100.0%</b>	<b>56,210,000</b>	<b>-</b>	<b>56,210,000</b>	
<b><u>Debt Assumptions</u></b>					
Par Amount		56,210,000			
Term		30 Years			
Interest Rate		5.00%			

Lower Cape Fear Water and Sewer Authority

Debt Service Payments Due to PTRWA							
FY	Series 2024 Bond						Total
	City of Greensboro	City of High Point	Randolph County	City of Archdale	Town of Jamestown	City of Randleman	
Total	227,117,575	31,350,441	33,546,754	24,201,016	12,452,658	13,750,193	342,418,636
2023	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-
2025	3,785,293	522,507	559,113	403,350	207,544	229,170	5,706,977
2026	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2027	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2028	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2029	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2030	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2031	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2032	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2033	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2034	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955
2035	7,570,586	1,045,015	1,118,225	806,701	415,089	458,340	11,413,955



Provide five (5) client references. Include the name of the client, contact person, e-mail address, and phone number.

Client references and referrals are strong indicators of client satisfaction and customer service. As such, First Tryon has provided five references below and we strongly encourage LCFWASA to contact each of them and inquire about both their transaction related and capital planning model experience with our team. These references represent a cross-section of utility issuers throughout the Carolinas. First Tryon takes great pride in how our clients reflect upon our engagements. It speaks to the level of service and care we as a firm provide each and every day.



**Greenville Utilities Commission**  
 Jeff McCauley, Chief Financial Officer  
 (252) 551-1532  
[mccaulejw@guc.com](mailto:mccaulejw@guc.com)

*Client since 2022*

**Issuances Since 2022**

- \$23,670,000 Combined Enterprise System Revenue Bonds, Series 2022



## Lower Cape Fear Water and Sewer Authority

**Piedmont Triad Regional Water Authority**

Joy L. Sparks, Finance Officer

(336) 498.5510

[jsparks@ptrwa.org](mailto:jsparks@ptrwa.org)*Client since 2021***Issuances Since 2021**

- ~\$176,000,000 Revenue Bonds, Series 2024 (in progress)
- \$10,129,565 2021 Interest Rate Modification

**Anderson Regional Joint Water System**

Scott Willett, Executive Director

(864) 231-5987

[swillett@arjwater.com](mailto:swillett@arjwater.com)*Client since 2016***Issuances Since 2016**

- \$9,270,000 Waterworks System Refunding Revenue Bonds, Series 2020A
- \$12,515,000 Waterworks System Advance Refunding Revenue Bonds, Taxable Series 2020B
- \$22,262,000 Waterworks System Improvement and Refunding Revenue Bonds, Series 2017A&B
- \$3,700,000 Waterworks System Improvement and Refunding Revenue Bond, Series 2016

**Concord, North Carolina**

Jessica Jones, Interim Finance Director

(704) 920-5222

[jonesj@concordnc.gov](mailto:jonesj@concordnc.gov)*Client since 2015***Issuances Since 2015**

- ~\$25,000,000 Utilities Systems Revenue Bonds, Series 2024 (in progress)
- \$42,000,000 General Obligation Parks and Recreation Bonds, Series 2023
- \$6,200,000 2021 Installment Financing Contract
- \$910,000 Taxable Installment Financing, Series 2019
- \$6,572,000 Utilities Systems Revenue Refunding Bond, Series 2019
- \$6,553,517 Installment Financing Contract, Series 2017
- \$19,085,000 Utilities Systema Revenue Refunding Bonds, Series 2016
- \$5,759,000 Installment Financing Contract, Series 2015
- \$29,340,00 Limited Obligation Bonds, Series 2014A
- \$5,280,000 Taxable Limited Obligation Bonds, Series 2014B

In addition to debt issues, First Tryon has developed capital planning models for both the City's General Fund and Utility Enterprise Fund.



Lower Cape Fear Water and Sewer Authority



**Mount Pleasant Waterworks, South Carolina**  
 Mark Coffin, Chief Financial Officer  
 (843) 971-7529  
 mcoffin@mpwonline.com

*Client since 2014*

**Issuances Since 2014**

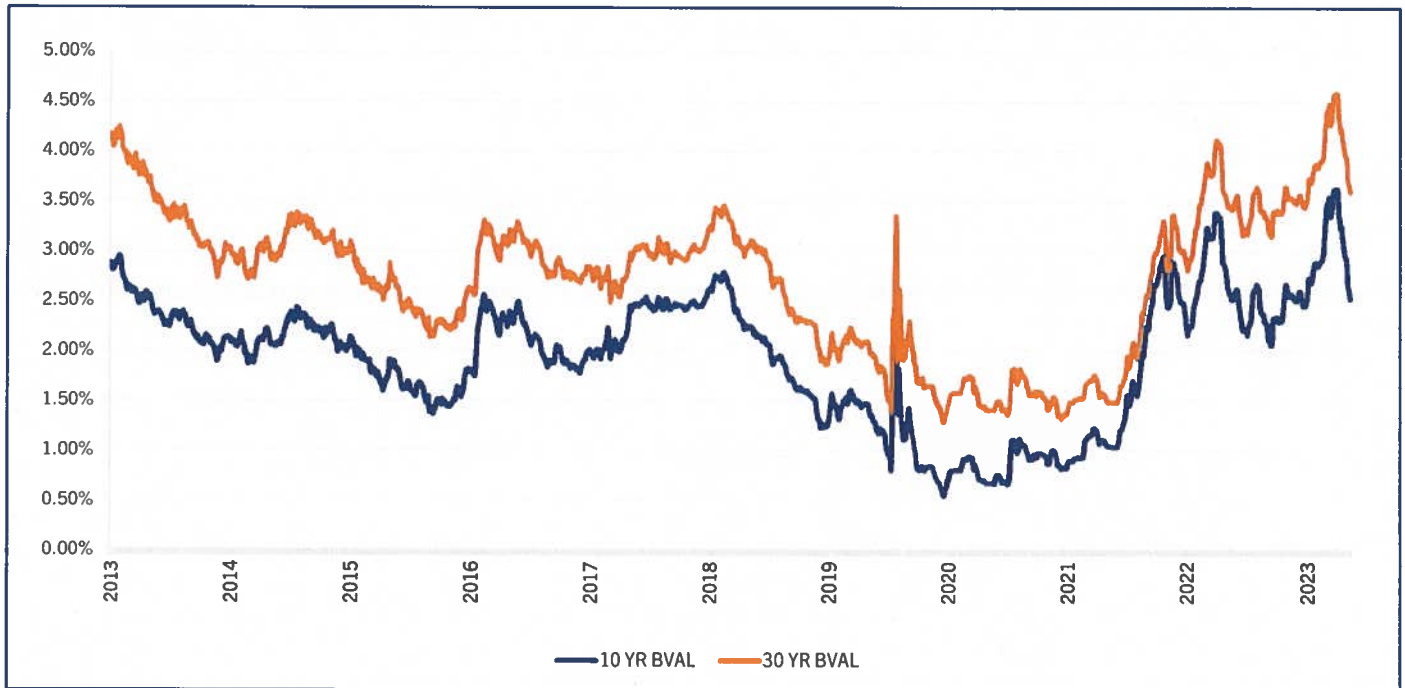
- \$111,000,000 Waterworks and Sewer System Revenue Bonds, Series 2017A
- \$7,000,000 Waterworks and Sewer System Revenue Bond, Series 2014A
- \$20,000,000 Waterworks and Sewer System Revenue Refunding Bond, Series 2014B

**6. Rating Agency and Investor Marketing Approach**

Please discuss any issues, benefits, or challenges associated with pricing and marketing bonds in the current market given the current rating levels and financial issues confronting LCFWASA.

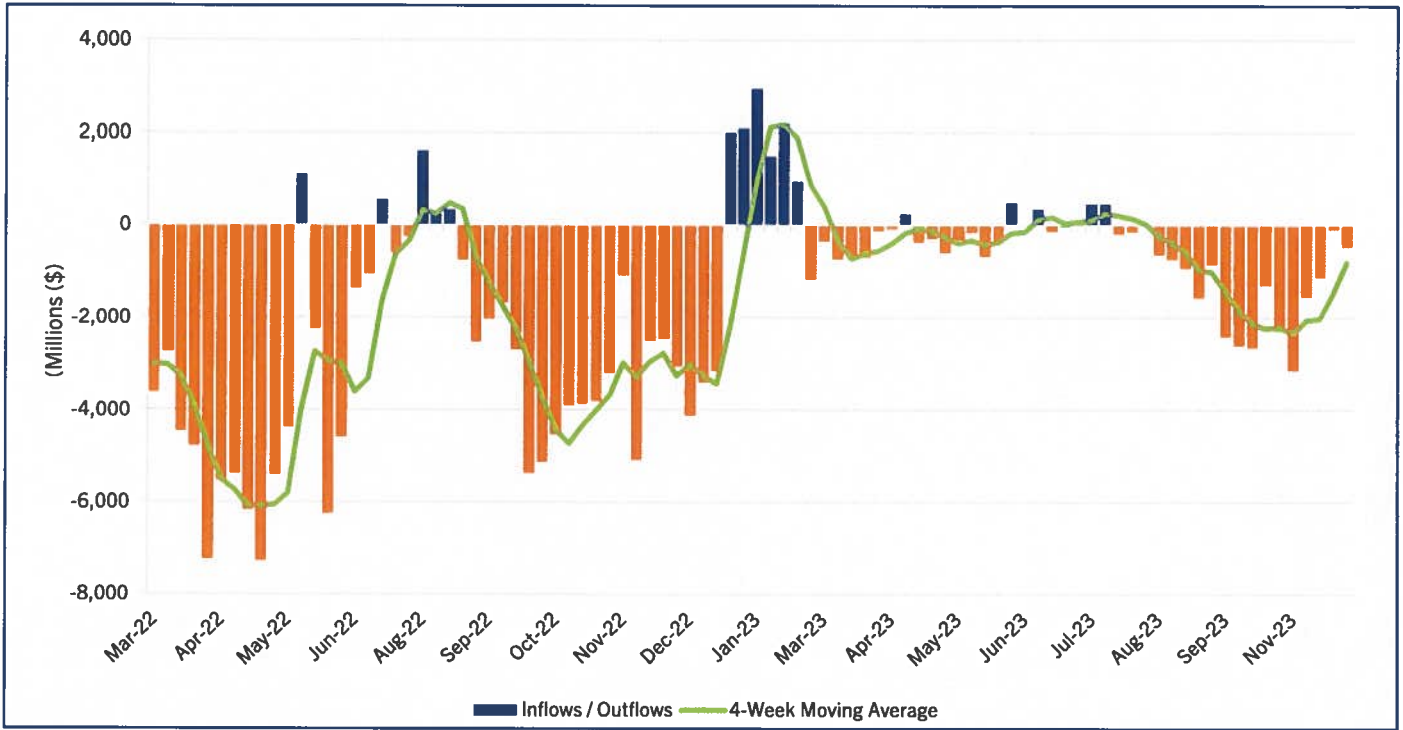
In terms of broad and general market conditions, we have recently seen interest rates begin to decline following a period of steady increases throughout most of 2023. As demonstrated in Chart A below, 10-year interest rates, while remaining elevated in comparison to recent years, are beginning to return to a level that is more in line with historical trends. As inflationary pressure begins to lessen and the Federal Reserve contemplates cutting its target interest rate, we will carefully monitor if bond rates follow suit and continue in a downward trajectory. A downward trajectory of interest rates may also lead to more demand for municipal bonds, which has been lower this year due to fears of a rising rate environment, as demonstrated by Chart B below, which demonstrates net weekly cash flows for municipal bond flows (outflows, which indicate low demand, are shown in orange).

**Chart A**



Lower Cape Fear Water and Sewer Authority

Chart B



With respect to the pricing and marketing of LCFWASA’s bonds, there are a number of positive attributes that, in our view, offset the challenges impacting in the general market:

- Strong Credit Profile:** While LCFWASA does not currently maintain a long-term debt rating from Moody’s, S&P Global, or Fitch, we estimate that the Authority is in a good position going into a future rating review. As demonstrated below, we estimate that LCFWASA would score out at the Aa3 level on the Moody’s rating scorecard, based on FY 2022 results. Additionally, the member units of LCFWASA maintain strong credit rating profiles (lowest Moody’s rating among the group is Aa3), which will also help to enhance LCFWASA’s rating outcome. In volatile markets, investors will place a greater value on the creditworthiness of an issuer. Credit rating strategy is an important service provided by First Tryon to help LCFWASA maximize its credit profile.

		2022					
Broad Rating Factors	Rating Subfactors	Subfactor Weighting	Issuer Value	Score	Weighted Scale	Implied Rating	
System Characteristics	Asset Condition (Remaining Useful Life)	10%	23.24	2.64	0.26	A1	
	Service Area Wealth (Median Family Income)	12.5%	92%	2.46	0.31	Aa3	
	System Size (O&M)	7.5%	4,483,011	4.29	0.32	Baa3	
Financial Strength	Annual Debt Service Coverage	15%	2.00	1.50	0.23	Aa1	
	Days Cash on Hand	15%	276.60	0.50	0.08	Aaa	
	Debt to Operating Revenues	10%	2.41	1.71	0.17	Aa1	
Management	Rate Management <sup>(1)</sup>	10%	See Note 1	2.00	0.20	Aa2	
	Regulatory Compliance & Capital Planning <sup>(2)</sup>	10%	See Note 2	3.00	0.30	A2	
Legal Provisions	Rate Covenant	5%	1.00	2.50	0.13	A1	
	Debt Service Reserve Requirement <sup>(3)</sup>	5%	See Note 3	4.00	0.20	Baa2	
<b>Average Score</b>				2.19		2.19	
<b>Implied Rating</b>						Aa3	

(1) Strong rate-setting record; little political, practical, or regulatory limits on rate increases  
 (2) Moderate violations with adopted plan to address issues; Maintains manageable 5-year Capital Improvement Plan  
 (3) NO explicit DSRF; OR funded with speculative grade surety

## Lower Cape Fear Water and Sewer Authority

Among LCFWASA's credit strengths are service area and financial performance, with strong debt service coverage and strong days cash on hand. As LCFWASA considers additional debt, First Tryon would work closely with its rate consultant to ensure these metrics remain strong. This will also be a good time to review or establish fiscal policies. The rating agencies ideally like to see formal policies in place as this often contributes to higher management scores on the rating scorecard. Fiscal policies also provide good guidance for financial decisions.

- **Infrequent Issuer:** LCFWASA only has one series of publicly sold debt outstanding, which are the Special Facility Revenue Bonds, Series 2010 (debt service paid by the Smithfield Farmland Corporation). As an infrequent issuer, the LCFWASA name will attract investors looking for a new name to diversify an investment portfolio.
- **Bank Market vs. Public Market:** Depending on the ultimate size of the borrowing, First Tryon would evaluate a bank market financing versus a public market financing. Historically, transactions under \$10 million and a 15-year or shorter amortization term have been good candidates for bank placed financing. This would allow LCFWASA to avoid the credit rating process, ongoing disclosure obligations and the need to draft an offering document for investors. Bank financing will incur lower upfront costs and less staff time than a publicly sold transaction. First Tryon will run a cost/benefit analysis early on in the financing process to ensure the plan of finance makes sense for the size of the borrowing and current market conditions. If a bank sale is deemed to be more cost effective, First Tryon would run a competitive process, distributing a bank RFP to our list of more than 30 local and regional banking institutions.

First Tryon has successfully advised clients in all kinds of interest rate environments – the good, the bad and the ugly. We don't always get the perfect market, but we can ensure that LCFWASA's bond issues are well-positioned for a successful sale. Factors that contribute to a successful sale include understanding the market environment, clearly communicating expectations with underwriters on a negotiated sale, ensuring adequate time for pre-marketing such as building in a little extra time between mailing of the POS and pricing date. First Tryon also uses in-house analytical tools such as our Pricing Model (described more fully in Section 9) to empower our advisors to negotiate with underwriters from a position of strength. On competitive sales, First Tryon reaches out to prospective underwriters to ensure they are looking at the transaction and to see if they have any questions ahead of the sale. We would also make sure that rating reports are released and available to investors at the time the POS is printed. With these additional planning steps, we do not anticipate LCFWASA having any difficulty pricing or marketing its bonds.

---

Please describe how your firm would assist LCFWASA in developing rating agency information as a part of an issuance.

---

Since 2021, First Tryon has prepared clients for and participated in over 200 credit rating presentations. As such, we have extensive knowledge and insight into key credit considerations and the analyst preferences that allow for a smooth and successful rating process.

First Tryon would take the following approach in developing rating agency strategy:

- Step 1:** Conduct a thorough review of LCFWASA and its member credit profiles using Moody's medians and peer comparisons.
- Step 2:** Note strengths and weaknesses, identify any areas for improvement, develop a regular communications strategy with the rating analysts, and keep LCFWASA informed of new "hot button" issues of the rating agencies or any updated credit methodologies.

## Lower Cape Fear Water and Sewer Authority

- Step 3:** First Tryon provides logistical support, scheduling of calls and meetings. For any New York travel, First Tryon will assist in coordination of air travel, hotel, ground transportation and meals.
- Step 4:** Prior to any calls or meetings, develop a detailed credit rating presentation book that highlights each of the focus areas of the rating agencies (local demographics/economic development, fiscal management, financial performance and debt and liabilities).
- Step 5:** Schedule time to thoroughly review information with LCFWASA to ensure that LCFWASA is comfortable with information for presenting directly to the rating analysts.
- Step 6:** Coordinate any follow up information and assist in review and delivery of final credit rating reports. Take note of any feedback (positive or negative) and incorporate back into step 1.

First Tryon and the individual advisors that would work with LCFWASA have a great deal of experience working with a wide variety of entities and different types of financings. With this experience comes regular exposure to the rating agencies and the specific analysts covering issuers in the Southeast region. We meet frequently with these analysts over the phone or in person (onsite at the issuer's location or in New York at the rating agencies' offices) to obtain ratings for specific financings coming to market as well as periodic surveillance rating reviews.

Regular interaction with the rating agencies has provided First Tryon with a high level of understanding of the particular credit aspects unique to the Southeast region and the issues that are most frequently raised by the analysts. We take great pride in being able to anticipate these questions/issues and prepare our issuer clients accordingly. We work with our clients to craft their own unique credit stories so that they will be viewed in the best possible light and put in the strongest position to achieve a favorable result. An important element of our approach is not only highlighting credit strengths, but also addressing credit challenges head-on so that the rating analysts involved understand how management is mitigating particular concerns or compensating in other credit areas, particularly for credit characteristics that are difficult to change.

Following the steps above, First Tryon is able to create a feedback loop that will ensure LCFWASA is prepared and knows exactly where it stands. Creating and maintaining a strong credit profile is critically important to keeping LCFWASA's interest rates as low as possible. Additionally, the attributes that go hand-in-hand with a high credit rating (healthy days cash on hand, financial flexibility, strong management), afford LCFWASA flexibility to take advantage of opportunities or deal with an unexpected challenge. Credit rating monitoring is also a critical part of our interactive debt models.

---

Please describe how your firm would assist LCFWASA in marketing bonds to both current and new investors.

---

There are two approaches that are typically utilized when marketing LCFWASA's bonds to both current and new investors. First Tryon's traditional and enhanced approaches are outlined in the chart below and summarized in the paragraphs that follow.



## Lower Cape Fear Water and Sewer Authority

Traditional Approach	Enhanced Investor Communication Strategy
EMMA Postings	EMMA Postings
Official Statements	Official Statements
Rating Agency Reports	Rating Agency Reports
	In Person Meetings with Investors
	Technology Platforms
	<ul style="list-style-type: none"> <li>- BondLink</li> <li>- Ipreo (electronic investor roadshow)</li> </ul>
	Enhanced issuer webpage
	Investor Conferences
	Presentations at Industry Conferences

**Traditional Approach:** On all transactions, First Tryon will, at a minimum, assist LCFWASA in developing the official statement in a manner that presents the best picture of LCFWASA and provides potential investors with the necessary information on the bonds, LCFWASA's finances, and LCFWASA's economy / demographics. First Tryon then ensures that the official statement, along with LCFWASA's ratings, are properly posted to the various repositories where underwriters and investors will go for information on the issuance. These repositories include EMMA, Ipreo, and Bloomberg, among others. First Tryon will also field and answer any questions received on the bonds to ensure that all interested parties are provided with sufficient and comprehensive information on the transaction.

**Enhanced Investor Communication Strategy:** If desired, First Tryon is also available to coordinate a more concerted effort to provide additional communication to potential investors. A number of approaches are available to LCFWASA under this strategy. If LCFWASA wanted to target a specific group of investors, individual meetings can be set up with these investors to provide details on the bonds and tell the story/vision behind the projects being financed with the particular issuance. There are also certain technology platforms that can be utilized such as BondLink, Ipreo's investor roadshow, or simply a dedicated page on LCFWASA's website to ensure that the LCFWASA bonds reach a wider investor audience. Additional avenues for enhanced marketing include presenting at investor and/or industry conferences to alert investors of an upcoming issuance. Depending on LCFWASA's desired investor outreach, First Tryon will help LCFWASA strategically utilize one or more of these approaches.

## 7. Pricing Approach and Strategy

Please describe how you would advise LCFWASA in determining the best strategy about pursuing a competitive or negotiated deal.

Every transaction is unique. Going into each new transaction, you can only be certain that (i) market conditions will not be identical, (ii) the regulatory and political environment will have evolved and (iii) that LCFWASA's financing team should draft a plan of finance tailored to each individual transaction. As such, First Tryon is committed to evaluating every transaction on a case-by-case basis, especially when considering the method of sale, a driver of the entire financing process.

In North Carolina historically, competitive sales have been reserved almost exclusively for general obligation credits while Limited Obligation Bonds or Revenue Bonds have been sold on a negotiated basis, even for highly rated issuers. The conventional wisdom has been that revenue bonds and appropriation-backed credits require more pre-marketing and the involvement of an underwriter on the front end to tell the issuer's story to investors. However, in other states, issuers have been selling revenue bonds competitively for years and with much success.



## Lower Cape Fear Water and Sewer Authority

The advisors at First Tryon have been pioneers in rethinking this historical approach in North Carolina and have served as financial advisor on many non-GO competitive sales, including 13 since 2019\*. Each of these issuances has received strong support from the competitive markets, receiving anywhere from 3 to 14 bids, and have priced favorably to comparable transactions that were sold on a negotiated basis during the same timeframe.

### Competitive Revenue Bond Issuances Since 2019

Issuer	Sale Date	Par Amount	Term	Ratings (Moody's/S&P/Fitch)	Number of Bids	TIC	UW Discount (Per Bond)	% Impact to TIC
Fayetteville Public Works Commission	10/24/2023	\$169,420,000	30 Years	Aa2/AA/AA	9	4.677%	\$1.95	0.02%
City of Florence (SC)	9/7/2023	\$32,100,000	30 Years	Aa2/AA-/NR	11	4.138%	\$2.62	0.02%
Fayetteville Public Works Commission	10/19/2021	\$94,790,000	30 Years	Aa2/AA/AA	11	2.279%	\$3.47	0.03%
Orange Water and Sewer Authority	3/23/2021	\$18,840,000	25 Years	Aa1/AAA/AA+	9	1.900%	\$6.14	0.05%
North Charleston Sewer District	1/14/2021	\$8,320,000	10 Years	NR/AA+/NR	12	0.604%	\$2.46	0.04%
Isle of Palms Water and Sewer Commission	10/15/2020	\$14,770,000	19 Years	Aa2/NR/NR	5	1.727%	\$5.00	0.05%
Renewable Water Resources	9/17/2020	\$22,445,000	10 Years	Aa1/AAA/NR	12	0.496%	\$2.55	0.05%
Renewable Water Resources	9/17/2020	\$23,730,000	4 Years	Aa1/AAA/NR	9	0.389%	\$1.25	0.05%
Spartanburg Sanitary Sewer District	10/7/2019	\$7,635,000	8 Years	Aa3/AA/NR	3	1.587%	\$5.76	0.08%
Town of Mooresville (NC)	10/1/2019	\$14,075,000	17 Years	Aa2/AA+/NR	14	1.971%	\$7.31	0.09%
Berkeley County (SC)	9/24/2019	\$24,535,000	9 Years	Aa3/AA+/NR	13	1.450%	\$3.17	0.06%
City of Florence (SC)	9/19/2019	\$68,590,000	20 Years	Aa2/AA-/NR	9	2.464%	\$4.98	0.06%
Town of Fort Mill (SC)	3/28/2019	\$16,095,000	16 Years	NR/AA/NR	12	2.720%	\$8.50	0.08%

## OUR APPROACH

In our experience, we have seen competitive sales do as well as negotiated sales in the marketplace and many times price better. Our approach for evaluating the appropriate method of sale involves the analysis and review of the following characteristics:

- **Issuer credit rating:** In our view, an issuer with a credit rating in the “AA” category or higher may be a good candidate for the competitive market
- **Market stability:** Competitive sales work best in a stable market environment with moderate to low levels of new issuance in the marketplace and a relatively stable bond market.
- **Issue size:** As a general rule of thumb, larger transactions with larger block sizes (i.e. maturities over \$1 million) generally garner more interest from competitive underwriters. Transactions with the majority of maturities above the \$1 million threshold make for ideal structures to be brought competitively.
- **Unique security structure:** If the security structure for the bonds is particularly complex, a transaction may lend itself to a negotiated sale.
- **Unique structuring requirements:** If an issuer desires specific or unique couponing or unusual redemption provisions, the transaction may be a better candidate for negotiated sale.

Given that LCFWASA would be a new credit to the market and has a unique credit structure, versus a more traditional utility revenue bond, First Tryon would likely recommend a negotiated sale for LCFWASA’s inaugural public market transaction. A negotiated underwriter will be able to provide additional insight from an investor perspective as certain legal covenant preferences and structuring decisions such as optional redemption provisions or funding a reserve fund are made. LCFWASA’s bonds may also benefit from more robust pre-marketing as its credit is introduced to the marketplace.

## Lower Cape Fear Water and Sewer Authority

Please describe how you would review and advise LCFWASA on proposed takedowns to confirm they are competitive with other issuers.

If LCFWASA decided to sell its bonds on a negotiated basis, First Tryon would assist as needed in the underwriter selection process and corresponding fee discussions. As one of the primary municipal advisors in the region, First Tryon has frequent conversations with issuers and underwriters regarding underwriter discounts and takedowns. First Tryon has confidence in its ability to negotiate directly with a given underwriter or conduct an RFP process to solicit pricing information from underwriters.

While takedowns are an important part of the cost structure to LCFWASA, the more significant component will be the coupons and yields ultimately assigned to the bonds. Ensuring on-market takedowns that properly compensate the underwriter's sales force to aggressively market LCFWASA's bonds will most likely lead to the best overall result.

## 8. Charges and Fees

Explain your method of determining fees, including charges for travel and out-of-pocket expenses. Also explain your approach to billing miscellaneous calls from LCFWASA for which you would spend minimal time.

Please provide an hourly rate by participant level for work that is performed outside of bond issue.

In establishing fees, First Tryon takes into account multiple factors. While time commitment is one consideration, we also consider the efficiency with which the work was done, complexity of the project, value added, any special experience or expertise applied, and the liability undertaken by our firm, among other factors.

Our core beliefs on client fees are as follows:

- Every assignment and situation is different.
- Clients should only be charged for the services they need and benefit from.
- We strive to keep fees as low as possible while being fairly compensated for the services provided.
- There should never be surprises or hidden fees.
- The client always has the right to adjust the fee to any amount it deems appropriate.

For all of the reasons above, our approach is to review each assignment with the client at the beginning of the process before establishing a fixed fee. Once we have a better understanding of the wider plan of finance, tasks involved and LCFWASA's expectations, we can then propose a fee that is fair both to LCFWASA and our firm.

In addition, First Tryon's engagement letters are unique compared to other municipal advisory firms. We allow our clients to unilaterally adjust our fees as desired after completion of the assignment. The following provision exists in our contracts:

***"If at any time the Client believes that the services provided are not consistent with the fees First Tryon has charged, the Client may adjust the fee for such services to any amount the Client deems appropriate."***

Generally, First Tryon does not charge for miscellaneous calls, routine questions or minor tasks. We consider these types of requests to be a part of our ongoing relationship and want to encourage LCFWASA to pick up the phone and call anytime without the "meter ticking". However, with respect to larger scale assignments such as rating surveillance calls, capital planning models, extensive analysis, special projects, etc. First Tryon will work with LCFWASA to establish a fee (either fixed or hourly) that is fair to both parties. If it is determined that an assignment is suited for hourly billing, First Tryon offers our current hourly rates by professional:

Lower Cape Fear Water and Sewer Authority

Professional	Hourly Rate
Managing Director	\$425 / Hour
Director	\$375 / Hour
Vice President	\$325 / Hour
Associate/Analyst	\$250 / Hour

In addition to the fee, First Tryon also typically charges for out-of-pocket expenses incurred in connection with the services provided. Customary out-of-pocket expenses include, without limitation, costs of travel, meals, lodging, printing/copying, etc. First Tryon bills direct expenses at cost, with no mark-up. First Tryon will not bill for indirect costs such as telephone, subscriptions and conference call services; instead, First Tryon charges an administrative expense fee equal to 4% of any invoiced fee for services as reimbursement for costs not reasonably allocable on a client-by-client basis.

We appreciate the opportunity to have an open dialogue with LCFWASA about potential assignments and provide a fee proposal customized to LCFWASA’s exact needs.

### 9. Additional Services

Describe other services provided by your firm and efficiencies or cost savings that may be gained by LCFWASA engaging your firm for these ancillary services.

To better and more thoroughly serve our advisory clients, First Tryon has made key investments in technology, personnel, and resources to add value beyond traditional advisory services on debt offerings. Additional services offered by our firm include operational consultant services, procurement services such as bidding of banking services, bidding of escrows or construction funds, and development of advanced modelling tools like our pricing model and capital planning models. The following provides some additional information about our modeling tools that we believe would be relevant to LCFWASA.

#### PRICING MODEL

Unique to First Tryon Advisors is our proprietary pricing model that was developed in-house and helps us evaluate and compare pricing on a public market bond sale. The model uses an algorithm to determine the best comparative financings for an issuer’s proposed bond sale by comparing over 13 variables, including: state, security, tax status, rating, sale date, coupon, call provision and market sector of over 3,000 issuances. To the extent necessary, First Tryon also utilizes the sales and trading desk of First Tryon Securities, LLC for additional pricing guidance / oversight and to pull pricing data from specific primary or secondary trades.

First Tryon actively uses this model leading up to and on the date of a bond sale to 1) confirm that the underwriter’s proposed pricing is at an acceptable level and 2) to highlight certain maturities where pricing could improve and work with the underwriter to get to that level. It helps us provide recommendations to our clients as to the key decisions points of a bond issuance, including sizing, maturity schedules, and call provisions. This innovative model has had direct impacts on issuer’s pricings and resulted in debt service savings. A snapshot of the model is provided on the following page.



Lower Cape Fear Water and Sewer Authority



Lower Cape Fear Water and Sewer Authority							First Tryon Advisors SIMPLIFYING PUBLIC FINANCE															
State	NC	Include All	Not before	10/1/23	Moody's	Aa2	Tax Status	TE	Payment dates	Apr	Version 6											
S&P	AA		Market	Current	# of Comps to include	10	Sale Type	All														
Fitch	AA		Industries to Include		Security Types to Include																	
Healthcare		No	General Obligation		No																	
Higher Education		No	Limited Obligation		No																	
Housing		No	Revenue Bonds		Yes																	
Local Government		No	Special Tax		No																	
NP/Ch Scholgr		No																				
School District		No																				
Transportation		No																				
Utility System		Yes																				
Proposed Pricing													Comps Ranked 1-5									
Tenor	Maturity	Par Amount (000's)	Coupon	Spread (bps)	MMD	Yield	Low	Median	High	Coupon	Spread	Coupon	Spread	Coupon	Spread	Coupon	Spread	Coupon	Spread			
1	2025		5.000%	0	2.80%	2.80%	-9	8	34	5.000%	12	5.000%	8	5.000%	8	5.000%	25	5.000%	25			
2	2026		5.000%	-4	2.73%	2.69%	-9	8	34	5.000%	18	5.000%	4	5.000%	8	5.000%	28	5.000%	28			
3	2027		5.000%	14	2.59%	2.73%	-9	8	35	5.000%	14	5.000%	9	5.000%	6	5.000%	34	5.000%	34			
4	2028		5.000%	15	2.50%	2.65%	-5	9	39	5.000%	10	5.000%	13	5.000%	4	5.000%	34	5.000%	34			
5	2029		5.000%	18	2.46%	2.64%	-5	10	43	5.000%	16	5.000%	16	5.000%	6	5.000%	35	5.000%	35			
6	2030		5.000%	19	2.47%	2.66%	-3	14	45	5.000%	19	5.000%	19	5.000%	9	5.000%	39	5.000%	39			
7	2031		5.000%	21	2.45%	2.66%	-3	15	47	5.000%	22	5.000%	25	5.000%	15	5.000%	43	5.000%	43			
8	2032		5.000%	24	2.46%	2.72%	-1	15	47	5.000%	23	5.000%	27	5.000%	13	5.000%	45	5.000%	45			
9	2033		5.000%	20	2.50%	2.70%	1	14	47	5.000%	19	4.000%	29	5.000%	8	5.000%	47	5.000%	47			
10	2034		5.000%	25	2.55%	2.80%	0	12	47	5.000%	18	5.000%	24	5.000%	5	5.000%	43	5.000%	43			
11	2035		5.000%	18	2.63%	2.81%	-2	10	47	5.000%	15	5.000%	28	5.000%	3	5.000%	42	5.000%	42			
12	2036		5.000%	20	2.76%	2.96%	-2	11	46	5.000%	16	5.000%	26	5.000%	15	5.000%	42	5.000%	42			
13	2037		5.000%	21	2.91%	3.12%	-2	15	49	5.000%	16	5.000%	22	5.000%	14	5.000%	44	5.000%	44			
14	2038		5.000%	13	3.03%	3.16%	-2	16	52	5.000%	-	5.000%	17	5.000%	18	5.000%	46	5.000%	46			
15	2039		5.000%	13	3.11%	3.24%	-2	17	52	5.000%	22	5.000%	20	5.000%	19	5.000%	49	5.000%	49			
16	2040		5.000%	15	3.16%	3.31%	-1	19	52	5.000%	-	5.000%	27	5.000%	19	5.000%	52	5.000%	52			
17	2041		5.000%	16	3.21%	3.37%	4	20	56	5.000%	27	5.000%	29	5.000%	21	5.000%	60	5.000%	60			
18	2042		5.000%	30	3.27%	3.57%	4	21	58	5.000%	32	5.000%	32	5.000%	21	5.000%	61	4.625%	61			
19	2043		5.000%	35	3.33%	3.68%	5	21	58	4.375%	55	5.000%	33	5.000%	23	5.000%	56	5.250%	56			
20	2044		5.000%	45	3.36%	3.81%	7	21	58	4.375%	53	5.000%	34	5.000%	22	5.000%	58	5.250%	58			
21	2045				3.40%									5.000%	22	5.000%	11					
22	2046				3.45%									5.000%	22	5.000%	11					
23	2047				3.49%																	
24	2048				3.51%																	
25	2049				3.54%					4.500%	49	5.000%	46	4.500%	32							
26	2050				3.57%																	
27	2051				3.59%									4.000%	29							
28	2052				3.60%																	
29	2053				3.61%									5.000%	23							
30	2054				3.62%																	
Par (000's)										21,835		48,415		169,420		51,515		14,485				

CAPITAL PLANNING MODEL

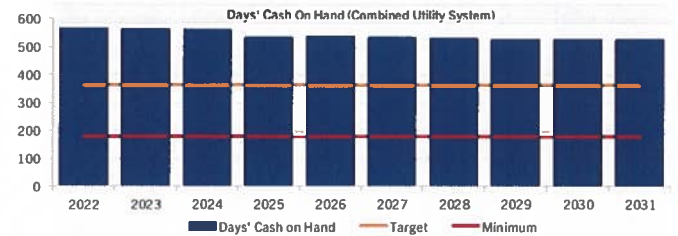
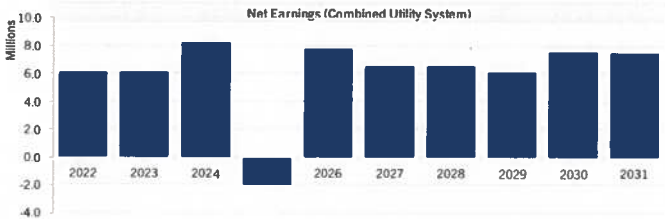
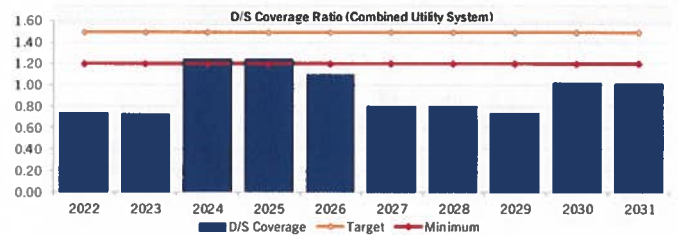
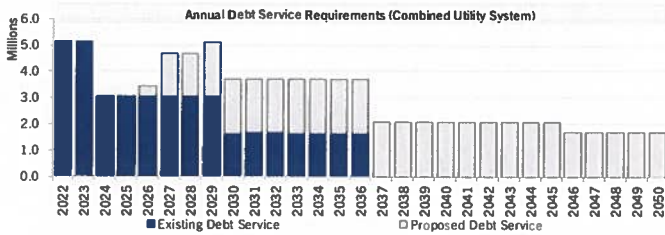
First Tryon's Capital Planning Model is a tool we developed that gives entities the ability to forecast the financial impact of capital projects over both a near-term and a long-term horizon, on a project-by-project basis. This interactive, dynamic tool allows an entity to quickly and easily run multiple scenarios with different assumptions, including project cost, timing, funding source, financing type, financing term and debt service structure, among others. We have found this model to be incredibly useful to our clients, many of which work with the model live in Board workshops/meetings.

**Project Dashboard and Funding Assumptions:** The primary functionality of the model comes from the analysis of various financing options: which projects are financed over what term and when. For illustrative purposes, we have provided a sample inputs table. First Tryon and/or LCFWASA can also input the entire capital improvement. For each project, we can specify their respective details, including (where relevant): cost, timing, debt service structure, term and interest rate. LCFWASA can also specify both the funding source (Enterprise Operating Fund or another fund, as applicable) as well as the funding type (general obligation bond, revenue bond, revolving loan, pay-go, etc.) on a project-by-project basis.

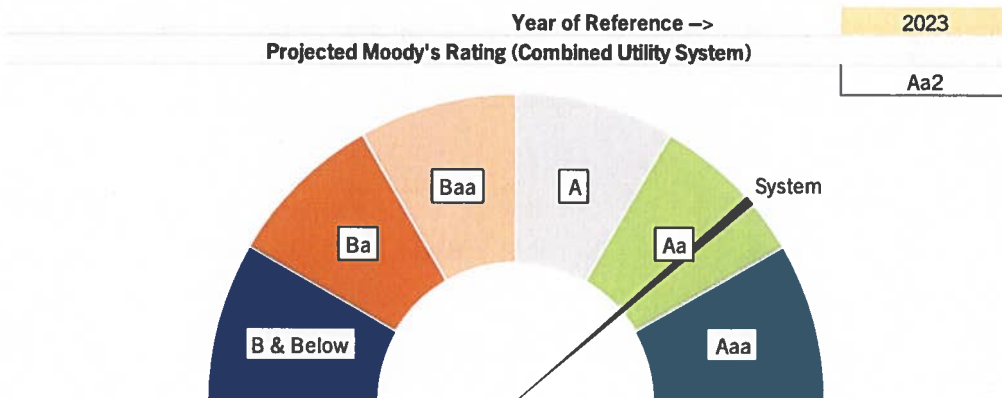
Lower Cape Fear Water and Sewer Authority

Turn Projects On/Off	Specify project description, amount, and timing	Select fund and funding type	Customize repayment structure						
Projects Under Consideration									
1	2	3	4	5	6	7	8	9	10
On/Off	Description	Amount	Timing (FY)	Fund / Revenue Source	Funding Type	Structure	Term	Principal Deferral	Rate
On	Sample Project #1	25,000,000	2026	Enterprise Operating Fund	Revenue Bond	Level D/S	30	2	5.00%
On	Sample Project #2	5,000,000	2025	Enterprise Operating Fund	SRF	Level D/S	20	0	4.50%
On	Sample Project #3	10,000,000	2025	Other Fund	Cash				
Off									
Off									

**Outputs – Key Financial Metrics / Policies / Targets:** The Capital Planning Model allows issuers to track the impact a plan of finance will have on their key financial ratios to ensure that they remain in compliance with any financial policies or internal targets. While all models include certain standard metrics, LCFWASA’s Capital Planning Model can be customized to include any additional metrics monitored by LCFWASA, such as Total Coverage Ratio, Days Cash on Hand, Cash Balance, and Debt to Operating Revenues.



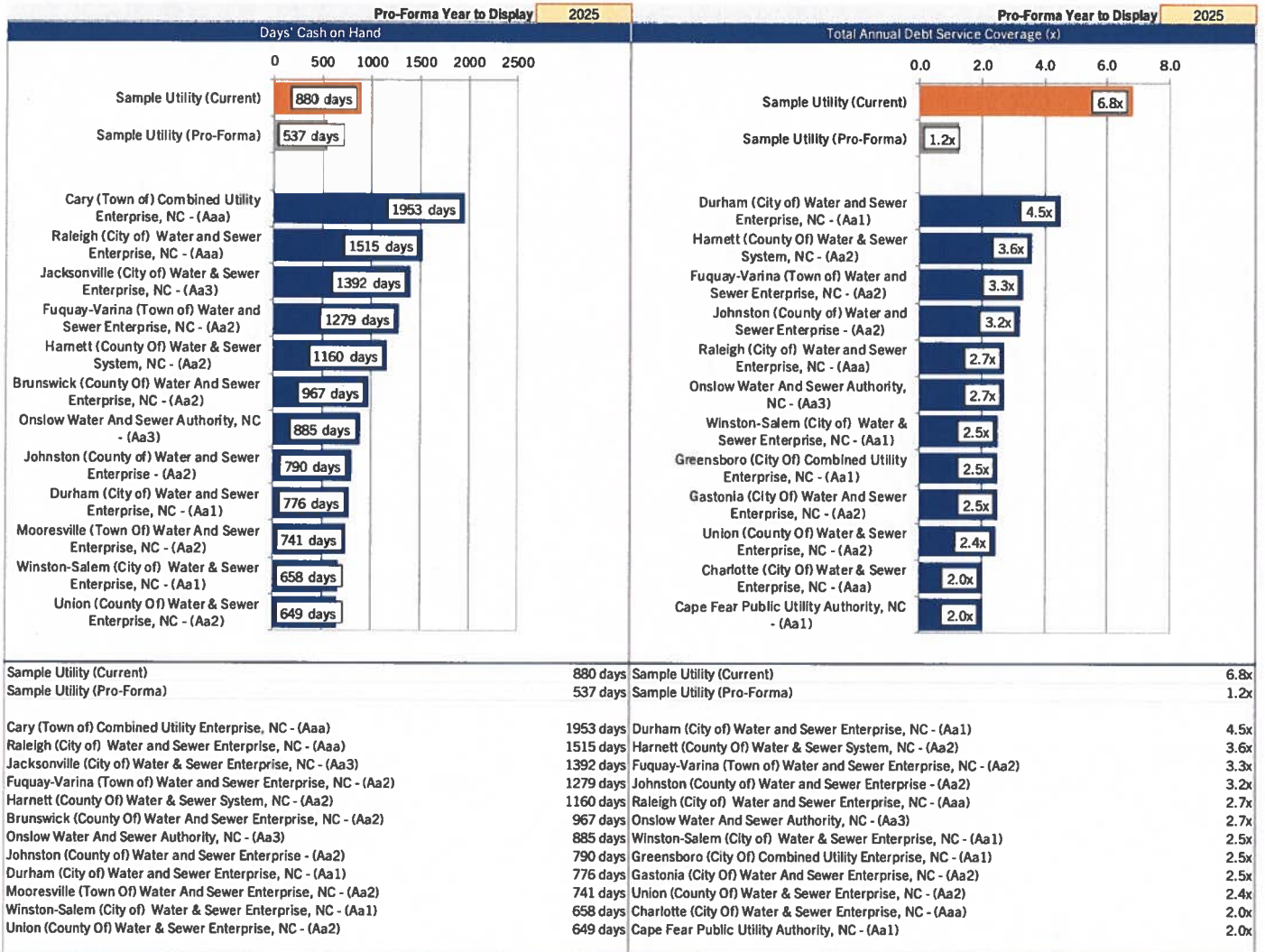
**Outputs – Moody’s Scorecard:** Rating agency scorecard analysis can also be incorporated within the model. In addition to analyzing an issuer’s current financial picture, the model can also run the analysis for future years to show how the long-term plan of finance affects the issuer’s overall financial health.





Lower Cape Fear Water and Sewer Authority

**Outputs – Peer Comparisons:** Not only will financial metrics be measured against LCFWASA’s policies / internal targets, but each metric will be compared to LCFWASA’s peers. The Capital Planning Model utilizes Moody’s MRFA.



## Lower Cape Fear Water and Sewer Authority

## 10. Legal and Firm Issues

Please indicate if the Firm is any of the following:

MBE \_\_\_\_\_ WBE \_\_\_\_\_ SBE \_\_\_\_\_ None of the above

If the Firm has been certified with the designations above, indicate which agency, and the effective and expiration dates of that certification below:

Agency Certifying: Not Applicable

Effective Date: Not Applicable

Expiration Date: Not Applicable

Please disclose and explain any significant negative events in your firm's recent history including criminal charges, civil litigation, or administrative actions involving allegations of securities law violations by your firm or its employees during the past five (5) years. Please comment on the resolution and/or status of the actions.

First Tryon as a firm nor has First Tryon employees have been engaged in any criminal charges, civil litigation, or administrative actions involving allegations of securities law violations in the past five years.

Are there any other lines of business conducted by your firm that could complement or conflict with your role on LCFWASA transactions? Please disclose any arrangements that might present an actual or apparent conflict of interest with this role.

First Tryon is not aware of any arrangements that might present an actual or apparent conflict of interest with this role.

Separate from First Tryon Advisors, First Tryon Securities, LLC maintains a fixed income sales and trading desk which will provide value for LCFWASA by offering a source of live, real-time market information. The desk operates only in the secondary market and does not participate in the underwriting of bonds, thereby avoiding any or actual perceived conflict of interest.

Disclose any existing or contemplated relationship with any other person or entity, including relationships with LCFWASA staff, which would constitute an actual or potential conflict of interest in connection with the rendering of services detailed in this response. If a conflict does or might exist, please describe how your firm would resolve the conflict.

First Tryon is not aware of any existing or contemplated relationships with any other person or entity, including relationships with LCFWASA staff, which would constitute an actual or potential conflict of interest in connection with the rendering of services detailed in this response.

Lower Cape Fear Water and Sewer Authority

11. Respondent's Certification

The Respondent's Certification set forth below shall be completed and signed by the person submitting the response to the RFQ on behalf of your firm.

RESPONDENT'S CERTIFICATION

I have carefully examined the submittal to the Request for Qualifications, and any other documents accompanying or made a part of this submittal.

The firm identified below hereby proposes to furnish the services specified in the Request for Qualifications. I agree that the submittal will remain firm for a period of up to 150 days in order to allow LCFWASA adequate time to evaluate the responses submitted.

I verify that all information contained in this submittal is truthful to the best of my knowledge and belief. I further certify that I am duly authorized to submit this response to the Request for Qualifications on behalf of the firm as its act and deed and that the firm is ready, willing, and able to perform if selected.

I further certify that this submittal to the Request for Qualifications is made without prior understanding, agreement, connection, discussion, or collusion with any other person, firm or corporation submitting a Request for Qualifications for the same product or service; no officer, employee or agent of LCFWASA; and that I, the undersigned, executed this certification with full knowledge and understanding of the matters therein contained and was duly authorized to do so.

First Tryon Advisors
NAME OF BUSINESS

[Signature]
SIGNATURE

Amy Vitner Managing Director
NAME & TITLE, TYPED OR PRINTED

6101 Carnegie Blvd, Suite 210
MAILING ADDRESS

Charlotte NC 28209
CITY, STATE, ZIP CODE

704-458-4759
TELEPHONE NUMBER

## Appendix A – Municipal Advisor Registration



Municipal Securities Rulemaking Board

### Certificate of Current MSRB Registration

The Municipal Securities Rulemaking Board (MSRB) certifies that the organization listed below is registered with the MSRB as of December 18, 2023 04:15:31 PM ET.

<b>Registrant's Name:</b>	First Tryon Advisors, LLC	<b>Type of Registration Maintained with the MSRB:</b>	Municipal Advisor
<b>MSRB ID:</b>	K1304	<b>Date Registered with the MSRB:</b>	October 29, 2021

This certificate may be confirmed by contacting the MSRB at 202-838-1330 or by email to [MSRBsupport@msrb.org](mailto:MSRBsupport@msrb.org)

Stephanie Braddell, Product Operations Manager

©2023 Municipal Securities Rulemaking Board

1300 I Street NW, Suite 1000 | Washington, DC 20005 | 202-838-1500 | [MSRB.org](http://MSRB.org) | [EMMA.MSRB.org](http://EMMA.MSRB.org)





### EDGAR Search Results

[Give us feedback on EDGAR](#) **CLICK HERE**

[SEC Home](#) » [Search the Next-Generation EDGAR System](#) » [Company](#) » [Search](#) » [Current Page](#)

**First Tyon Advisors, LLC** CIK#: 0001881014 (see all company filings)

State location: MD | State of Inc. NC | Fiscal Year End: 1231

Business Address  
122 SEVERN AVENUE  
ANNAPOLIS MD 21403  
7049262445

Headquarters Address  
6101 CARNEGIE BLVD.  
SUITE 210  
CHARLOTTE NC 28209

## Lower Cape Fear Water and Sewer Authority

## Appendix B – Revenue Bond Deal List Since 2021

## FTA Revenue Bond Transactions since 2021

Date of Sale	Par Amount	Engagement Name	Issuer	Security Type	Rating	Public Offering/Private Offering	Sale Type	Final Maturity
10/24/23	\$169,420,000	Fayetteville PWC 2023 REV	Fayetteville Public Works Commission (NC)	Revenue	Aa2/AA/AA	Public Offering	Competitive	3/1/2053
10/16/23	\$1,600,000	Liberty-Chesnee-Fingerville 2023 REV	Liberty Chesnee Fingerville Water District (SC)	Revenue	NR	Private Offering	Competitive	11/1/2038
09/12/23	\$3,000,000	Georgetown 2023 CUS REV	Georgetown, City of (SC)	Revenue	NR	Private Offering	Competitive	6/1/2043
09/07/23	\$32,100,000	Florence, SC 2023 WS Rev	Florence, City of (SC)	Revenue	Aa2/AA-/NR	Public Offering	Competitive	9/1/2053
08/15/23	\$38,435,000	Myrtle Beach 2023 W&S REV	Myrtle Beach, City of (SC)	Revenue	Aa3/AA-/NR	Public Offering	Negotiated	3/1/2048
07/19/23	\$37,055,000	Gastonia, NC 2023 Utility Rev	Gastonia, City of (NC)	Revenue	Aa2/NR/AA+	Public Offering	Negotiated	5/1/2043
05/24/23	\$28,220,000	Dorchester County 2023 W&S REV	Dorchester County (SC)	Revenue	NR/AA/NR	Public Offering	Negotiated	10/1/2048
04/24/23	\$96,525,000	Cherokee Co. W&S 2023 REV	Cherokee County Water and Sewerage Authority (GA)	Revenue	Aa1/AA/NR	Public Offering	Negotiated	8/1/2053
04/03/23	\$8,480,000	Hendersonville 2023 REV	Hendersonville, City of (NC)	Revenue	NR/NR/NR	Private Offering	Competitive	6/1/2043
02/22/23	\$2,067,000	Abbeville Co 2023 Solid Waste Revenue Bond	Abbeville County (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	4/1/2038
01/18/23	\$4,090,000	LCNGA 2023 REV	Lancaster County Natural Gas Authority (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	6/1/2033
12/01/22	\$23,670,000	GUC 2022 Rev Bond	Greenville Utilities Commission (NC)	Revenue	Aa1/NR/AA-	Public Offering	Negotiated	12/1/2046
10/11/22	\$8,000,000	YCONGA 2022 REV	York County Natural Gas Authority (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	4/1/2033
10/06/22	\$71,505,000	South Island PSD 2022 Revenue bond	South Island Public Service District (SC)	Revenue	A1/AA+/NR	Public Offering	Negotiated	4/1/2052
09/28/22	\$4,150,000	Dorchester County 2022 Stormwater REV	Dorchester County (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	4/1/2032
09/08/22	\$60,000,000	Horry Co 2022 Hospitality Fee Revenue Bond	Horry County (SC)	Revenue	NR/AA/AA	Public Offering	Negotiated	9/1/2052
08/08/22	\$22,154,000	Rock Hill 2022CD CUS REV	Rock Hill, City of (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	1/1/2042
07/27/22	\$120,000,000	ReWa 2022 REV (Interim)	Renewable Water Resources (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	9/1/2026
07/11/22	\$1,500,000	Inman 2022 Hospitality REV	Inman, City of (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	3/1/2037
05/05/22	\$18,558,000	Rock Hill 2022A CUS REV	Rock Hill, City of (SC)	Revenue	NR/NR/NR	Private Offering	Competitive	1/1/2030
05/03/22	\$38,000,000	MetroConnects 2022 Revenue Bond	MetroConnects (Metropolitan Sewer Subdistrict of	Revenue	NR/NR/NR	Private Offering	Competitive	6/1/2042
04/21/22	\$33,670,000	Charleston 2022 Hospitality Revenue Bonds	Charleston, City of (SC)	Revenue	NR/AA/NR	Public Offering	Negotiated	9/1/2036
02/16/22	\$7,695,000	Greenville, SC 2022 Sewer Rev Bond	Greenville, City of (SC)	Revenue	NR	Private Offering	Competitive	4/1/2037
01/12/22	\$64,555,000	Winston-Salem, NC 2022 WS Rev Bonds	Winston Salem, City of (NC)	Revenue	Aa1/AA+/NR	Public Offering	Negotiated	6/1/2052
01/06/22	\$4,731,000	Thomasville 2022 Revenue Refunding Bond	Thomasville, City of (NC)	Revenue	NR	Private Offering	Competitive	5/1/2028
01/05/22	\$6,915,000	Hendersonville 2022 W&S Revenue Bond	Hendersonville, City of (NC)	Revenue	NR	Private Offering	Competitive	6/1/2041
11/30/21	\$55,000,000	Fulton Co 2021 Urban Redevel Bonds	Fulton County (GA)	Revenue	NR	Private Offering	Competitive	8/1/2036
11/04/21	\$73,545,000	Charleston Co 2021 SSRB Refunding	Charleston County (SC)	Revenue	NR/AA+/AA+	Public Offering	Negotiated	12/1/2038
10/27/21	\$25,340,000	Cassatt Water 2021 Revenue Bonds	Cassatt Water Company (SC)	Revenue	A3/A+/NR	Public Offering	Negotiated	6/1/2051
10/26/21	\$10,129,565	Piedmont Triad Regional Water Authority - 2021 Modification	Piedmont Triad Regional Water Authority	Revenue	NR	Private Offering	Negotiated	9/1/2028
10/20/21	\$16,165,000	Richland County 2021 Assessment Revenue Refunding	Richland County (SC)	Revenue	NR	Public Offering	Negotiated	11/1/2036
10/19/21	\$94,790,000	Fayetteville PWC 2021 Revenue Bonds	Fayetteville Public Works Commission (NC)	Revenue	Aa2/AA/AA	Public Offering	Competitive	3/1/2051
10/13/21	\$20,425,000	Anderson 2022 W&S REV Refunding	Anderson, City of (SC)	Revenue	Aa3/A+/NR	Public Offering	Negotiated	7/1/2032
10/13/21	\$23,255,000	Anderson 2021 W&S REV Refunding	Anderson, City of (SC)	Revenue	Aa3/A+/NR	Public Offering	Negotiated	07/1/2039
09/23/21	\$10,747,000	City of Shelby - 2021 Revenue Bond Refunding	Shelby, City of (NC)	Revenue	NR	Private Offering	Competitive	11/1/2030
08/03/21	\$61,520,000	PEG 2021 Revenue Bonds	Patriots Energy Group (SC)	Revenue	A2/NR/NR	Public Offering	Negotiated	6/1/2051
07/29/21	\$241,795,000	Durham 2021 W&S Revs	Durham, City of (NC)	Revenue	Aa1/AAA/AA+	Public Offering	Negotiated	8/1/2051
06/29/21	\$7,000,000	Florence, City of 2021 Stormwater Rev	Florence, City of (SC)	Revenue	NR	Private Offering	Competitive	6/1/2036
06/28/21	\$7,000,000	Anderson 2021 Hospitality Fee Revenue Bond	Anderson, City of (SC)	Revenue	NR	Private Offering	Competitive	2/1/2037

Lower Cape Fear Water and Sewer Authority

FTA Revenue Bond Transactions since 2021 (continued)

Date of Sale	Par Amount	Engagement Name	Issuer	Security Type	Rating	Public Offering/Private Offering	Sale Type	Final Maturity
05/05/21	\$10,264,000	MetroConnects 2021 Sewer Bond	MetroConnects (Metropolitan Sewer Subdistrict of Greenville County)	Revenue	NR	Private Offering	Competitive	6/1/2023
04/12/21	\$19,510,000	Spartanburg Sewer 2021 Taxable Refunding Bonds	Spartanburg Sanitary Sewer District (SC)	Revenue	Aa3/AA/NR	Public Offering	Negotiated	3/1/2040
03/23/21	\$18,840,000	OWASA 2021 Revenue Bonds	Orange Water and Sewer Authority (NC)	Revenue	Aa1/AAA/AA+	Public Offering	Competitive	6/1/2046
03/15/21	\$17,689,000	North Augusta 2021 W&S Refunding Bond	North Augusta, City of (SC)	Revenue	NR	Private Offering	Competitive	5/1/2036
03/15/21	\$23,053,000	Mooreville 2021 REV Refunding	Mooreville, Town of (NC)	Revenue	NR	Private Offering	Competitive	5/1/2029
02/24/21	\$2,500,000	Liberty-Fingerville Water District 2021 Revenue Bond	Liberty Chesnee Fingerville Water District (SC)	Revenue	NR	Private Offering	Competitive	3/11/2036
02/17/21	\$3,227,000	Greenville, SC 2021 Hosp Tax Ref Bond	Greenville, City of (SC)	Revenue	NR	Private Offering	Competitive	4/1/2031
01/14/21	\$8,320,000	North Charleston Sewer Dist 2021 GO Ref	North Charleston Sewer District (SC)	Revenue	NR/AA+/NR	Public Offering	Competitive	1/1/2031
<b>Total</b>	<b>\$1,656,209,565</b>	<b>47 Transactions</b>						



## DISCLAIMER

This communication was prepared by First Tryon Advisors, LLC (“First Tryon Advisors”) and is for informational purposes only and should not be construed as an offer or solicitation to sell or buy any securities. This material does not provide tax, regulatory, accounting, or legal advice. Prior to entering into any proposed transaction, recipients should determine, in consultation with their own investment, legal, tax, regulatory and accounting advisors, the economic risks and merits, as well as the legal, tax, regulatory, and accounting characteristics and consequences, of the proposed transaction. Any proposal included in this communication is confidential information of First Tryon Advisors and is solely for the benefit of the recipient(s), and the recipient(s) is (are) not authorized to sell, redistribute, forward or deliver this communication to any other person without the prior written consent of First Tryon Advisors.

The statements within this material constitute the views, perspective and judgment of First Tryon Advisors at the time of distribution and are subject to change without notice. First Tryon Advisors gathers its data from sources it considers reliable; however, it does not guarantee the accuracy or completeness of the information provided within this communication. The material presented reflects information known to First Tryon Advisors at the time this communication was prepared, and this information is subject to change without notice. First Tryon Advisors makes no warranties regarding the accuracy of this material.

Any forecasts, projections, or predictions of the market, the economy, economic trends, and equity or fixed-income markets are based upon current opinion as of the date of issue, and are also subject to change. Opinions and data presented are not necessarily indicative of future events or expected performance. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or performance. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes only to simplify the presentation and/or calculation of any projections or estimates, and First Tryon Advisors does not represent that any such assumptions will reflect actual future events. Accordingly, there can be no assurance that estimated projections will be realized or that actual performance results will not materially differ from those estimated herein.

First Tryon Advisors is registered as a municipal advisor with the Securities and Exchange Commission (“SEC”) and the Municipal Securities Rulemaking Board (“MSRB”). Neither the SEC, MSRB, nor any other regulatory organization endorses, indemnifies, or guarantees First Tryon Advisors’ business practices or selling methods.

---

**Lower Cape Fear Water & Sewer Authority**

## Personnel Committee Meeting Minutes

February 12<sup>th</sup>, 2024

---

Chairman Knight called to order the Personnel Committee Meeting on February 12<sup>th</sup>, 2024, at 8:45 a.m. The meeting was held at the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

**Present:** Norwood Blanchard, Wayne Edge, Harry Knight, Al Leonard, Jackie Newton, Scott Phillips, Charlie Rivenbark, and Bill Sue

**Present by Virtual Attendance:** none

**Absent:** Bill Saffo

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

**Guest:** Director Patrick DeVane; Director Phil Trip; Jorgen Holmberg, Computer Warriors; and Glenn Walker, Brunswick County Water Resources Manager

**FY 2024-2025 Proposed Salary increases in Budget Process**

Executive Director Holloman advised he has looked at other agencies, and they are doing between three and six percent. Therefore, he will also keep it in the range, looking to do four percent cola and two percent merit.

**Bereavement Leave**

Executive Director Holloman advised that the LCFWASA does not currently have bereavement leave. He would like to update the personnel policy to provide three days of leave if passing for immediate family or equivalent.

**ADJOURNMENT**

There being no further business, Chairman Blanchard adjourned the meeting at 8:50 a.m.

Respectfully Submitted,

---

Tim Holloman, Executive Director



---

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:** 3/1/2024

**SUBJECT:** Monthly maintenance report for February 2024

---

Mr. Holloman,

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

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

KB personnel cont. pumping out wet well #1.

KB personnel assisted SR&R Environmental with the cleaning of wet well 1 of sedimentation and silt.

KB personnel Power washed pump room 1 along with the basement above wet well.

KB personnel worked with Power Secure for quarterly maintenance on pumps and generators.

KB personnel aided BFPE with fire extinguisher inspection.

KB personnel guided Michael Underwood Surveyors with crossover layout.

KB personnel Inspected Right of way.

**Contractors:**

Pursuit Cleaning came to Kings Bluff offices for weekly cleaning.

SR&R Environmental

Michael Underwood Surveyors

McKim & Creed

Thank you,  
Gregory Lazorchak

# Smithfield®

To: Tim Holloman - LCFWASA

From: James Kern – Bladen Bluffs SWTP ORC

Date: 3/6/24

Subject: February 2024 Operations

During the month of February, Bladen Bluffs SWTP operated a total of 17 days, treating 46.74 million gallons of water.

We used:

37,139 lbs. of aluminum sulfate (Alum)

9,322 lbs. of sodium hydroxide (Caustic)

851 lbs. of sodium hypochlorite (1,709 gallons of 6% Chlorine Bleach)

**James Kern**  
**Water Treatment Plant**  
**Supervisor**

(910) 862-3114  
(910) 862-3146  
(910) 733-0016 mobile  
[jkern@smithfield.com](mailto:jkern@smithfield.com)

**Smithfield.**  
*Good food. Responsibly.®*

Bladen Bluffs Surface Water Treatment  
Plant  
17014 Highway 87 West  
Tar Heel, NC 28392  
[www.smithfieldfoods.com](http://www.smithfieldfoods.com)

## Bladen Bluffs SWTP Maintenance Report

Date: 3/6/2024

**ISSUE:**

**PLAN OF ACTION:**

All PLC need updated	Getting quotes
Vault intrusion electrical needs sealed	Quote approved
Main and raw generator has radiator leak	FIXED
Caustic Pump #2 clogged	Troubleshooting
Need to do full chemical pump PM	Getting Parts - Tencarva
Issue with Polymer pump #2	New Pump Ordered – 12 week lead
Few lights in parking lot out	FIXED
Settle basin need cleaning	COMPLETE
Heat in control room NA	FIXED
Leaks on chlorine pumps	FIXED
UPS PM Due	Scheduled this month
Generator PM Due	IN PROGRESS

## Monthly Operating Reports (MORs) Summary

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

Year: <u>2024</u>	PWS Name: <u>Bladen Bluffs Water System</u>	PWSID#: <u>NC5009012</u>
Month: <u>February</u>	Facility Name: <u>Bladen Bluff</u>	

### Combined Filter Effluent (CFE) Turbidity

Samples exceeding 1 NTU (count): <u>0</u>	Number of samples required: <u>90</u>
Samples exceeding .3 NTU (count): <u>0</u>	Number of samples taken: <u>90</u>
Samples exceeding .3 NTU (pct): <u>0.0%</u>	Highest single turbidity reading NTU: <u>0.191</u>
	Monthly average turbidity NTU: <u>0.095</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>90</u>
Minimum EPRD concentration <u>0.8700</u>	Number of samples taken <u>90</u>

### Distribution Residual Disinfectant Concentration

Number of samples under 0.010 mg/L (without any detectable) excluding where HPC is ≤ 500/mL	<u>0</u>
---	----------

### Contact Time (CT) Ratio

Lowest CT ratio reading <u>13.68</u>	Number of CT ratios required <u>17</u>
Number of CT ratios below 1.0 <u>0</u>	Number of CT ratios calculated <u>17</u>

### Remarks From General Info Worksheet

By checking this box, the ORC certifies that the requirements of 15A NCAC 18C .1301 "General Requirements", .1302 "Tests, Forms, and Reporting", and .1303 "Facility Oversight" have been met for the month of February, 2024 and that records documenting compliance with this rule are maintained on the premises and available for inspection upon request.

NCDENR/DEH  
PWSS  
Version: V02.10-00

COMPLETED BY:	James Kern	
CERTIFICATE GRADE:	A - Surface	CERTIFICATE NUMBER: <span style="border: 1px solid black; padding: 2px;">120147</span>

**NEW BUSINESS (OB1)**

**Lower Cape Fear Water & Sewer  
Authority**

## **AGENDA ITEM**

To: CHAIRMAN KNIGHT AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: March 11, 2024

Re: Resolution of Lower Cape Fear Water and Sewer Authority Board of  
Directors Rejecting Sole Bid Submitted for Partial Replacement of Existing  
Roof at the Kings Bluff Pump Station

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

---

**Background:** The Lower Cape Fear Water & Sewer Authority has undertaken a thorough assessment of the Kings Bluff roofing system's condition to address maintenance and safety concerns.

**Action Requested:** Motion to approve/disapprove



**RESOLUTION OF LOWER CAPE FEAR WATER AND SEWER AUTHORITY BOARD OF DIRECTORS REJECTING SOLE BID SUBMITTED FOR PARTIAL REPLACEMENT OF EXISTING ROOF AT THE KINGS BLUFF PUMP STATION**

WHEREAS, the Lower Cape Fear Water and Sewer Authority (“LCFWASA”) has determined that it is necessary for a partial replacement of the standing seam metal roof at the Kings Bluff Pump Station;

WHEREAS, LCFWASA initially solicited informal bids without engineering specifications from prospective roofing contractors for the roof replacement project and received three bids that varied widely in scope of work, specifications and price;

WHEREAS, based upon the wide variation and lack of standardization in the informal bid responses, LCFWASA determined that it was in the public interest to engage an engineering firm to prepare plans detailing the roof replacement specifications and scope of work required for the project for purposes of ensuring the safety and integrity of the facilities, securing high-quality services within budgetary constraints, and to assist in the contractor procurement process for the project;

WHEREAS, in August 2023 LCFWASA engaged McKim & Creed (“Engineer”) to provide LCFWASA with a bid package of construction documents consisting of construction drawings and specifications in order to allow LCFWASA to solicit bids from prospective contractors qualified to perform the work pursuant to the Engineer’s plans and specifications;

WHEREAS, the Engineer completed the roof replacement plans and specifications in November 2023, and the project was advertised with bids due in mid-December 2023;

WHEREAS, LCFWASA received no responses to the first advertisement for bids;

WHEREAS, LCFWASA readvertised the roof replacement project in January 2024 with responses due in February 2024;

WHEREAS, LCFWASA received only one bid from C.J. Deans Roofing, Inc. in response to the second advertisement, the amount of which was significantly higher than LCFWASA’s budget for the project; and,

WHEREAS, LCFWASA has determined that it is not in the public interest to accept the sole bid submitted because the amount of the bid is not cost effective and significantly exceeds LCFWASA’s budget for the project.

NOW, THEREFORE, BE IT RESOLVED by the Chairman and Directors of the LCFWASA Board that the sole bid received from C.J. Deans Roofing, Inc. in response to the second advertisement for the partial replacement of the standing seam metal roof at the Kings Bluff Pump Station is hereby rejected.

BE IT FURTHER RESOLVED that the Executive Director shall review the bid specifications and project budget and make necessary revisions, if any. The Executive Director is hereby authorized to solicit

bids for the project pursuant to the requirements of N.C.G.S. § 143-131 and LCFWASA's Contract and Purchasing Policy.

BE IT FURTHER RESOLVED that the Executive Director shall provide notice to the sole bidder that its bid was rejected and that LCFWASA is soliciting additional bids for the project.

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

Adopted this \_\_\_\_\_ day of March 2024.

\_\_\_\_\_  
**Harry Knight, Chairman**

**ATTEST:**

\_\_\_\_\_  
**Scott Phillips, Secretary**

## AGENDA ITEM

To: CHAIRMAN KNIGHT AND BOARD MEMBERS

From: TIM HOLLOMAN, EXECUTIVE DIRECTOR

Date: March 11, 2024

Re: Budget Amendment #2

---

**Background:** Budget Amendment #2 is due to LCFWASA conducting a comprehensive review of its financial resources and identified a need for a budget amendment to transfer funds from the operating fund to the renewal and replacement fund. This strategic reallocation is essential to ensure the organization's long-term sustainability by adequately funding critical infrastructure maintenance, repairs, and replacement projects.

**Action Requested:** Motion to approve/disapprove.



**Lower Cape Fear Water & Sewer Authority**  
**Leland, North Carolina**

**BUDGET AMENDMENT #2**  
**Fiscal Year 2023-2024**

**BE IT ORDAINED** by the Board of Directors of the Lower Cape Fear Water & Sewer Authority that the following amendments are made to the FY 2023-2024 Annual Budget Ordinances as follows:

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

<b>Fund Balance Appropriated:</b>	<b>Increase</b>
3900-01 R&R Fund Appropriated	500,000.00

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

<b>Operating Fund:</b>	<b>Increase</b>
4998-05- Transfer to R & R	500,000.00

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

Approved as to the availability of funds:

\_\_\_\_\_  
 Tim H. Holloman, Finance Officer

This Budget Amendment adopted this 11<sup>th</sup> day of March 2024.

\_\_\_\_\_  
 Harry Knight, Chairman

ATTEST:

\_\_\_\_\_  
 Scott Phillips, Secretary

## AGENDA ITEM

To: CHAIRMAN KNIGHT AND BOARD MEMBERS

From: TIM HOLLOMAN, EXECUTIVE DIRECTOR

Date: March 11, 2024

Re: Resolution Awarding Contract for Financial Advisory Services for  
the Lower Cape Fear Water and Sewer Authority

---

**Background:** The Lower Cape Fear Water and Sewer Authority (LCFWASA) has embarked on a rigorous selection process to secure financial advisory services vital to its strategic planning and fiscal management. Following a thorough evaluation of proposals from reputable firms, the LCFWASA Finance Committee recognizes the necessity of awarding a contract to the best qualified financial advisory firm.

**Action Requested:** Motion to approve/disapprove.



**Resolution Awarding Contract for Financial Advisory Services for  
the Lower Cape Fear Water and Sewer Authority**

WHEREAS, the Lower Cape Fear Water and Sewer Authority (“LCFWASA”) serves Brunswick, Bladen, Pender, New Hanover, Columbus Counties, and the City of Wilmington with a Board of Directors representing those local governments. As the largest regional water system in Eastern North Carolina, the Authority’s primary role is to provide raw water from the Cape Fear River to supply treatment facilities that serve 550,000 customers;

WHEREAS, as the largest regional water system in Eastern North Carolina, LCFWASA recognizes the importance of financial planning in relation to infrastructure, construction, maintenance and emergency work;

WHEREAS, among the recommendations included in the Water Rate Study prepared for LCFWASA by Wildan Financial Services in 2023 is a recommendation that LCFWASA hire a financial advisor to assist with financial planning, including evaluating potential debt issuances in the future;

WHEREAS, LCFWASA advertised a Request for Qualifications (RFQ) for Financial Advisory Services, and after advertising, received three responses from firms to provide said services; and,

WHEREAS, after review of the three RFQ responses, the recommendation is to select First Tryon Advisors, LLC to serve as LCFWASA’s Financial Advisor.

NOW, THEREFORE, BE IT RESOLVED by the Chairman and Directors of the LCFWASA Board that LCFWASA awards the contract for financial advisory services to First Tryon Advisors, LLC. The Board hereby authorizes the Chairman to execute the proposed Financial Advisory Services Agreement with First Tryon Advisors, LLC dated March 6, 2024.

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

Adopted this \_\_\_\_\_ day of March 2024.

\_\_\_\_\_  
**Harry Knight, Chairman**

**ATTEST:**

\_\_\_\_\_  
**Scott Phillips, Secretary**

## FINANCIAL ADVISORY SERVICES AGREEMENT

This Agreement (this "**Agreement**") is made by and between Lower Cape Fear Water and Sewer Authority (the "**Client**") and First Tryon Advisors, LLC (the "**Advisor**"), as of the date acknowledged and accepted by the Client below (the "**Effective Date**").

In consideration of the mutual covenants contained in this Agreement, the parties hereby agree with respect to financial advisory services to be provided by the Advisor to the Client as follows:

### **SERVICES**

The Advisor, as an independent contractor and not as an employee, shall provide financial advisory services to the Client as specified from time to time in the work order or work orders in the form attached to this Agreement as Exhibit A (collectively, if more than one, the "**Work Order**"), perform all work and deliver all requisite work product (the "**Deliverables**") in connection therewith (collectively, together with the Deliverables, the "**Services**"). The Advisor agrees to perform the Services in accordance with the highest professional standards applicable to the performance of like services. As part of such Services, Client may periodically request reasonable written reports concerning the Advisor's progress, project status and other matters pertaining to the Services, and the Advisor shall promptly provide such reports to Client at no additional charge.

Client may, from time to time, request that the Advisor perform additional Services ("**Additional Services**"). If the Advisor accepts such assignments, the parties shall agree to the parameters of the Additional Services to be undertaken by executing a new or revised Work Order in the form of Exhibit A. The Additional Services shall be considered "**Services**" under this Agreement and shall be performed in accordance with, and subject to the terms and conditions of, this Agreement and the Work Order specifying the Services to be performed.

Nothing contained in this Agreement shall constitute making or appointing the Advisor an agent of the Client. The Advisor shall not (a) hold itself out contrary to the terms of this Agreement; (b) enter into any agreement on behalf of the Client or bind the Client in any way; or (c) make any representation, agreement, act or commission contrary to the terms of this Agreement.

The parties agree that Affiliates (as defined below) of Advisor and Affiliates of Client may execute Work Orders in accordance with the provisions of this Agreement. In such event, the applicable Affiliate of such party executing any Work Order shall, for purposes of such Work Order, be considered "Advisor" and the "Client" as those terms are used in this Agreement, insofar as it relates to any such Work Order, shall be deemed to be a two-party agreement between First Tryon or its applicable Affiliate on the one hand and Client or its applicable Affiliate on the other hand. As used in this Agreement, an "Affiliate" of an entity is another person or entity which controls, is controlled by or is under common control with such entity, and the term "control" of an entity shall mean the power to unilaterally direct the policies and management of such entity, whether through the ownership of voting securities or otherwise.

### **CLIENT MATTERS**

With respect to any matter described in this Agreement, nothing in this Agreement shall limit the Client's unqualified right, in the Client's discretion, (a) to reject in whole or in part any advice, suggestion, counsel or proposal made by the Advisor; or (b) to make any decision the Client deems to be in the best interests of the Client.

The Client represents that (a) it has taken all necessary action to authorize the Client's execution, delivery and performance of this Agreement and (b) it has obtained all consents, approvals and authorizations necessary

Lower Cape Fear Water and Sewer Authority  
March 6, 2024  
Page 2 of 10

for the Client's execution and delivery of this Agreement and the performance of its obligations under this Agreement.

### **TERM**

This Agreement shall commence on the Effective Date and thereafter shall remain in effect unless terminated in accordance with the provisions under the "**TERMINATION**" heading below. The Advisor shall render Services to Client for the period (the "**Term**") set forth in the applicable Work Order.

### **PERSONNEL**

The Advisor's Services under this Agreement shall be rendered solely by (a) its individual employees or (b) individuals or entities that are not employees of the Advisor that have been engaged by the Advisor to perform Services under this Agreement on the Advisor's behalf (collectively, the "**Third Parties**"), in each case as specified in the Work Order (collectively, the "**Personnel**"). The Advisor represents any such Personnel are qualified to perform the Services and have been assigned by the Advisor to work with the Client pursuant to this Agreement. The Advisor certifies that after hiring an employee to work in the United States, the Advisor shall verify the work authorization of the employee through E-Verify (or any replacement procedure).

### **FEES**

Upon the performance by the Advisor of all of its obligations under this Agreement and in an applicable Work Order, and as full compensation for Services performed by the Advisor to Client, Client agrees to pay to the Advisor, and the Advisor agrees to accept, a fee for Services as rendered on the basis set forth in the Work Order. In no event shall Client be obligated to pay any fees accrued in excess of the Estimated Cost set forth in the Work Order, or accrued in respect of services not described in the Work Order, without the written consent of Client.

In establishing fees, the Advisor takes into account multiple factors, including the efficiency with which the work was done, the result achieved, the complexity of the matter and any special experience or expertise applied to it, any extraordinary scheduling or preemptive attention devoted to the project, and the degree of professional responsibility or liability undertaken by the firm.

Unless specifically provided otherwise in the applicable Work Order, the Advisor shall invoice Client upon completion of the Services performed under the applicable Work Order. Invoices will be paid within 30 days of Client's receipt and acceptance of a proper invoice in accordance with the applicable Work Order.

### **TERMINATION**

Either party shall have the right to terminate any or all of the Services, any or all Work Orders or this Agreement without cause and in its sole discretion upon 30 days' prior written notice.

In the event of any termination of any Services, Work Order or this Agreement as set forth above, the Client shall pay the Advisor only for those Services performed, and reimbursable expenses incurred, before the effective date of termination; provided, however, that the Client shall have no liability for any further charges in respect of Services performed or expenses incurred after such termination date. Upon termination of this Agreement, the Advisor shall be relieved of any further obligations to provide services under this Agreement or any applicable Work Order.

### **MISCELLANEOUS**

The provisions of this Agreement constitute the entire agreement of the parties as to the matters addressed in this Agreement and supersede any prior understanding not specifically incorporated in this Agreement. No changes to this Agreement or waiver of any of the terms of this Agreement shall be made except in writing signed by the Client and the Advisor. In addition, no Work Order applicable to this Agreement shall be binding

Lower Cape Fear Water and Sewer Authority  
 March 6, 2024  
 Page 3 of 10

on the Client unless executed by the Client and the Advisor. In the event of any inconsistency between a Work Order and the terms set forth in this Agreement, the terms of the applicable Work Order shall prevail.

### **GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina applicable to agreements made and to be fully performed therein.

### **NOTICES**

All notices, requests, demands or other communications in connection with this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person, by a nationally recognized overnight courier service or by United States mail, postage prepaid, certified or registered, with return receipt requested, or otherwise actually delivered:

If to the Client at:

Lower Cape Fear Water and Sewer Authority  
 1107 New Pointe Blvd, Suite 17  
 Leland, NC 28451

If to the Advisor, at:

First Tryon Advisors, LLC  
 Attn: Chief Compliance Officer  
 6101 Carnegie Blvd, Suite 210  
 Charlotte, NC 28209

### **HEADINGS**

The paragraph headings in this Agreement are solely for convenience of reference and shall not affect the interpretation of this Agreement.

### **ASSIGNMENT**

Each provision of this Agreement and all Work Orders shall inure to, and shall be legally binding on, the successors and assigns of the parties to this Agreement.

### **COMPLIANCE WITH LAW**

The Advisor will comply with all statutes, ordinances, and regulations of all federal, state, county and municipal or local governments, and of any and all the departments and bureaus thereof, applicable to the carrying on of its business and performance of the Services and its obligations under this Agreement.

### **SEVERABILITY**

If any term of this Agreement shall be held invalid, illegal or unenforceable in whole or in part, then neither the validity of the remaining part of such term nor the validity of any other term of this Agreement shall be in any way affected.

### **MUNICIPAL ADVISORY CLIENT EDUCATION AND PROTECTION**

The Advisor is registered with the U.S. Securities and Exchange Commission ("SEC") as a Municipal Advisor. As a registered Municipal Advisor, the Advisor is subject to the rules of the Municipal Securities Rulemaking Board ("MSRB"). The MSRB provides certain protections for municipal entities and obligated persons that are clients of a municipal advisor. For complete regulatory and educational information, visit the MSRB's website at [www.msrb.org](http://www.msrb.org). A municipal advisory client brochure is available on the MSRB website's (currently available at <https://www.msrb.org/sites/default/files/2022-09/MSRB-MA-Clients-Brochure.pdf>). The client brochure describes client protections that may be provided under MSRB rules, including how to file a complaint with an appropriate regulatory authority.

Lower Cape Fear Water and Sewer Authority  
March 6, 2024  
Page 4 of 10

**MUNICIPAL ADVISOR REGULATORY DUTIES**

MSRB Rule G-42 requires that municipal advisors provide disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. Such disclosures are provided in the Advisor's Municipal Advisor's Disclosure Statement, which the Advisor has to this Agreement as Exhibit B.

**IN WITNESS WHEREOF**, the Client and the Advisor have duly executed this Agreement, and the Client has acknowledged and accepted the terms of this Agreement, as of the \_\_\_\_ day of \_\_\_\_\_, 2024.

**LOWER CAPE FEAR WATER AND SEWER  
AUTHORITY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**FIRST TRYON ADVISORS, LLC**

By: Amy Vitner  
Name: Amy Vitner  
Title: Managing Director

By: J. Walter Goldsmith  
Name: J. Walter Goldsmith  
Title: President & COO



**EXHIBIT A**  
**WORK ORDER**

**WORK ORDER** to the Agreement dated \_\_\_\_\_, by and between \_\_\_\_\_ (the "Client") and First Tryon Advisors, LLC (the "Advisor").

**SERVICES**

Pursuant to this Work Order, the Advisor's Services will include the following:

- [To be determined]

**TERM**

The term with respect to the Services to be performed under this Work Order shall end 30 days after the completion of the Services, unless terminated earlier in accordance with the Agreement.

**COMPENSATION**

In establishing fees, the Advisor considers multiple factors, including the efficiency with which the work was done, the result achieved, the complexity of the matter and any special experience or expertise applied to it, any extraordinary scheduling or preemptive attention devoted to the project, and the degree of professional responsibility or liability undertaken by the firm.

For services to be performed in connection with this Work Order, the Advisor shall be compensated as follows:

- [To be determined]

Such fees may vary if (1) the contemplated assignment changes materially during the course of the Term or (2) unusual or unforeseen circumstances arise which require a significant increase in the type or scope of the Advisor's responsibilities. The Advisor will consult with the Client if at any time the Advisor believes that circumstances require an adjustment to its fee. The fee will not be increased without the written consent of the Client.

In addition to the compensation outlined above, the Client will reimburse the Advisor for out-of-pocket expenses incurred in connection with the Services. Customary out-of-pocket expenses include, without limitation, costs of travel, meals, lodging, printing/copying, etc. The Advisor will bill the Client for such expenses at cost, with no mark-up. The Advisor will not bill the Client for indirect costs such as phone and video conference services; instead, the Client will pay the Advisor an administrative expense fee equal to 4% of any invoiced fee for Services as reimbursement for costs not reasonably allocable on a client-by-client basis.

The Advisor is firmly committed to demonstrating value to the Client throughout the financing process. ***If at any time the Client believes that the Services provided are not consistent with the fees charged by the Advisor, the Client may adjust the fee for such Services to any amount the Client deems appropriate.***

AGREED AND ACCEPTED this \_\_\_\_ day of \_\_\_\_\_, 2023:

**LOWER CAPE FEAR WATER AND SEWER  
AUTHORITY**

By: No signature required on exhibit  
Name:  
Title:

**FIRST TRYON ADVISORS, LLC**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name: J. Walter Goldsmith  
Title: President & COO

### **EXHIBIT B MUNICIPAL ADVISOR DISCLOSURE STATEMENT**

Developing best practices for regulatory compliance and following the spirit, not just the letter, of any applicable regulation are central tenets of First Tryon Advisors, LLC (“First Tryon”). To that end, we are providing you with this Disclosure Statement of Municipal Advisor (this “Disclosure Statement”) to explain our fiduciary duties and commitment to you (the “Client”), as well as to provide you with certain disclosures that are required by the Municipal Securities Rulemaking Board (“MSRB”) Rule G-42 (“Rule G-42”), which became effective on June 23, 2016.

**FIDUCIARY DUTY:** In the conduct of all municipal advisory activities for the Client, First Tryon is subject to a fiduciary duty that includes a Duty of Loyalty and a Duty of Care.

First Tryon’s Duty of Care includes, but is not limited to, the following:

- First Tryon must possess the degree of knowledge and expertise needed to provide the Client with informed advice.
- First Tryon must make a reasonable inquiry as to the facts that are relevant to the Client’s determination as to whether to proceed with a course of action or that form the basis for any advice provided to the Client.
- First Tryon must undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. Among other matters, First Tryon must have a reasonable basis for:
  - any advice provided to or on behalf of the Client;
  - any representations made in a certificate that it signs that will be reasonably foreseeably relied upon by the Client, any other party involved in the municipal securities transaction or municipal financial product, or investors in the Client’s securities or securities secured by payments from the Client; and
  - any information provided to the Client or other parties involved in the municipal securities transaction in connection with the preparation of an official statement for any applicable issue of municipal securities.

First Tryon’s Duty of Loyalty includes, but is not limited to, the following:

- First Tryon must deal honestly and with the utmost good faith with the Client and act in the Client’s best interests without regard to First Tryon’s financial or other interests.
- First Tryon may not engage in municipal advisory activities for the Client if First Tryon cannot manage or mitigate its conflicts of interest in a manner that will permit it to act in the Client’s best interests.

**FIRST TRYON’S RECOMMENDATIONS TO CLIENTS:** Rule G-42 requires that our advisors have a reasonable basis to believe that any recommendation First Tryon makes to the Client is suitable for the Client, based on the information obtained through our reasonable diligence. If the Client requests a review of another party’s recommendation, our advisors must determine, based on the information obtained through our reasonable diligence, whether the recommendation is suitable for the Client.

In addition, First Tryon must inform the Client of:

- our evaluation of the material risks, potential benefits, structure, and other characteristics of the recommended municipal securities transaction or municipal financial product; and
- the basis upon which First Tryon reasonably believes that the recommendation (or reviewed recommendation) is or is not suitable for the Client; and - whether our advisors have investigated or considered other reasonably feasible alternatives to the recommendation that might also serve the Client’s objectives.

**PROHIBITED ACTIVITIES:** Rule G-42 prohibits First Tryon, and any other municipal advisor, from engaging in the following activities:

- receiving compensation that is excessive in relation to the municipal advisory activities actually performed;
- delivering an invoice for fees or expenses for municipal advisory activities that is materially inaccurate in its reflection of the activities actually performed or the personnel that actually performed those activities;
- making any representation or the submission of any information that First Tryon knows or should know is either materially false or materially misleading due to the omission of a material fact about the capacity, resources or knowledge of First Tryon, in response to requests for proposals or qualifications or in oral presentations to the Client or another prospective client, for the purpose of obtaining or retaining an engagement to perform municipal advisory activities;
- making, or participating in, any fee-splitting arrangement with underwriters on any municipal securities transaction as to which it has provided or is providing advice, and any undisclosed fee splitting arrangements with providers of investments or services to the Client; and
- making payments for the purpose of obtaining or retaining an engagement to perform municipal advisory activities.

**MANDATORY DISCLOSURES REGARDING CONFLICTS:** Under Rule G-42, First Tryon must disclose to you in writing any actual or potential material conflicts of interest, including:

- any First Tryon affiliate that provides any advice, service or product to or on behalf of the Client that is directly related to the municipal advisory activities to be performed by First Tryon;
- any payments made by First Tryon, directly or indirectly, to obtain or retain an engagement to perform municipal advisory activities for the Client;
- any payments received by First Tryon from a third party to enlist First Tryon's recommendation to the Client of its services, any municipal securities transaction or any municipal financial product;
- any fee-splitting arrangements involving First Tryon and any provider of investments or services to the Client; and
- any conflicts of interest arising from compensation for municipal advisory activities to be performed that is contingent on the size or closing of any transaction as to which First Tryon is providing advice; and - any other actual or potential conflicts of interest, of which First Tryon is aware after reasonable inquiry, that could reasonably be anticipated to impair First Tryon's ability to provide advice to or on behalf of the Client in accordance with the fiduciary duty it owes to the Client.

Please be aware of the following actual or potential material conflicts of interest related to our role as your advisor:

- *Contingent Fees Based on closing & size of transaction:* First Tryon represents that in connection with the issuance of municipal securities, First Tryon may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, First Tryon hereby discloses, that such contingent and/or transactional compensation may present a potential conflict of interest regarding First Tryon's ability to provide unbiased advice to enter into such transaction. While this form of compensation is common in the municipal advisor sector, the contingent fee arrangement could create an incentive for the municipal advisor to recommend unnecessary financings or financings that are disadvantageous to the Client, or to advise the Client to increase the size of the issue. This potential conflict of interest will not impair First Tryon's ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Client.
- *Hourly Fees:* First Tryon may be compensated using an hourly fee structure with First Tryon's aggregate fee

amount equaling the number of hours worked by its personnel multiplied by an agreed-upon hourly billing rate. While this form of compensation is common in the municipal advisor sector, it presents a potential conflict of interest because it could create an incentive for the municipal advisor to recommend alternatives that would result in more hours worked. This conflict of interest will not impair First Tryon's ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Client.

- *Fixed Fees:* First Tryon may be compensated based on a fixed amount established at the outset of the assignment. The fixed fee amount is usually based upon an analysis by the Client and First Tryon's of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by First Tryon. While this form of compensation is also common in the municipal advisor sector, it presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, the municipal advisor may suffer a loss. Thus, the municipal advisor may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest will not impair First Tryon's ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Client.
- *Increased Cost:* We wish to also make you aware that the fee paid to First Tryon increases the cost of transactions completed by the Client. The increased cost occurs from compensating First Tryon for municipal advisory services provided.
- *Other Advisory Clients:* First Tryon serves a wide variety of clients that may from time to time have interests that could have a direct or indirect impact on the interests of another First Tryon client. For example, First Tryon serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to the Client. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, First Tryon could potentially face a conflict of interest arising from these competing client interests. First Tryon fulfills its regulatory duty and mitigates such conflicts through dealing honestly and with the utmost good faith with the Client.

We believe the following factors enable First Tryon to manage and mitigate the conflicts described above:

- *Fiduciary Duty:* First Tryon's commitment to the fiduciary duty it owes the Client serves as a general mitigating factor for any conflict of interest. Taken together, the Duty of Care and the Duty of Loyalty require First Tryon to deal honestly and in good faith with the Client and to act in the Client's best interests, without regard to First Tryon's financial or other interests.
- *Business Model and Capitalization:* First Tryon is well-capitalized, and its business model is not dependent on maximizing short-term revenues from any single advisory client or recommendation. Instead, First Tryon's business model and profitability are dependent on cultivating long-term client relationships based on a demonstrated track record of putting our clients' interests first.
- *Supervisory Structure:* First Tryon has the experience, expertise and infrastructure reasonably designed to achieve compliance with its regulatory obligations. The firm's supervisory structure, which includes a Chief Compliance Officer, and other safeguards ensure that our advisors understand, and act in accordance with, the fiduciary duty First Tryon owes to each of its clients.

**MANDATORY DISCLOSURES REGARDING DISCIPLINARY EVENTS:** Under Rule G-42, First Tryon must disclose to you in writing (1) any legal or disciplinary event that is material to the Client's evaluation of First Tryon or the integrity of its management or advisory personnel and (2) the date of the last material change or addition to the legal or disciplinary event disclosures on any Form MA or Form MA-I filed with the SEC by First Tryon, along with a brief explanation of the basis for the materiality of the change or addition.

- *Material Legal or Disciplinary Events:* First Tryon does not have any legal events or disciplinary history on



First Tryon's Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation.

- *How to access Form MA and Form MA-1:* First Tryon's most recent Form MA and each most recent Form MA-I filed with the SEC may be accessed electronically at the following website: [www.sec.gov/edgar/searchedgar/companysearch.html](http://www.sec.gov/edgar/searchedgar/companysearch.html).
- *Most Recent Change in Legal or Disciplinary Event Disclosure:* There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory action is brought against First Tryon, we will provide complete disclosure to the Client in detail.

**FUTURE DISCLOSURES:** As required by Rule G-42, First Tryon will, throughout the course of its engagement with the Client, promptly notify the Client in writing to supplement or amend this Disclosure Statement as may be necessary in connection with (1) any changed circumstance that results in new, material conflicts of interest or material changes to the conflicts of interest described above or (2) any required update to First Tryon's disciplinary event information.

If you have any questions or concerns about this Disclosure Statement or the information above, please make those questions or concerns known immediately. In addition, the Client should consult with its own legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

# **AGENDA ITEM**

To: CHAIRMAN KNIGHT AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: March 11, 2024

Re: Executive Director's Report

---

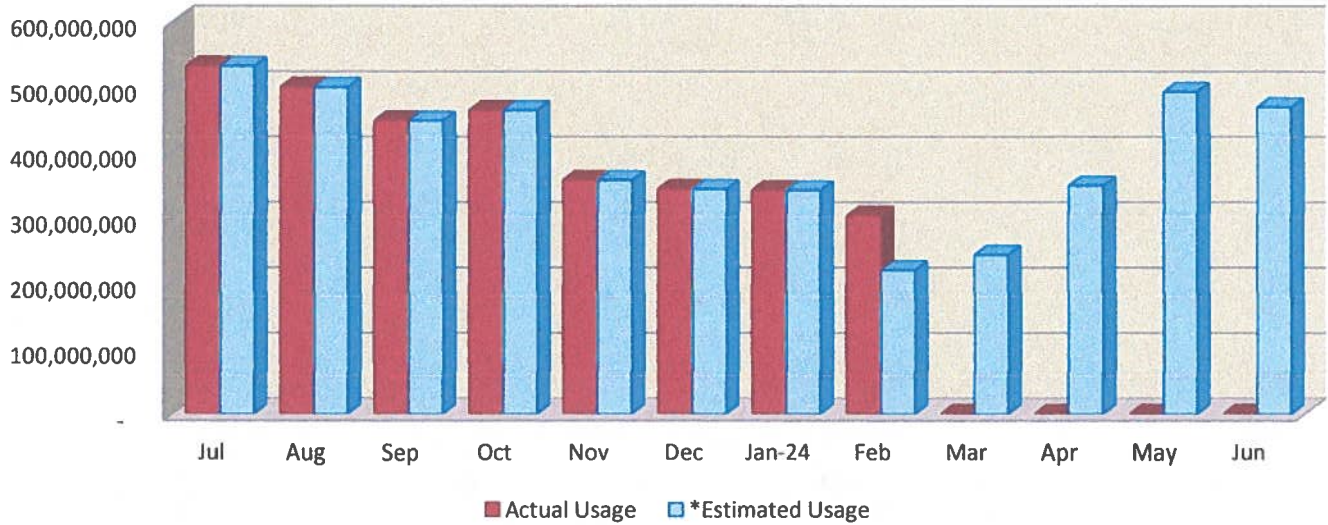
**EDR1** - Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending February 28, 2024

**EDR2** - Operating Budget Status, Ending January 31, 2024

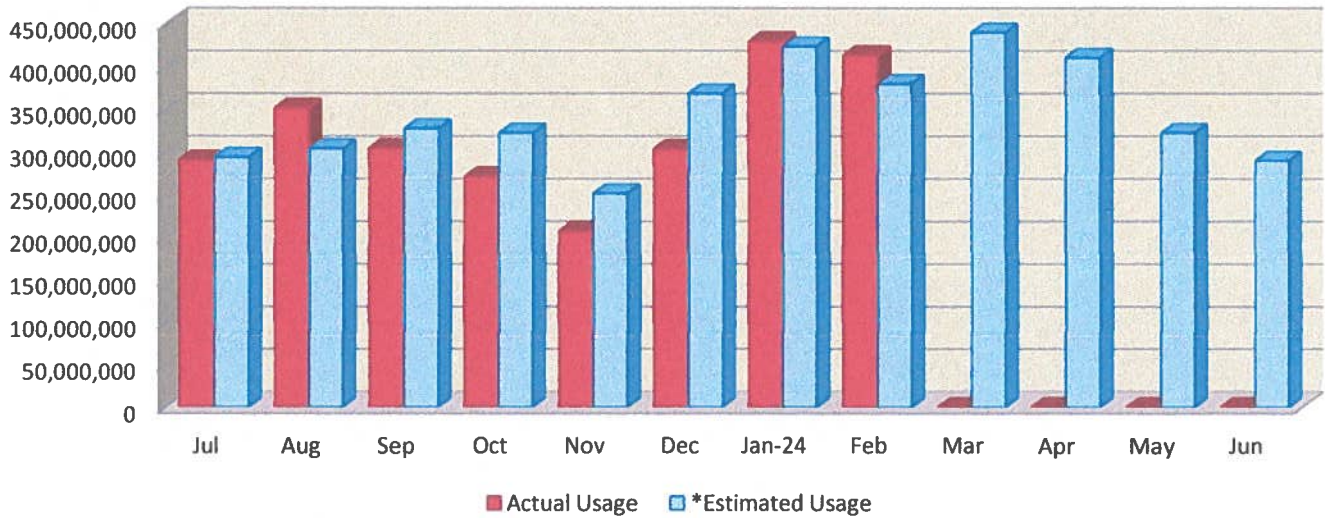
**EDR3** - Summary of Activities.

**Action Requested:** For information purposes.

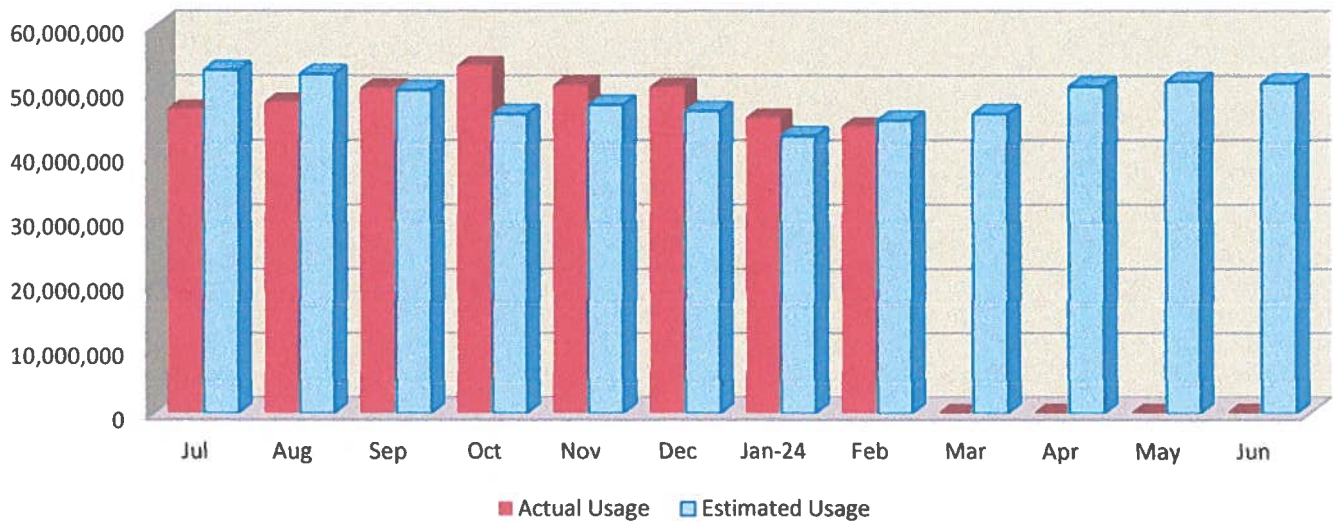
### Brunswick County Water Usage FY 23-24



### CFPUA Water Usage FY 23-24



### Pender County Water Usage FY 23-24



OPERATING FUND BUDGET PERFORMANCE

Jul-1 through Jan 31

Income	Approved	Approved	Jul 1- Jan 31	Jul 1- Jan 31	Jul 1- Jan 31	Budget As of 1/31/2024
	Annual Budget	Adjusted Budget	Kings Bluff	Bladen Bluffs	OF BUDGET	
<b>3000-01 · OPERATING REVENUE</b>						
3001-01 · 01 Bruns County Public Utility	1,725,765	1,905,135	1,194,488		1,194,488	69%
3002-01 · 01 CFPUA	1,652,562	1,652,562	861,496		861,496	52%
3003-01 · 01 Pender County	234,160	234,160	139,010		139,010	59%
3004-01 · 01 HWY 421 - Invista	200,000	93,000	69,463		69,463	35%
3005-01 · 01 Praxair, Inc	100,000	40,784	9,108		9,108	22%
3006-01 · 01 Bladen Bluffs Revenue	4,938,603	4,938,603		3,868,010	3,868,010	78%
Bladen Admin Reimb	110,473	110,473		92,607	92,607	84%
3007-01 · Sales Tax Refund Revenue	100,000	100,000		106,041	106,041	106%
<b>Total 3000-01 · OPERATING REVENUE</b>	<b>9,061,563</b>	<b>9,074,717</b>	<b>2,273,564</b>	<b>4,066,658</b>	<b>6,340,222</b>	<b>70%</b>
<b>3100-00 · OF NONOPERATING REVENUE</b>						
3120-00 · Revenue-Other						
Interest & Investment Revenue	500	9,716	31,921		31,921	329%
FEMA Reimbursement	0	0	0		0	0%
Refunds / Insurance Proceeds/ Other	0	0	432		432	0%
3180-00 · SRF/Parallel Revenue	2,500,000	2,500,000	1,005,732		1,005,732	40%
3900-01 R&R Fund Appropriated	0	500,000	0		0	0%
2900-00 Fund Balance	0	0	0		0	0%
<b>Total 3100-00 · OF NONOPERATING REVENUE</b>	<b>2,500,500</b>	<b>3,009,716</b>	<b>1,038,085</b>	<b>0</b>	<b>1,038,085</b>	<b>42%</b>
<b>Total Income</b>	<b>11,562,063</b>	<b>12,084,433</b>	<b>3,311,649</b>	<b>4,066,658</b>	<b>7,378,307</b>	<b>64%</b>
<b>Expense</b>						
<b>4000-01 · ADMINISTRATION EXPENDITURES</b>						
4001-01 · Salary - gross	203,530	203,530	77,437	35,618	113,055	56%
4010-01 · Per Diem= mileage+per diem pay	64,001	64,001	21,024	11,200	32,224	50%
4012-01 · Vehicle Allowance	5,200	5,200	2,090	910	3,000	58%
4070-02 · Phone Allowance	520	520	209	91	300	58%
4015-01 · Payroll Taxes	20,953	20,953	7,667	3,667	11,334	54%
4029-01 · Retirement Employer's Part	26,153	26,153	9,725	4,577	14,301	55%
4035-01 · 401K Employer PD Contribution	11,312	11,312	4,267	1,980	6,246	55%
4038-01 · Payroll Processing Exp	2,900	2,900	1,750		1,750	60%
4038-01 · Insurance Group	40,176	40,176	15,137	7,031	22,168	55%
4039-01 · Insurance, Property	103,734	103,734	66,361	18,153	84,514	81%
4046-00 Professional Services General	15,000	15,000	2,200	0	2,200	15%
4048-01 · Attorney	50,000	50,000	19,297		19,297	39%
4047-01 · Auditor	8,000	8,000	3,200	2,800	6,000	75%
4048-01 · Engineer	300,000	290,000	33,398		33,398	12%
4049-01 Information Technology	16,000	45,370	7,637		7,637	48%
4055-01 · Office Maint/Repair	24,000	24,000	-1,896		-1,896	-8%
4058-01 Office Utilities	5,000	5,000	1,298		1,298	26%
4059-01 Office Expense	14,000	16,000	7,383		7,383	53%
4062-01 Office Equipment	10,000	25,000	14,552		14,552	58%
4064-01 Printing & Advertising	5,000	5,000	2,869		2,869	57%
4065-01 Telephone and Internet	3,500	3,500	1,890		1,890	54%
4070-01 · Travel & Training	29,000	29,000	10,076		10,076	35%
4080-01 · Miscellaneous Expenses	20,000	20,000	11,408		11,408	57%
<b>Total 4000-01 · ADMINISTRATION EXPENDITURES</b>	<b>977,979</b>	<b>1,014,349</b>	<b>318,978</b>	<b>86,026</b>	<b>405,005</b>	<b>41%</b>
<b>4500-01 · OPERATING EXPENDITURES</b>						
4501-00 · Sales Tax Expense - Other	100,000	100,000		82,886	82,886	83%
4510-01 · Bladen Bluffs Expenses	3,324,385	3,324,385		2,339,135	2,339,135	70%
4520-01 · Utilities-Energy Pump Station	786,589	786,589	425,267		425,267	54%
4530-01 · Kings Bluff O&M Expenses	686,749	686,749	217,906		217,906	32%
4535-01 Kings Bluff Hurricane Other FEMA	0	0	0		0	0%
4543-01 · Series 2012 Bond Principal (ST)	0	0	0		0	0%
4544-01 · Series 2012 Bond Interest (ST)	0	0	0		0	0%
4545-01 · Series 2010 Bond Principal (BB)	970,000	970,000		970,000	970,000	100%
4546-01 · Series 2010 Bond Interest (BB)	450,000	450,000		305,478	305,478	68%
5180-00 · SRF/Parallel Expenditures	2,500,000	2,500,000		1,374,077	1,374,077	55%
7400-01 · Operating Capital Expense	1,286,360	1,286,360		61,802	61,802	5%
4998-05- Transfer to R&R- KB R&R Expense	380,000	880,000		0	0	0%
4998-05- Transfer to Enterprise Fund	100,000	100,000		0	0	0%
<b>Total 4500-01 · OPERATING EXPENDITURES</b>	<b>10,584,083</b>	<b>11,084,083</b>	<b>643,173</b>	<b>5,133,378</b>	<b>5,776,551</b>	<b>55%</b>
<b>Total Expense</b>	<b>11,562,062</b>	<b>12,098,432</b>	<b>962,151</b>	<b>5,219,404</b>	<b>6,181,555</b>	<b>53%</b>

### Executive Director Highlighted Activities:

- Regular Monthly meeting with Design Build Team and Owner's Advisor for the parallel line project.
- Continue to work with partners on the Sand Mine Issue and Permitting.
- Worked with McKim and Creed for roof work at Kings Bluff and met with bidders.
- Attended Inspections Recertification.
- Participated in weekly update meetings on the 10-mile parallel line.
- Attended North Carolina Economic Development Spring Meeting.
- Attended CFPUA regular monthly meeting.
- Attended the Annual COG banquet.
- Contacted the electrician and Duke to schedule the placement of service on "Red Barn" in preparation for burning and removing the former rental house.
- Authority Quarterly Directors meeting with CFPUA, ONWASA and H2GO.
- Met with the chairman and immediate past chair regarding the executive director's annual review.

## **AGENDA ITEM**

To: CHAIRMAN KNIGHT AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: March 11, 2024

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

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

---

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

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

The motion is seconded by \_\_\_\_\_.

### **Closed Session**

A motion is made by \_\_\_\_\_ to return to open session.

The motion is seconded by \_\_\_\_\_.