

Lower Cape Fear Water & Sewer Authority  
Regular Board Meeting Minutes  
January 13<sup>th</sup>, 2023

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Chairman Blanchard called to order the Authority meeting scheduled on January 13<sup>th</sup>, 2023, at 9:00 a.m. and welcomed everyone present. The meeting was held at the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina. Director Edge gave the invocation.

**Roll Call by Chairman Rivenbark:**

**Present:** Norwood Blanchard, Patrick DeVane, Wayne Edge, Harry Knight, Jackie Newton, Phil Norris, Scott Phillips, Charlie Rivenbark, Bill Saffo, Chris Smith, Bill Sue, and Rob Zapple

**Present by Virtual Attendance:** Al Leonard and Frank Williams

**Absent:** None

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

**Guests Present:** Glenn Walker, Brunswick County Water Resources Manager; Jordan Clark, Computer Warriors; Ken Waldroup, Cape Fear Public Utility Authority Executive Director; Kenny Keel, Pender County Public Utilities Director; John Nichols, Brunswick County Public Utilities Director; and Austin Eubanks, Thompson, Price, Scott, Adams & Co., P.A.

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

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

**APPROVAL OF CONSENT AGENDA**

**C1 - Minutes of December 12, 2022, Regular Board Meeting**

**C2 - Minutes of December 12, 2022, Personnel Committee Meeting**

**C3 - Kings Bluff Monthly Operations and Maintenance**

**C4 - Bladen Bluffs Monthly Operations and Maintenance Report**

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

	For	Against	Abstained	Absent
Norwood Blanchard	X			
Patrick DeVane	X			
Wayne Edge	X			
Harry Knight	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris				X
Scott Phillips	X			
Charlie Rivenbark	X			
Bill Saffo				X
Chris Smith	X			
Bill Sue	X			
Frank Williams	X			
Rob Zapple	X			
	12	0	0	2

**PRESENTATION TO: Charlie Rivenbark, City of Wilmington Representative, by Chairman Blanchard**

Chairman Blanchard presented Director Rivenbark with a plaque in recognition and appreciation for his distinguished service to the Authority for serving as Chairman in 2022.

## OLD BUSINESS

### **OB1- Consider the award of Owners Advisor**

Executive Director Holloman stated two firms submitted an RFQ for the Owners Advisor for the 10-mile 48" parallel line. A committee comprised of the Lower Cape Fear Water and Sewer Authority's partners met, and the recommendations of that committee is to go with HDR to be the advisor for the 10-mile 48" parallel line project. Director Zapple wanted clarification on the difference between the progressive design-build process, design-build, and construction management at risk. Executive Director Holloman advised we have never done construction management at risk; however, the difference between progressive design building and design building is with progressive, they will do 30% of the work ahead of time, and we can pull out and change if required. The main reason to go with a progressive design-build is for the time crunch to have the project completed by (June)2026.

**Motion:** Director Zapple **MOVED**; seconded by Director DeVane, approval of the award of Owners Advisor to HDR. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

	For	Against	Abstained	Absent
Norwood Blanchard	X			
Wayne Edge	X			
Patrick DeVane	X			
Harry Knight	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Scott Phillips	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Chris Smith	X			
Bill Sue	X			
Frank Williams	X			
Rob Zapple	X			
	14	0	0	0

## NEW BUSINESS

### **NB1 – Presentation of Annual Audit Report for Fiscal Year Ending June 30, 2022 (Thompson, Price, Scott, Adams & Co., P.A.)**

Mr. Austin Eubanks reviewed a PowerPoint summarization of the audit report, a copy of which is hereby incorporated as part of these minutes. He explained the primary task of the audit firm is to reach an opinion on the financial statements as a whole. The audit findings resulted in an unmodified opinion of a clean report with no material misstatements with a net position of increase in assets by over one million dollars. He reported the records were in good order, and all required audit procedures were performed with complete access to management and information without any limitations. There were no instances of material errors, misrepresentation, or non-compliance. He reviewed a summary of essential audit items, including cash/cash equivalents, total revenue, and total expenses. Director Zapple wanted to congratulate Executive Director Holloman and Financial Administration Assistant Danielle Hertzog for the work completed to make the audit a successful outcome.

Executive Director Holloman wanted it noted a hard copy or PDF file of the *Annual Financial Report for the Year Ended June 30, 2022*, is available upon request.

**Motion:** Director Rivenbark **MOVED**; seconded by Director Norris, approval of the Annual Financial Report for the Year Ended June 30, 2022. Upon vote, the **MOTION CARRIED UNANIMOUSLY**.

	For	Against	Abstained	Absent
Norwood Blanchard	X			
Wayne Edge	X			
Patrick DeVane	X			
Harry Knight	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Scott Phillips	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Chris Smith	X			
Bill Sue	X			
Frank Williams	X			
Rob Zapple	X			
	14	0	0	0

**NB2 - Appointment of Calendar Year 2023 Finance Committee by Chairman Blanchard**

Chairman Blanchard noted the members he appointed to the Finance Committee for the calendar year 2023, including:

Norwood Blanchard, Chairman  
 Charlie Rivenbark  
 Patrick DeVane  
 Chris Smith  
 Phil Norris  
 Al Leonard

**NB3 - Appointment of Calendar Year 2023 Personnel Committee by Chairman Blanchard**

Chairman Blanchard noted the members he appointed to the Personnel Committee for the calendar year 2023, including:

Norwood Blanchard, Chairman  
 Charlie Rivenbark  
 Al Leonard  
 Wayne Edge  
 Scott Phillips  
 William Sue  
 Mayor Bill Saffo  
 Harry Knight  
 Matt Nichols  
 Jackie Newton

**NB4 - Appointment of Calendar Year 2023 Long Range Planning Committee by Chairman Blanchard**

Chairman Blanchard noted the members he appointed to the Long-Range Planning Committee for the calendar year 2023, including:

Norwood Blanchard, Chairman  
 Charlie Rivenbark  
 Al Leonard  
 Frank Williams  
 Rob Zapple  
 Harry Knight  
 Patrick DeVane  
 John Nichols  
 Ken Waldroup  
 Kenny Keel

**Motion:** Director Zapple **MOVED**; seconded by Director DeVane, approval of NB2, NB3, and NB4. Upon vote, the **MOTION CARRIED UNANIMOUSLY.**

	<u>For</u>	<u>Against</u>	<u>Abstained</u>	<u>Absent</u>
Norwood Blanchard	X			
Wayne Edge	X			
Patrick DeVane	X			
Harry Knight	X			
Al Leonard	X			
Jackie Newton	X			
Phil Norris	X			
Scott Phillips	X			
Charlie Rivenbark	X			
Bill Saffo	X			
Chris Smith	X			
Bill Sue	X			
Frank Williams	X			
Rob Zapple	X			
	14	0	0	0

#### **ENGINEER'S COMMENTS**

Tony Boahn gave an update on the US 421 sand mining operation. The potential encroachment is planned for November 30, 2023. The contractor, Shelter Creek Mine, stopped immediately when contacted by McKim & Creed. The contractor is now waiting on permits, and there is no activity currently and no plans to cross the LCFWASA easement. Mr. Boahn advised the Livingston Creek Walkway improvements contractor is Intracoastal Marine. Mr. Boahn stated that the challenge is waiting on materials; however, they still plan to start the project this month, January 2023, and the anticipated completion is March 2023.

#### **ATTORNEY COMMENTS**

No comments

#### **EXECUTIVE DIRECTOR REPORT**

##### **EDR1 – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending November 30, 2022**

Executive Director Holloman reported that during December 2022, all customers were above projections. Monthly revenue was above projections.

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

No comments

#### **PUBLIC COMMENT**

No comments

#### **ADJOURNMENT**

There being no further business, Chairman Rivenbark adjourned the meeting at 9:27 a.m.

Respectfully Submitted:



Patrick DeVane Secretary