

AGENDA
Lower Cape Fear Water & Sewer Authority
1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina
9:00 a.m. – Regular Monthly Board Meeting
December 8th, 2025

MEETING CALL TO ORDER: Chairman DeVane

INVOCATION

PLEDGE OF ALLEGIANCE

APPROVAL OF CONSENT AGENDA

- C1** – Minutes of November 10, 2025, Regular Board Meeting
- C2** – Kings Bluff Monthly Operations and Maintenance Report
- C3** – Bladen Bluffs Monthly Operations and Maintenance Reports
- C4** – Line-Item Adjustment for October 31, 2025

NEW BUSINESS

- NB1** – Election of Authority's Board of Directors Officers for the term of January 1, 2026, until December 31, 2026
- NB2** – Approval of the Authority's 2026 Regular Scheduled Meetings Calendar
- NB3** – Draft Resolution Adopting Ransomware Cybersecurity Policy

PRESENTATION: Will Shull with HDR – Design Build Process Update

ENGINEER'S COMMENTS

ATTORNEY COMMENTS

EXECUTIVE DIRECTOR REPORT

- EDR1** – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending November 30, 2025
- EDR2** – Operating Budget Status, Ending October 31, 2025
- EDR3** – Summary of Activities

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

PUBLIC COMMENT

ADJOURNMENT

The next board meeting of the Lower Cape Fear Water & Sewer Authority is scheduled for Monday, January 12th 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 DEVANE AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: December 8, 2025

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 November 10, 2025, Regular Board Meeting
- C2** – Kings Bluff Monthly Operations and Maintenance Report
- C3** – Bladen Bluffs Monthly Operations and Maintenance Report
- C4** – Line-Item Adjustment for October 31, 2025

Action Requested: Motion to approve/disapprove Consent Agenda.

Lower Cape Fear Water & Sewer Authority
Regular Board Meeting Minutes
November 10th, 2025

Vice-Chairman Phillips called to order the Authority meeting scheduled on November 10th, 2025, 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. Vice-Chairman Phillips gave the invocation.

Roll Call by Vice-Chairman Phillips:

Present: Damien Buchanan, Jerry Groves, Harry Knight, Scott Phillips, Charlie Rivenbark, Chris Smith, Bill Sue, Phil Tripp, Frank Williams, and Rob Zapple

Present by Virtual Attendance: Patrick DeVane, Wayne Edge, and Al Leonard

Absent: Bill Saffo

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

Guests Present: Jorgen Holmberg, Computer Warriors; David Carson, Brunswick County Kings Bluff Water Resource Supervisor; Chris Giesting, Brunswick County Water Resources Manager; Anthony Colon, Pender County Utilities Director; James Proctor, Pender County Utilities Deputy Director; David Fournier, HDR Construction Services; Christopher "CJ" Cahoy, Garney Construction; Ken Waldroup, Cape Fear Public Utility Authority Executive Director; Kevin Morris, Cape Fear Public Utility Authority Deputy Director; Jason McLeod, Senior Vice President Cape Fear Commercial; Shelby Barbee, Law Office of Matthew Nichols

Guests Virtual Attendance: Heidi Cox, NC DEQ Regional Engineering Supervisor, Division of Water Infrastructure; Aaron Smith, Brunswick County Director of Fiscal Operations; Eileen Callori, Brunswick County Deputy Finance Officer; John Nichols, Brunswick County Public Utilities Director

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

REVISING THE AGENDA ORDER

Vice-Chairman Phillips requested the Board's consideration to revise the agenda order so that the Garney Construction presentation would occur immediately after the Consent Agenda instead of at the end of the meeting.

Motion: Director Rivenbark **MOVED**; seconded by Director Zapple, approval of revising the agenda order. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

APPROVAL OF CONSENT AGENDA

C1 – Minutes of October 13, 2025, Regular Board Meeting

C2 – Kings Bluff Monthly Operations and Maintenance Report

C3 – Bladen Bluffs Monthly Operations and Maintenance Reports

C4 – Line-Item Adjustment for September 30, 2025

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

PRESENTATION: Raw Water Main Update by Christopher "CJ" Cahoy with Garney Construction

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

CLOSED SESSION

Vice-Chairman Phillips requested a motion to go into a closed session in accordance with N.C.G.S. §143-318.11(a)(5)(i) (real property) (Brunswick County Parcel ID 01600058). Charlie Rivenbark recused himself from the meeting.

Motion: Director Williams **MOVED**; seconded by Director Buchanan, to go into closed session in accordance with N.C.G.S. §143-318.11(a)(5)(i) (real property) (Brunswick County Parcel ID 01600058). Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

At 9:22 a.m., the board went into closed session. At 9:49 a.m., the board returned to open session. Discussion only; no action taken.

NEW BUSINESS

NB1- Resolution Approving an Agreement for Purchase and Sale of Land for Approximately 66.50 Acres of Real Property located off of Clearwell Drive NE, Brunswick County, North Carolina (Brunswick County Parcel ID 01600058)

Director Rivenbark was recused from voting.

Motion: Director Knight **MOVED**; seconded by Director Williams, approval of the Resolution Approving an Agreement for Purchase and Sale of Land for Approximately 66.50 Acres of Real Property located off of Clearwell Drive NE, Brunswick County, North Carolina (Brunswick County Parcel ID 01600058). Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

ADDING AN ITEM TO THE AGENDA

Vice-Chairman Phillips requested the Board add NB2- Resolution Approving Lower Cape Fear Water and Sewer Authority Resolution Opposing the Fuquay-Varina IBT and Request for Additional Comment to the agenda.

Motion: Director Rivenbark **MOVED**; seconded by Director Williams, to add NB2- Resolution Approving Lower Cape Fear Water and Sewer Authority Resolution Opposing the Fuquay-Varina IBT and Request for Additional Comment to the agenda. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

NB2- Resolution Approving Lower Cape Fear Water and Sewer Authority Resolution Opposing the Fuquay-Varina IBT and Request for Additional Comment – Added in meeting.

Motion: Director Rivenbark **MOVED**; seconded by Director Knight, approval of the Resolution Approving Lower Cape Fear Water and Sewer Authority Resolution Opposing the Fuquay-Varina IBT and Request for Additional Comment. Upon voting, the **MOTION CARRIED UNANIMOUSLY**

ENGINEER'S COMMENTS

No comments

ATTORNEY COMMENTS

Matt Nichols included Shelby Barbee, as she will be serving in a part-time role at his Law Office

EXECUTIVE DIRECTOR REPORT

EDR1 – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending October 31, 2025

Executive Director Holloman reported that during October, Pender County exceeded projections.

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

No comments.

PUBLIC COMMENT

No comments.

ADJOURNMENT

There being no further business, Vice-Chairman Phillips adjourned the meeting at 10:14 a.m.

Respectfully Submitted:

Al Leonard, Secretary



Kings Bluff Pipeline Update

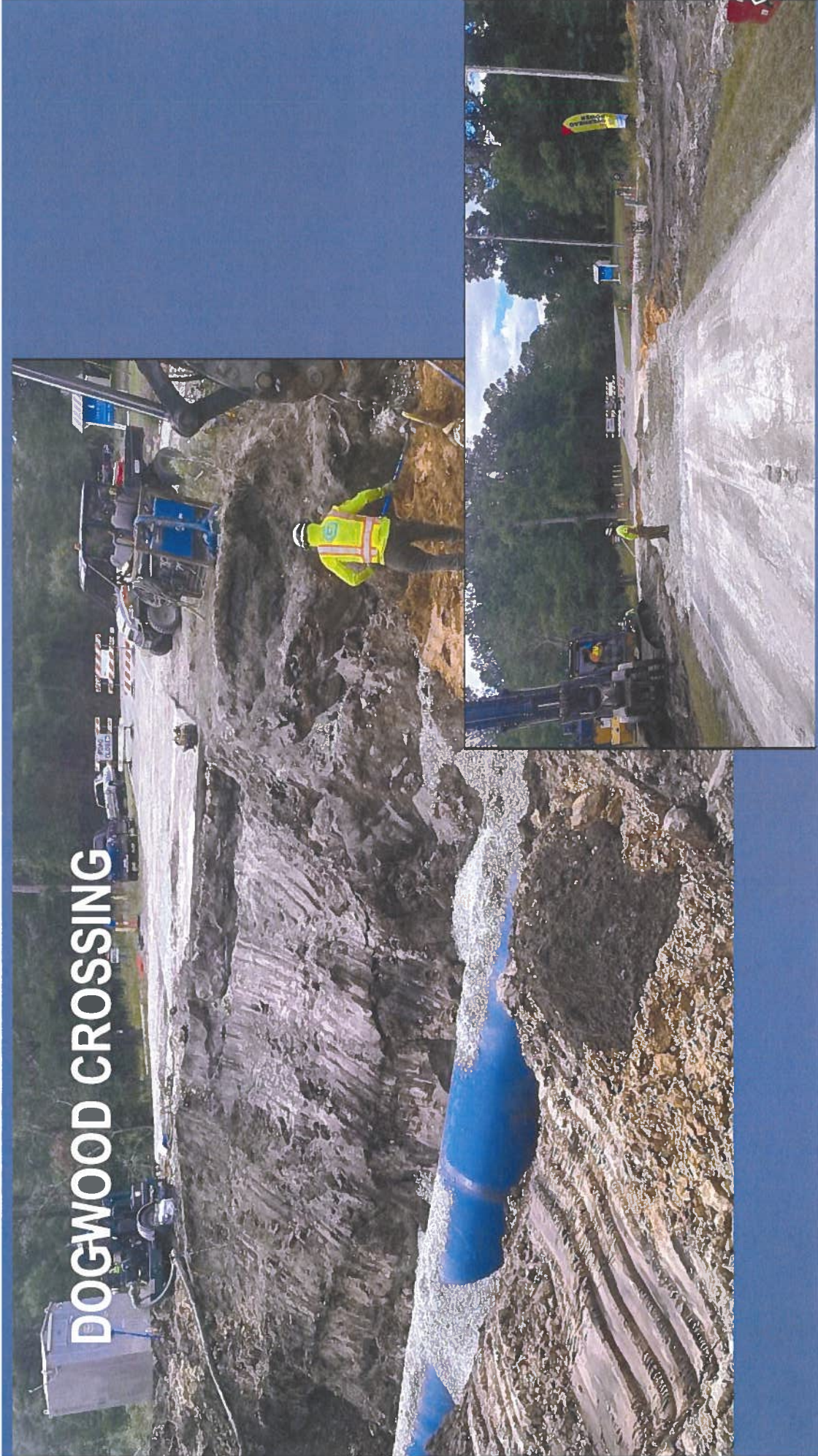


PHASE 2A — COMPLETE — WAITING ON 2B COMPLETION FOR FINAL INTERCONNECT
BY MISERY ROAD

PHASE 2B— 85% COMPLETE WITH PIPE INSTALL. 3,500' REMAINING.

PROJECT 2 - 60% DESIGN COMPLETE — ANTICIPATE APRIL 2026 START DATE






INDIAN CREEK



CONTAMINATED WORK AREA






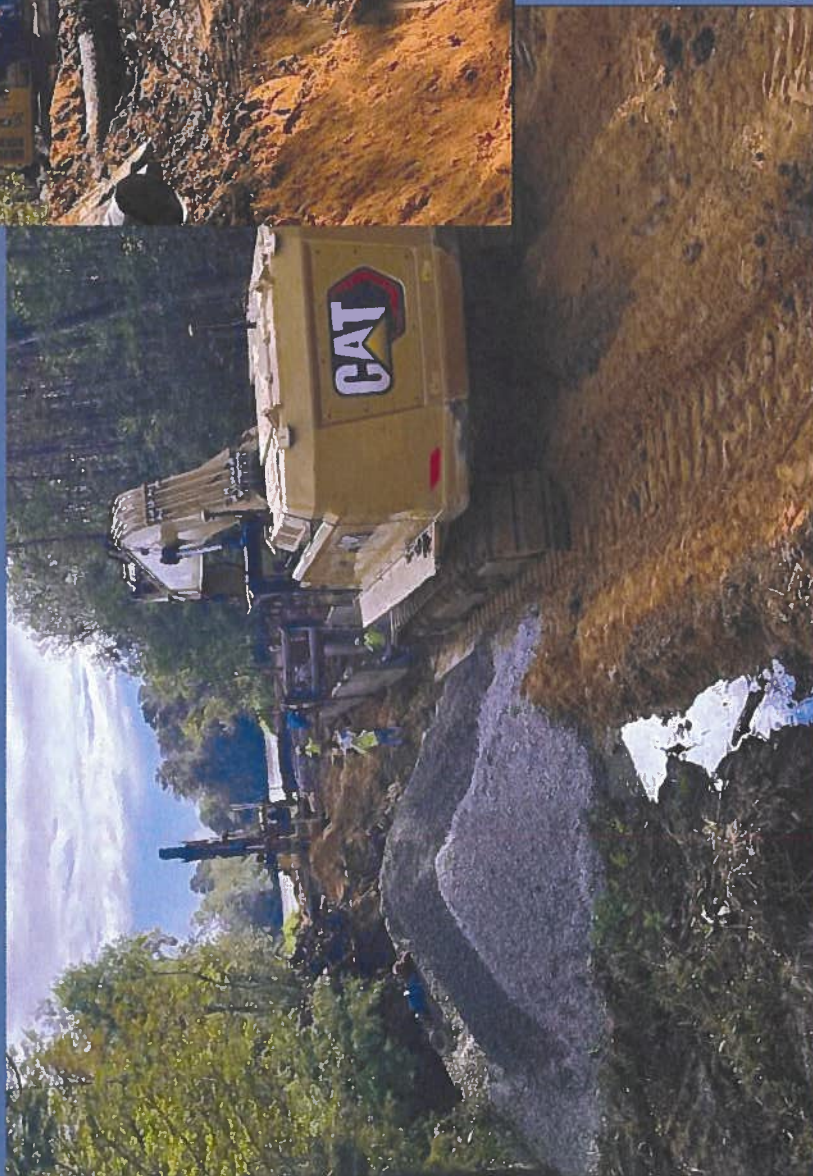
07/31/25 | 06:49AM

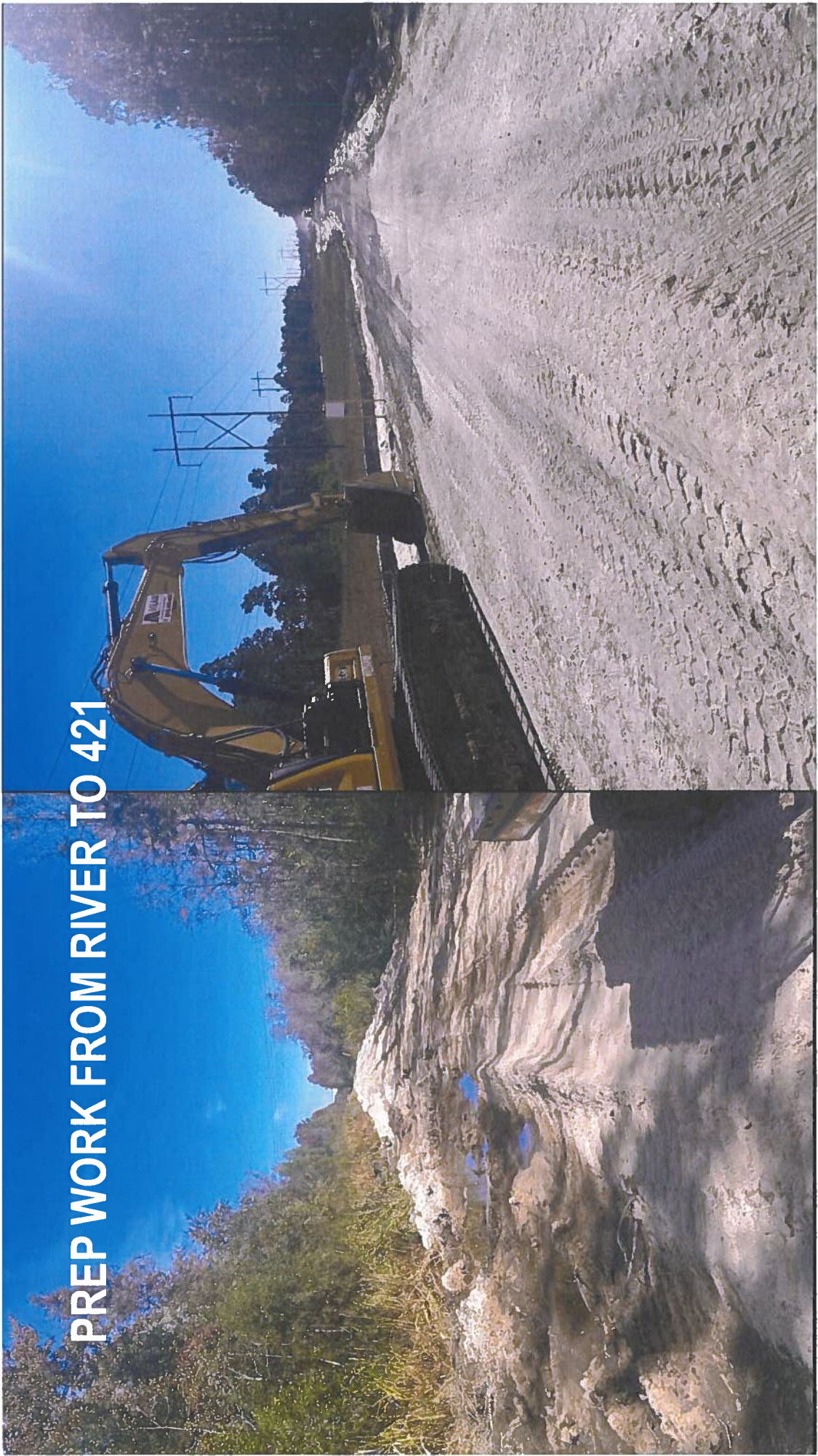


08/07/25 | 07:16AM



WORK AT RIVER IN DUPONT PLANT.

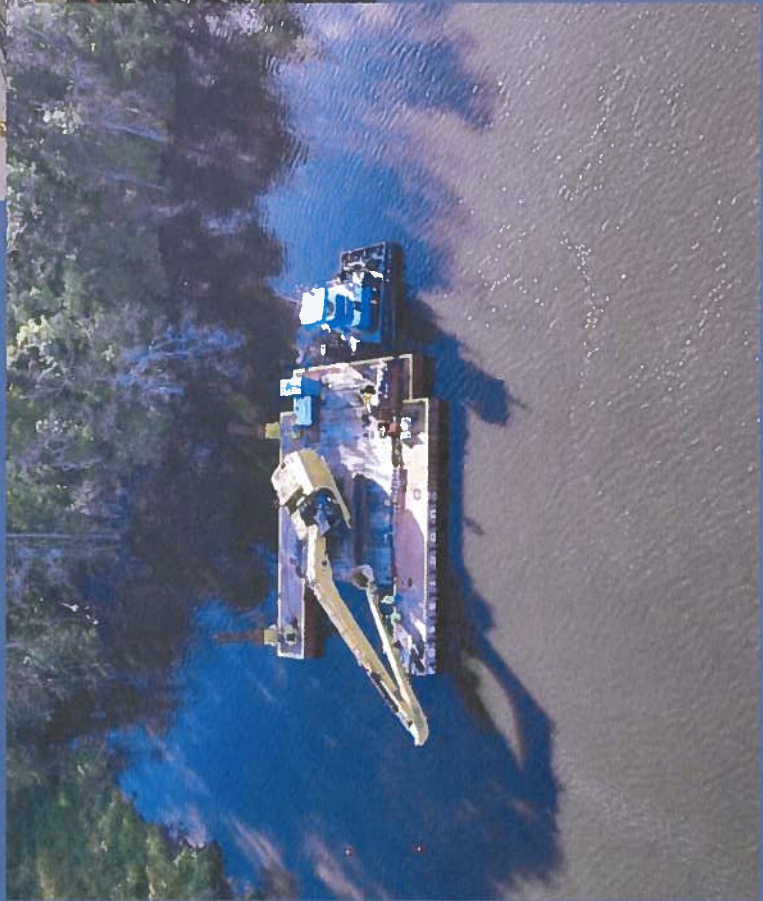




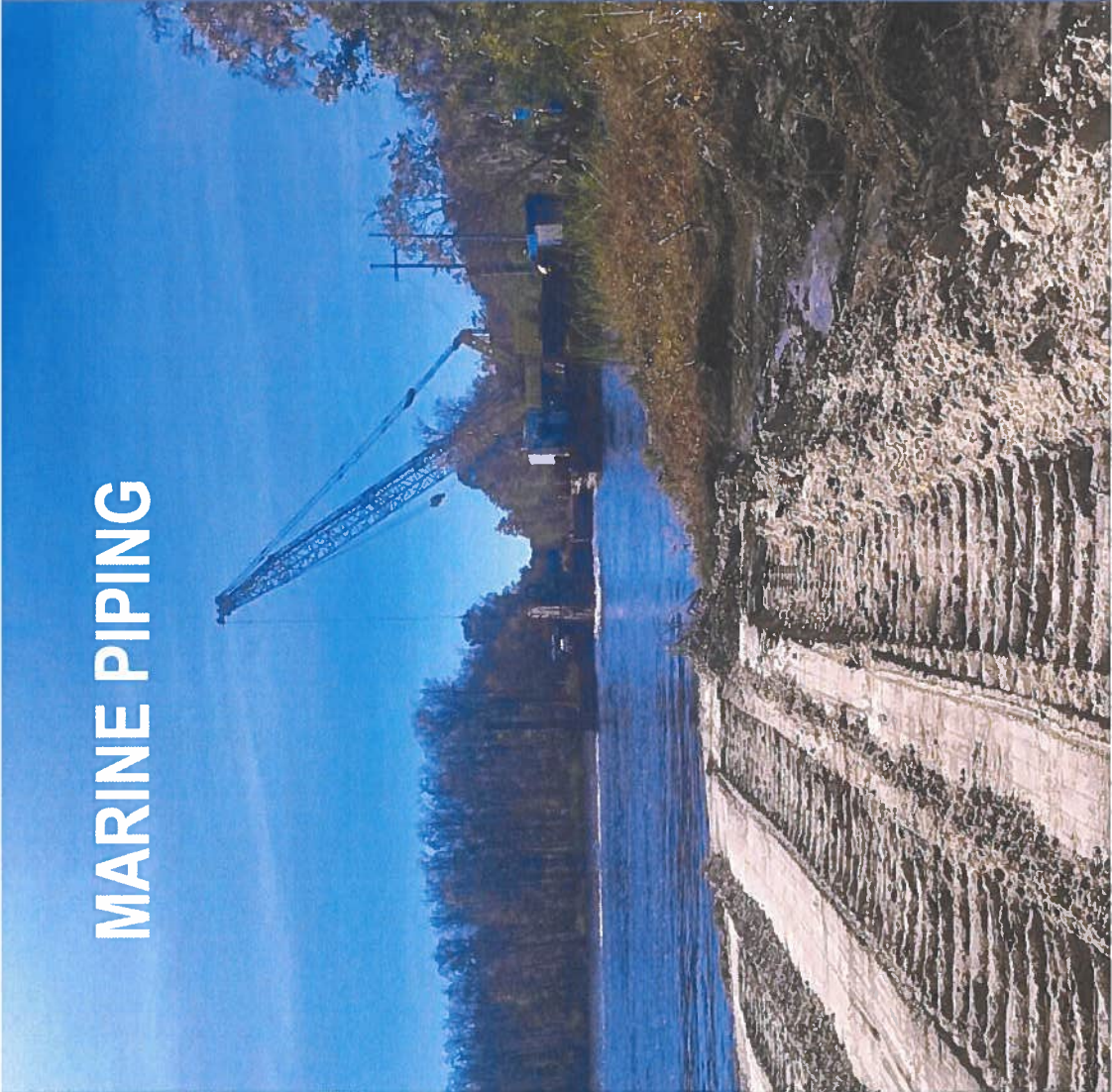
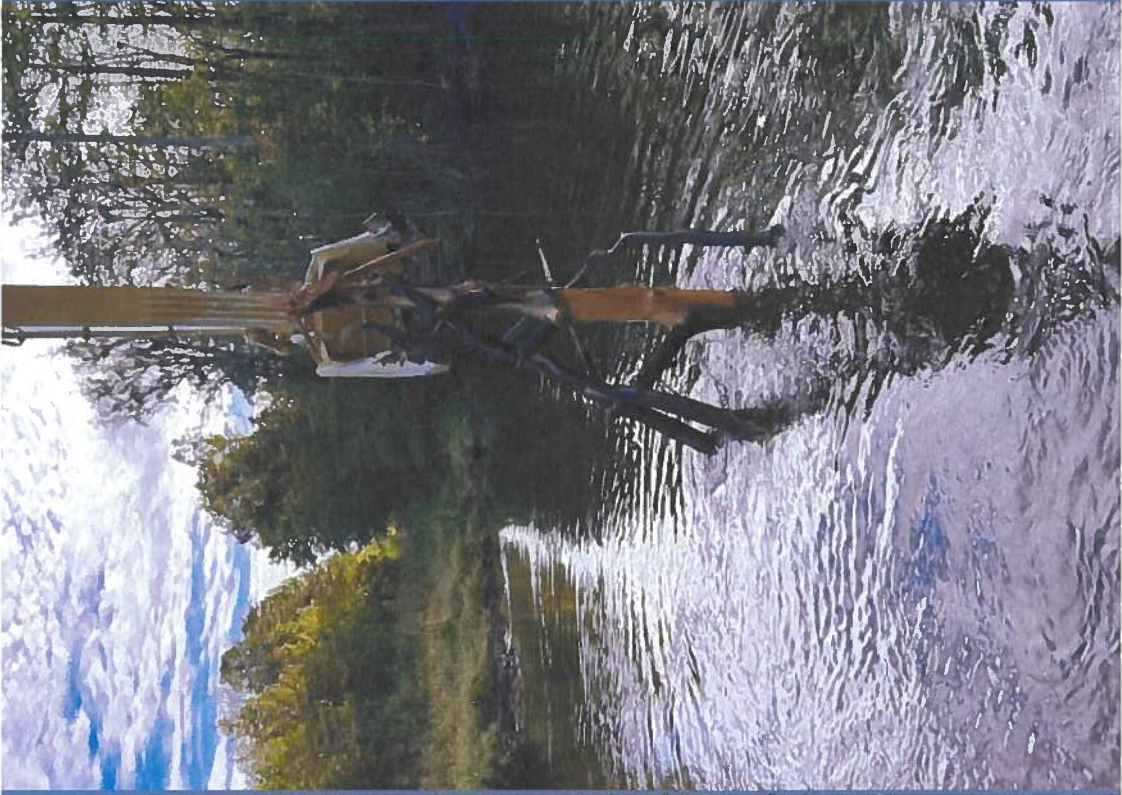
PREP WORK FROM RIVER TO 421

MARINE WORK

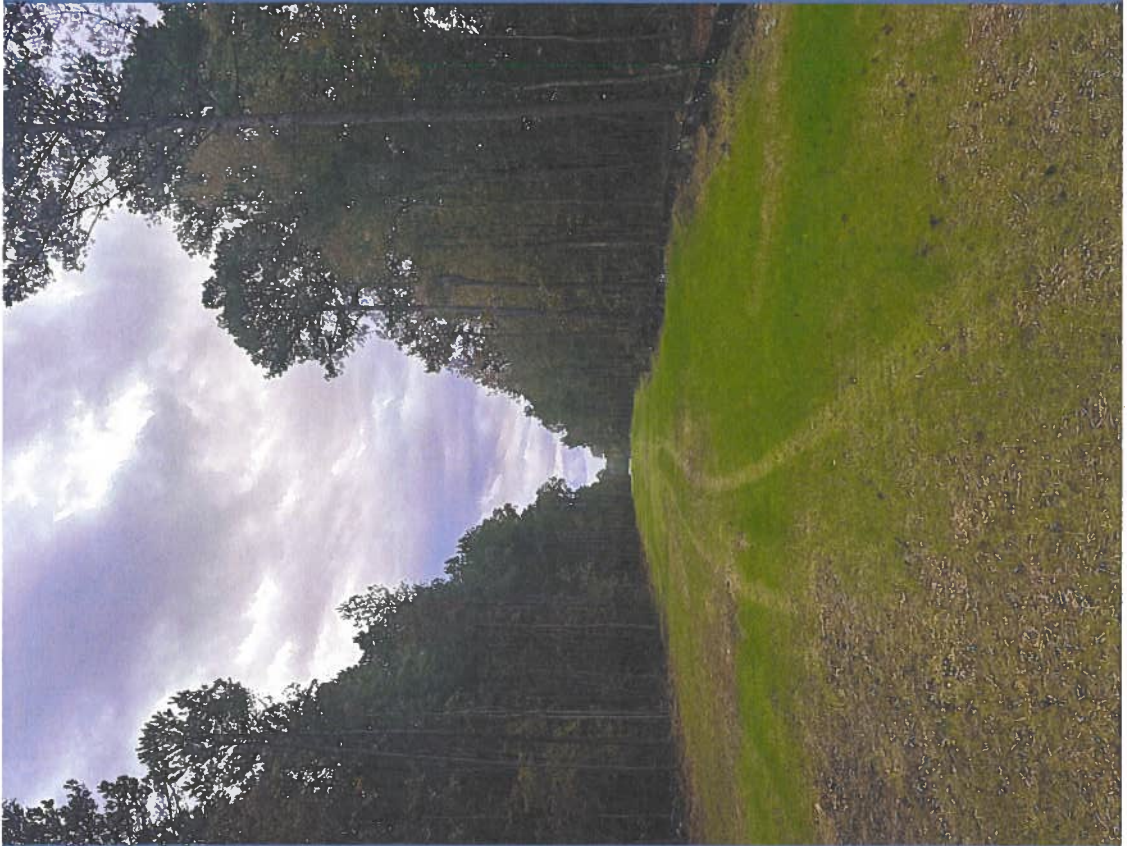




MARINE WORK



MARINE PIPING



FUTURE

BRUNSWICK COUNTY PUBLIC UTILITIES

Kings Bluff Pump Station/LCFWASA

246 Private Rd. 703
Riegelwood, NORTH CAROLINA 28456

MAILING ADDRESS
P. O. Box 249
BOLIVIA, NORTH CAROLINA 28422

TELEPHONE (910) 655-4799
FAX (910) 655-4798

TO: Tim Holloman

FROM: David Carson

DATE: 12/1/2025

SUBJECT: Monthly maintenance report for November 2025

Mr. Holloman,

The Maintenance and Operations of the King's Bluff facility (KB) for the month of November were performed as prescribed in the station SOP'S and other items are as follows.

The diesel drive booster pumps along with the standby System Computer and Data Acquisition (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.

Items Highlighted in yellow were on Annual Inspection

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

KB personnel successfully attended NC One Water convention.

KB personnel painted all bollards at Pressure Reducing Valves (P.R.V.) safety yellow.

KB personnel assisted Power Secure with trouble shooting issues with Emission sensor for the generators

KB personnel flushed dirt and debris on surge tank #1, #2, & 3

KB personnel installed Mission monitoring call out system at raw tank.

KB personnel began scraping walls of generator building to be painted later.

KB personnel painted valve of pump gallery #1.

KB personnel helped Carolina Crane with inspection of two 20-ton hoists in both pump rooms.

KB personnel assisted Power Generation with quarterly preventative maintenance (P.M.'s) on all generators and booster pumps.

KB personnel replaced battery and charger on pump #3 at raw tank.

KB personnel reorganized electrical room of spare parts for VFD's (variable frequency drive).

KB personnel with Randy Harie gather information to help TMEIC/Underwood with development of a strategy in the ongoing trouble shooting VFD issues

KB personnel fixed water line on Authority property that broke during demolition of house.

Contractors:

I&E (Instrumentation and Electrical) replaced Rosemont sensor at Brunswick County vault #1.

Randy Haire

Brian Mellor from Power Secure.

Rogers Excavation & Grading/ Authority property house demolition

S&S septic

LJ's land management cut Kings Bluff, Authority property & began to cut R.O.W. (right of way).

Carolina Crane.

David Carson



To: Tim Holloman - LCFWASA

From: James Kern – Bladen Bluffs SWTP ORC

Date: 12/3/25

Subject: November 2025 Operations

During the month of November, Bladen Bluffs SWTP operated a total of 17 days, treating 48.75 million gallons of water.

We used:

24,467 lbs. of aluminum sulfate (Alum)

6,051 lbs. of sodium hydroxide (Caustic)

1,114 lbs. of sodium hypochlorite (2,237 gallons of 6% Chlorine Bleach)

James Kern
Water Treatment Plant
Supervisor

(910) 862-3114
(910) 862-3146
(910) 733-0016 mobile
jkern@smithfield.com

Smithfield.
Good food. Responsibly.®

Bladen Bluffs Surface Water Treatment
Plant
17014 Highway 87 West
Tar Heel, NC 28392
www.smithfieldfoods.com

Bladen Bluffs SWTP Maintenance Report

Date: 12/3/2025

ISSUE:

PLAN OF ACTION:

All PLC need updated	Quote received...plan to order hardware and schedule install/update soon
Vault intrusion electrical needs replaced	Parts arrived – scheduling install when SEC here for large electrical repair
Wooden walkway to river needs replacement	Planning repair/replace
Transfer pump #2 NA	Bad wire – temp fix. Scheduling for when SEC here for large electrical repair
Caustic pump #3 not working	FIXED
Look into replacing worn out safety signs	IN PROGRESS
Suspect a mud valve is leaking	Will inspect during next basin clean out (next week)
Filter #1 effluent valve NA	FIXED
Outdoor digital displays no good	Ordering new
Filter #1 FVC not working	FIXED
RWPS level indicator not working	Inspecting tomorrow for repair

Monthly Operating Reports (MORs) Summary

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

Year: 2025 PWS Name: Bladen Bluffs Water System PWSID# : NC5009012
 Month: November Facility Name: Bladen Bluff

Combined Filter Effluent (CFE) Turbidity

Samples exceeding 1 NTU (count):	<u>0</u>	Number of samples required:	<u>92</u>
Samples exceeding .3 NTU (count):	<u>0</u>	Number of samples taken:	<u>92</u>
Samples exceeding .3 NTU (pct):	<u>0.0%</u>	Highest single turbidity reading NTU:	<u>0.189</u>
		Monthly average turbidity NTU:	<u>0.054</u>

Individual Filter Effluent (IFE) Turbidity

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

Entry Point Residual Disinfectant Concentration (EPRD)

Disinfectant Used	<u>Chlorine</u>	Number of samples required	<u>92</u>
Minimum EPRD concentration	<u>1.0100</u>	Number of samples taken	<u>92</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>
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Contact Time (CT) Ratio

Lowest CT ratio reading	<u>20.40</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 November, 2025 and that records documenting compliance with this rule are maintained on the premises and available for inspection upon request.

NCDENR/DEH
 PWSS
 Version: V02.10-00

COMPLETED BY:

James Kern

CERTIFICATE GRADE:

A - Surface

CERTIFICATE NUMBER:

120147

CONSENT AGENDA (C4)**Lower Cape Fear Water & Sewer Authority**

CONSENT ITEM- Background: Line-Item adjustments are made to align revenues and expenditures more closely to actuals without exceeding or decreasing the approved or amended budget.

LINE-ITEM ADJUSTMENTS FOR 10/31/2025

Operating Fund:	Line-Item Budget Amount prior to Adjustment	Decrease	Increase	Budget Amount as of 10/31/2025
Expenses				
4064-01 Printing & Advertising	\$15,500		\$5,000	\$20,500
4501-01 Sales Tax Expense	\$450,000		\$100,000	\$550,000
4510-01 Bladen Bluffs O&M	\$3,521,385	\$(105,000)		\$3,416,385
Total	\$3,986,885	\$(105,000)	\$105,000	\$3,9786,885

AGENDA ITEM

To: CHAIRMAN DEVANE AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: December 8, 2025

Re: Election of Authority's Board of Directors Officers for the Term of January 1, 2026, until December 31, 2026

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

In accordance with Article III, Section 1. of the Lower Cape Fear Water and Sewer Authority's Bylaws, new officers are to be elected for the term of January 1, 2026, to December 31, 2026. Provided is a list of current Board Officers who comply with the requirements outlined in the referenced Article and Section.

Action Requested: Motion to approve/disapprove election of proposed Board Officers for the term on January 1, 2026, to December 31, 2026

Chairmanship Rotation Schedule

Brunswick County
Columbus County
City of Wilmington
Pender County
New Hanover County
Bladen County

Lower Cape Fear Water & Sewer Authority

CURRENT

Board Officers, January 1 - December 31, 2025

Chairman	Patrick DeVane Bladen County
Vice-Chairman	Scott Phillips Brunswick County
Secretary	Al Leonard Columbus County
Treasurer	Charlie Rivenbark City of Wilmington
Assistant Treasurer	Jerry Groves Pender County

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**Lower Cape Fear Water & Sewer Authority**

**PROPOSED**

**Board Officers, January 1 - December 31, 2026**

|                            |                                         |
|----------------------------|-----------------------------------------|
| <b>Chairman</b>            | Scott Phillips<br>Brunswick County      |
| <b>Vice-Chairman</b>       | Al Leonard<br>Columbus County           |
| <b>Secretary</b>           | Charlie Rivenbark<br>City of Wilmington |
| <b>Treasurer</b>           | Damien Buchanan<br>Pender County        |
| <b>Assistant Treasurer</b> | Harry Knight<br>New Hanover County      |

**NEW BUSINESS (NB2)**

**Lower Cape Fear Water & Sewer  
Authority**

## **AGENDA ITEM**

To: CHAIRMAN DEVANE AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: December 8, 2025

Re: 2026 Regular Scheduled Meetings Calendar

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

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Approval of the Authority's 2026 Regular Schedule Meetings Calendar.

**Action Requested:** Motion to approve/disapprove 2026 Regular Scheduled Meetings Calendar



# LOWER CAPE FEAR WATER & SEWER AUTHORITY

1107 New Pointe Blvd., Suite 17

Leland, NC 28451

Phone: 910-383-1919

Fax: 910-383-1949

www.lcfwasa.org

# 2026

## HOLIDAYS OBSERVED (DATES OFFICE CLOSED)

January 1: New Years Day

January 19: Martin Luther King Jr.  
Birthday

April 3: Good Friday

May 25: Memorial Day

June 19: Juneteenth

July 4: Independence Day

September 7: Labor Day

November 11: Veterans Day

November 26 & 27: Thanksgiving

December 23, 24 & 25: Christmas

## BOARD MEETING DATES

Regular monthly Board Meetings  
are held the second Monday of  
each month at 9:00 a.m. Dates  
are shown in RED.



| - JANUARY -   |           |    |    |    |          |           | - FEBRUARY - |           |    |    |    |              |    | - MARCH -    |           |    |           |           |           |    | - APRIL -    |           |    |    |           |           |           |    |
|---------------|-----------|----|----|----|----------|-----------|--------------|-----------|----|----|----|--------------|----|--------------|-----------|----|-----------|-----------|-----------|----|--------------|-----------|----|----|-----------|-----------|-----------|----|
| S             | M         | T  | W  | TH | F        | S         | S            | M         | T  | W  | TH | F            | S  | S            | M         | T  | W         | TH        | F         | S  | S            | M         | T  | W  | TH        | F         | S         |    |
|               |           |    |    |    | <u>1</u> | 2 3       | 1            | 2         | 3  | 4  | 5  | 6 7          |    | 1            | 2         | 3  | 4         | 5         | 6 7       |    |              |           |    |    | 1         | 2         | <u>3</u>  | 4  |
| 4             | 5         | 6  | 7  | 8  | 9        | 10        | 8            | <u>9</u>  | 10 | 11 | 12 | 13 14        |    | 8            | <u>9</u>  | 10 | 11        | 12        | 13 14     |    | 5            | 6         | 7  | 8  | 9         | 10        | 11        |    |
| 11            | <u>12</u> | 13 | 14 | 15 | 16       | 17        | 15           | 16        | 17 | 18 | 19 | 20 21        |    | 15           | 16        | 17 | 18        | 19        | 20 21     |    | 12           | <u>13</u> | 14 | 15 | 16        | 17        | 18        |    |
| 18            | <u>19</u> | 20 | 21 | 22 | 23       | 24        | 22           | 23        | 24 | 25 | 26 | 27 28        |    | 22           | 23        | 24 | 25        | 26        | 27 28     |    | 19           | 20        | 21 | 22 | 23        | 24        | 25        |    |
| 25            | 26        | 27 | 28 | 29 | 30       | 31        |              |           |    |    |    |              | 29 | 30           | 31        |    |           |           |           | 26 | 27           | 28        | 29 | 30 |           |           |           |    |
| - MAY -       |           |    |    |    |          |           | - JUNE -     |           |    |    |    |              |    | - JULY -     |           |    |           |           |           |    | - AUGUST -   |           |    |    |           |           |           |    |
| S             | M         | T  | W  | TH | F        | S         | S            | M         | T  | W  | TH | F            | S  | S            | M         | T  | W         | TH        | F         | S  | S            | M         | T  | W  | TH        | F         | S         |    |
|               |           |    |    |    |          | 1 2       |              | 1         | 2  | 3  | 4  | 5 6          |    |              |           |    | 1         | 2         | <u>3</u>  | 4  |              |           |    |    |           |           | 1         |    |
| 3             | 4         | 5  | 6  | 7  | 8        | 9         | 7            | <u>8</u>  | 9  | 10 | 11 | 12 13        |    | 5            | 6         | 7  | 8         | 9         | 10 11     |    | 2            | 3         | 4  | 5  | 6         | 7         | 8         |    |
| 10            | <u>11</u> | 12 | 13 | 14 | 15       | 16        | 14           | 15        | 16 | 17 | 18 | <u>19</u> 20 |    | 12           | <u>13</u> | 14 | 15        | 16        | 17 18     |    | 9            | <u>10</u> | 11 | 12 | 13        | 14        | 15        |    |
| 17            | 18        | 19 | 20 | 21 | 22       | 23        | 21           | 22        | 23 | 24 | 25 | 26 27        |    | 19           | 20        | 21 | 22        | 23        | 24 25     |    | 16           | 17        | 18 | 19 | 20        | 21        | 22        |    |
| 24            | <u>25</u> | 26 | 27 | 28 | 29       | 30        | 28           | 29        | 30 |    |    |              | 26 | 27           | 28        | 29 | 30        | 31        |           | 23 | 24           | 25        | 26 | 27 | 28        | 29        |           |    |
| 31            |           |    |    |    |          |           |              |           |    |    |    |              |    |              |           |    |           |           |           | 30 | 31           |           |    |    |           |           |           |    |
| - SEPTEMBER - |           |    |    |    |          |           | - OCTOBER -  |           |    |    |    |              |    | - NOVEMBER - |           |    |           |           |           |    | - DECEMBER - |           |    |    |           |           |           |    |
| S             | M         | T  | W  | TH | F        | S         | S            | M         | T  | W  | TH | F            | S  | S            | M         | T  | W         | TH        | F         | S  | S            | M         | T  | W  | TH        | F         | S         |    |
|               |           |    |    |    |          | 1 2 3 4 5 |              |           |    |    |    |              | 1  | 2 3          | 4         | 5  | 6 7       |           |           |    |              |           |    |    |           |           |           |    |
| 6             | <u>7</u>  | 8  | 9  | 10 | 11       | 12        | 4            | 5         | 6  | 7  | 8  | 9 10         |    | 8            | <u>9</u>  | 10 | <u>11</u> | 12        | 13 14     |    | 6            | 7         | 8  | 9  | 10        | 11        | 12        |    |
| 13            | <u>14</u> | 15 | 16 | 17 | 18       | 19        | 11           | <u>12</u> | 13 | 14 | 15 | 16 17        |    | 15           | 16        | 17 | 18        | 19        | 20 21     |    | 13           | <u>14</u> | 15 | 16 | 17        | 18        | 19        |    |
| 20            | 21        | 22 | 23 | 24 | 25       | 26        | 18           | 19        | 20 | 21 | 22 | 23 24        |    | 22           | 23        | 24 | 25        | <u>26</u> | <u>27</u> | 28 |              | 20        | 21 | 22 | <u>23</u> | <u>24</u> | <u>25</u> | 26 |
| 27            | 28        | 29 | 30 |    |          |           | 25           | 26        | 27 | 28 | 29 | 30 31        |    | 29           | 30        |    |           |           |           |    | 27           | 28        | 29 | 30 | 31        |           |           |    |

WATER IS OUR BUSINESS.



## **LOWER CAPE FEAR WATER AND SEWER AUTHORITY**

### **2026 REGULAR MEETING SCHEDULE**

#### **Regular Board Meeting Dates and Times**

9:00 a.m. – Monday, January 12

9:00 a.m. – Monday, February 9

9:00 a.m. – Monday, March 9

9:00 a.m. – Monday, April 13

9:00 a.m. – Monday, May 11

9:00 a.m. – Monday, June 8

9:00 a.m. – Monday, July 13

9:00 a.m. – Monday, August 10

9:00 a.m. – Monday, September 14

9:00 a.m. – Monday, October 12

9:00 a.m. – Monday, November 9

9:00 a.m. – Monday, December 14

Meetings are held at the Lower Cape Fear Water and Sewer Authority's office located at 1107 New Pointe Blvd., Suite 17, Leland, NC.



## **AGENDA ITEM**

To: CHAIRMAN DEVANE AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: December 8, 2025

Re: Draft Resolution Adopting Ransomware Cybersecurity Policy

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

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**Background:** The increasing frequency and sophistication of cyberattacks targeting public utilities—particularly ransomware—pose significant operational, financial, and public service risks. As a regional water and sewer authority responsible for the uninterrupted delivery of raw water to our partner utilities, LCFWASA must ensure appropriate safeguards, response procedures, and recovery protocols are in place to mitigate these threats.

While researching best practices and statewide guidance, staff was unable to locate a standardized ransomware or cybersecurity policy template adopted by comparable water and sewer authorities or by state oversight agencies. Due to the absence of a uniform model, staff drafted a policy that incorporates elements from national cybersecurity frameworks, local government risk-management recommendations, and industry standards specific to water infrastructure systems.

The proposed Draft Ransomware Cybersecurity Policy establishes roles, responsibilities, reporting requirements, prevention measures, training expectations, and incident-response procedures to help protect Authority assets and maintain operational resilience.

Staff requests the Board's review and direction regarding adoption of the draft policy or any revisions needed.

**Action Requested:** To Discuss

**LOWER CAPE FEAR WATER AND SEWER AUTHORITY RESOLUTION  
ADOPTING RANSOMWARE CYBERSECURITY POLICY**

WHEREAS, cyber incidents continue to be an increasing concern for State, local, and academic institutions within North Carolina;

WHEREAS, every year, there has been a noted increase of attacks in the form of ransomware, data exfiltration and extortion and others, which have devastating impact to our State's critical infrastructure;

WHEREAS, this trend is forecasted to continue and remain a pervasive occurrence in the upcoming years;

WHEREAS, ransomware is a form of malware designed to encrypt files on a device, rendering them and the systems that rely on them unusable. Malicious actors then demand ransom in exchange for decryption;

WHEREAS, in response to the continuing dangers of ransomware attacks and other cybersecurity incidents the North Carolina General Assembly has enacted several statutes, including but not limited to N.C.G.S. §§ 143-800 and 143B-1379;

WHEREAS, N.C.G.S. § 143-800(a) and (b) provide:

- (a) No State agency or local government entity shall submit payment or otherwise communicate with an entity that has engaged in a cybersecurity incident on an information technology system by encrypting data and then subsequently offering to decrypt that data in exchange for a ransom payment.
- (b) Any State agency or local government entity experiencing a ransom request in connection with a cybersecurity incident shall consult with the Department of Information Technology in accordance with G.S. 143B-1379.

WHEREAS, N.C.G.S. § 143B-1379(c) provides that local government entities, as defined in N.C.G.S. § 143-800(c)(1), shall report cybersecurity incidents to the Department of Information Technology; and,

WHEREAS, LCFWASA wishes to adopt a Ransomware Cybersecurity Policy to implement best practices and cybersecurity incident reporting requirements in the event of a ransomware attack or other cybersecurity incident.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Lower Cape Fear Water and Sewer Authority hereby adopts and enacts LCFWASA's Ransomware Cybersecurity Policy.



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

This Resolution shall be in full force and effect upon its passage.

Adopted this \_\_\_\_\_ day of December, 2025.

\_\_\_\_\_  
Patrick DeVane, Chairman

ATTEST:

\_\_\_\_\_  
Al Leonard, Secretary

**DRAFT****LOWER CAPE FEAR WATER AND SEWER AUTHORITY  
RANSOMWARE CYBERSECURITY POLICY**

The Lower Cape Fear Water and Sewer Authority (LCFWASA) Ransomware Cybersecurity Policy is described in five parts as follows:

- Part 1: Definitions
- Part 2: Preparation
- Part 3: Detection and Analysis
- Part 4: Response
- Part 5: Reporting

**PART 1: Definitions**

**Cybersecurity incident.** – An occurrence that:

- a. Actually or imminently jeopardizes, without lawful authority, the integrity, confidentiality, or availability of information or an information system; or
- b. Constitutes a violation or imminent threat of violation of law, security policies, privacy policies, security procedures, or acceptable use policies.

N.C.G.S. § 143B-1320(4a).

**Ransomware attack.** – A cybersecurity incident where a malicious actor introduces software into an information system that encrypts data and renders the systems that rely on that data unusable, followed by a demand for a ransom payment in exchange for decryption of the affected data.

N.C.G.S. § 143B-1320(14a).

**PART 2: Preparation**

It is the policy of LCFWASA to prepare for ransomware and data extortion incidents in the following manner:

Maintain offline, encrypted backups of critical data, and regularly test the availability and integrity of backups in a disaster recovery scenario. Test backup procedures on a regular basis. It is important that backups are maintained offline, as many ransomware variants attempt to find and subsequently delete or encrypt accessible backups to make restoration impossible unless the ransom is paid.



### **PART 3: Detection and Analysis**

Refer to the best practices and references below to help manage the risk posed by ransomware and support LCFWASA's coordinated and efficient response to a ransomware incident. Apply these practices to the greatest extent possible based on availability of LCFWASA's resources.

- **Determine which systems were impacted, and immediately isolate them.**
  - If several systems or subnets appear impacted, take the network offline at the switch level. It may not be feasible to disconnect individual systems during an incident.
  - Prioritize isolating critical systems that are essential to daily operations.
  - If taking the network temporarily offline is not immediately possible, locate the network cable (*e.g.*, ethernet) and unplug affected devices from the network or remove them from Wi-Fi to contain the infection.
  - For cloud resources, take a snapshot of volumes to get a point in time copy for reviewing later for forensic investigation.
  - After an initial compromise, malicious actors may monitor an organization's activity or communications to understand if their actions have been detected. Isolate systems in a coordinated manner and use out-of-band communication methods such as phone calls to avoid tipping off actors that they have been discovered and that mitigation actions are being undertaken. Not doing so could cause actors to move laterally to preserve their access or deploy ransomware widely prior to networks being taken offline.
- **Power down devices if you are unable to disconnect them from the network to avoid further spread of the ransomware infection.**
  - **Note:** This step will prevent an organization from maintaining ransomware infection artifacts and potential evidence stored in volatile memory. **It should be carried out only if it is not possible to temporarily shut down the network or disconnect affected hosts from the network using other means.**
- **Triage impacted systems for restoration and recovery.**
  - Identify and prioritize critical systems for restoration on a clean network and confirm the nature of data housed on impacted systems.
  - Prioritize restoration and recovery based on a predefined critical asset list that includes information systems critical for health and safety, revenue generation, or other critical services, as well as systems they depend on.

- Keep track of systems and devices that are not perceived to be impacted so they can be deprioritized for restoration and recovery. This enables an organization to get back to business in a more efficient manner.
- **Examine existing organizational detection or prevention systems (e.g., antivirus, EDR, IDS, Intrusion Prevention System) and logs.** Doing so can highlight evidence of additional systems or malware involved in earlier stages of the attack.
  - Look for evidence of precursor “dropper” malware, such as Bumblebee, Dridex, Emotet, QakBot, or Anchor. A ransomware event may be evidence of a previous, unresolved network compromise.
    - Operators of these advanced malware variants will often sell access to a network. Malicious actors will sometimes use this access to exfiltrate data and then threaten to release the data publicly before ransomware the network to further extort the victim and pressure them into paying.
    - Malicious actors often drop ransomware variants to obscure post-compromise activity. Care must be taken to identify such dropper malware before rebuilding from backups to prevent continuing compromises.
- **Confer with LCFWASA staff/team to develop and document an initial understanding of what has occurred based on initial analysis.**

#### **PART 4: Response**

It is the policy of LCFWASA not to submit payment to nor communicate with any entity engaged in a cybersecurity/ransomware attack against LCFWASA.

Payment of ransom and communication with an entity engaged in a cybersecurity incident is prohibited under North Carolina State Law pursuant to N.C.G.S. § 143-800 as stated below:

#### **§ 143-800. State entities and ransomware payments.**

(a) No State agency or local government entity shall submit payment or otherwise communicate with an entity that has engaged in a cybersecurity incident on an information technology system by encrypting data and then subsequently offering to decrypt that data in exchange for a ransom payment.

(b) Any State agency or local government entity experiencing a ransom request in connection with a cybersecurity incident shall consult with the Department of Information Technology in accordance with G.S. 143B-1379.

(c) The following definitions apply in this section:



- (1) Local government entity. – A local political subdivision of the State, including, but not limited to, a city, a county, a local school administrative unit as defined in G.S. 115C-5, or a community college.
- (2) State agency. – Any agency, department, institution, board, commission, committee, division, bureau, officer, official, or other entity of the executive, judicial, or legislative branches of State government. The term includes The University of North Carolina and any other entity for which the State has oversight responsibility. (2021-180, s. 38.13(a).)

## **PART 5: Reporting**

It is the policy of LCFWASA to report all cyber incidents to the State of North Carolina within 24 hours using the following guidelines:

### **When to Report to the State**

A cyber incident is an event that could jeopardize the confidentiality, integrity, or availability of critical infrastructure (*i.e.*, first responder networks, water, energy, etc.) and information systems. **Reporting shall take place within 24 hours of confirmation.**

LCFWASA shall report all cyber incidents to the State of North Carolina even if LCFWASA is not requesting assistance.

Cyber incidents resulting in significant damage are of particular concern to the State. Pursuant to N.C.G.S. § 143B-1379, all local government entities must report all cyber incidents that may:

- Result in a significant loss of data, system availability, or control of systems.
- Have an impact on a large number of victim.
- Indicate unauthorized access to, or malicious software present on, critical information technology systems.
- Affect critical infrastructure or core government functions.
- Impact national security, economic security, or public health and safety.

Examples include malware, denial of service, ransomware or large-scale hardware (server) disruptions.

## **What to Report**

A cyber incident may be reported at various stages, even when complete information might not be available. Helpful information could include:

- Who you are.
- Who experienced the incident.
- What sort of incident occurred.
- How and when the incident was initially detected.
- What response actions have already been taken.
- Who has been notified.

## **How to Report Cyber Incidents to the State**

The State of North Carolina has multiple means to report cyber incidents.

The Statewide Cybersecurity Incident Report form, is available at <https://it.nc.gov/programs/cybersecurity-risk-management/statewide-cybersecurity-incident-report-form>

## **Reporting Points:**

| Reporting Points of Contact                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| State Agencies                                                                                                                                                                                                                                                                                                                                            | Local Governments, Academic Institutions, Private Sector                                                                                                                                                                                                                                                                                                                                                               |
| <p>Contact the NCDIT Customer Support Center at 800-722-3946.</p> <p>Use the Statewide Cybersecurity Incident Report form at <a href="https://it.nc.gov/report">https://it.nc.gov/report</a>.</p> <p>Contact the Enterprise Security and Risk Management Office at <a href="mailto:DITThreatManagement@nc.gov">mailto:DITThreatManagement@nc.gov</a>.</p> | <p>Report cybersecurity incidents to the North Carolina Joint Cyber Security Task Force by contacting the North Carolina Emergency Management 24-Hour Watch Center at <a href="mailto:NCEOC@ncdps.gov">NCEOC@ncdps.gov</a>, or at 1-800-858-0368.</p> <p>For general inquiries or support, contact the North Carolina Joint Cyber Security Task Force at <a href="mailto:ncisaac@ncsbi.gov">ncisaac@ncsbi.gov</a>.</p> |

Regardless of which method is used, the data is consolidated, tracked, and acted on by the North Carolina Joint Cyber Security Task Force (CSTF). The State entity (*e.g.*, N.C. Department of Public Safety or N.C. Department of Information Technology) receiving the initial report, will ensure coordination with relevant CSTF members.

The CSTF is comprised of law enforcement, emergency management, National Guard Cyber, Local Government IT Strike Team, State IT/cyber specialists and federal agencies. This team will provide incident coordination, resource support, and technical assistance to reduce the impact to the affected organization, mitigate vulnerabilities, and offer on-scene response personnel to aid in incident recovery. When supporting the affected organization, the various members of the CSTF work in tandem to leverage their collective response expertise, apply their knowledge of cyberthreats, preserve key evidence, and use their combined authorities and capabilities both to minimize asset vulnerability and bring malicious actors to justice.

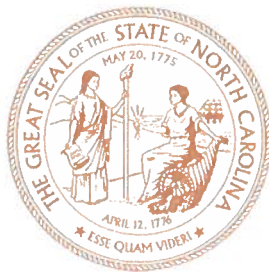
**Please note, this reporting does not override any other mandated Federal reporting requirements.**

#### **Types of State Incident Response**

Upon receiving a report of a cyber incident, the State's CSTF will establish a scoping call with the impacted entity to address the following high-level activities:

- Incident response. This includes conducting forensics to identify root-cause, damage assessment and mitigation, and coordination with law enforcement activities as needed. Lastly, it includes information-sharing of indicators of compromise.
- Recovery response. This effort could include establishing best practice recovery methods, system hardening, restoration of services and infrastructure rebuild.





## **Cyber Incident Reporting**

### *A Unified Message for Reporting to North Carolina State Government*

This message is intended to bring awareness to the requirement to report cyber incidents in compliance with N.C.G.S. 143B-1379.

### **State agency cooperation and training; liaisons; county and municipal government reporting**

Cyber incidents continue to be an increasing concern for state, local, and academic institutions within North Carolina. Every year, there has been a noted increase of attacks in the form of ransomware, data exfiltration and extortion and others, which have devastating impact to our state's critical infrastructure. This trend is forecasted to continue and remain a pervasive occurrence in the upcoming years.

A method we can use to reduce the risk to our citizen-facing services and sensitive data is to report cyber incidents as they occur. In doing so, the state will be able to provide subject matter experts, resources, and assistance in various forms ranging from consultation and guidance, to deployment of the North Carolina Joint Cyber Security Task Force (CSTF) to assist as needed. Incidents should be reported even if your agency is not requesting assistance.

The CSTF is comprised of law enforcement, emergency management, National Guard Cyber, Local Government IT Strike Team, State IT/cyber specialists and federal agencies. This team will provide incident coordination, resource support, and technical assistance to reduce the impact to the affected organization, mitigate vulnerabilities, and offer on-scene response personnel to aid in incident recovery. When supporting the affected organization, the various members of the CSTF work in tandem to leverage their collective response expertise, apply their knowledge of cyberthreats, preserve key evidence, and use their combined authorities and capabilities both to minimize asset vulnerability and bring malicious actors to justice.

This fact sheet explains when, what, and how to report to state government in the event of a cyber incident.

### **When to Report to the State**

A cyber incident is an event that could jeopardize the confidentiality, integrity, or availability of critical infrastructure (i.e., first responder networks, water, energy, etc.) and information systems. Reporting should take place within 24 hours of confirmation.

Cyber incidents resulting in significant damage are of particular concern to the state. Pursuant to N.C.G.S. 143B-1379, all local government entities must report all cyber incidents that may:

- Result in a significant loss of data, system availability, or control of systems
- Have an impact on a large number of victims

- Indicate unauthorized access to, or malicious software present on, critical information technology systems
- Affect critical infrastructure or core government functions
- Impact national security, economic security, or public health and safety

Examples include malware, denial of service, ransomware or large-scale hardware (server) disruptions.

**Note:** Incident reporting by private sector organizations is not mandated; however, it is highly encouraged.

### **What to Report**

A cyber incident may be reported at various stages, even when complete information might not be available. Helpful information could include:

- Who you are
- Who experienced the incident
- What sort of incident occurred
- How and when the incident was initially detected
- What response actions have already been taken
- Who has been notified

The Statewide Cybersecurity Incident Report form, available at <https://it.nc.gov/report>, is designed to collect all relevant information to assist with response.

### **How to Report Cyber Incidents to the State**

The state has multiple means to report cyber incidents.

| Reporting Points of Contact                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| State Agencies                                                                                                                                                                                                                                                                                                                                            | Local Governments, Academic Institutions, Private Sector                                                                                                                                                                                                                                                                                                                                                               |
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Regardless of which method is used, the data is consolidated, tracked, and acted on by the CSTF. The state entity (e.g., N.C. Department of Public Safety or N.C. Department of Information Technology) receiving the initial report, will ensure coordination with relevant CSTF members.

Please note, this reporting does not override any other mandated federal reporting requirements.

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Upon receiving a report of a cyber incident, the state's CSTF will establish a scoping call with the impacted entity to address the following high-level activities:

- **Incident response.** This includes conducting forensics to identify root-cause, damage assessment and mitigation, and coordination with law enforcement activities as needed. Lastly, it includes information-sharing of indicators of compromise.
- **Recovery response.** This effort could include establishing best practice recovery methods, system hardening, restoration of services and infrastructure rebuild.

### **Mission-Critical Support**

Providing for effective public safety and implementing adequate homeland security measures to protect all North Carolinians, whether physical or in cyberspace, should be our singular focus.

To be successful, it will take a whole of government and whole of community approach requiring partnership, coordination, and collaboration across public, private, non-profit, and non-governmental organizations. Your organization is a mission critical part of this approach as we strive to protect all North Carolinians.



## **AGENDA ITEM**

To: CHAIRMAN DEVANE AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: December 8, 2025

Re: Executive Director's Report

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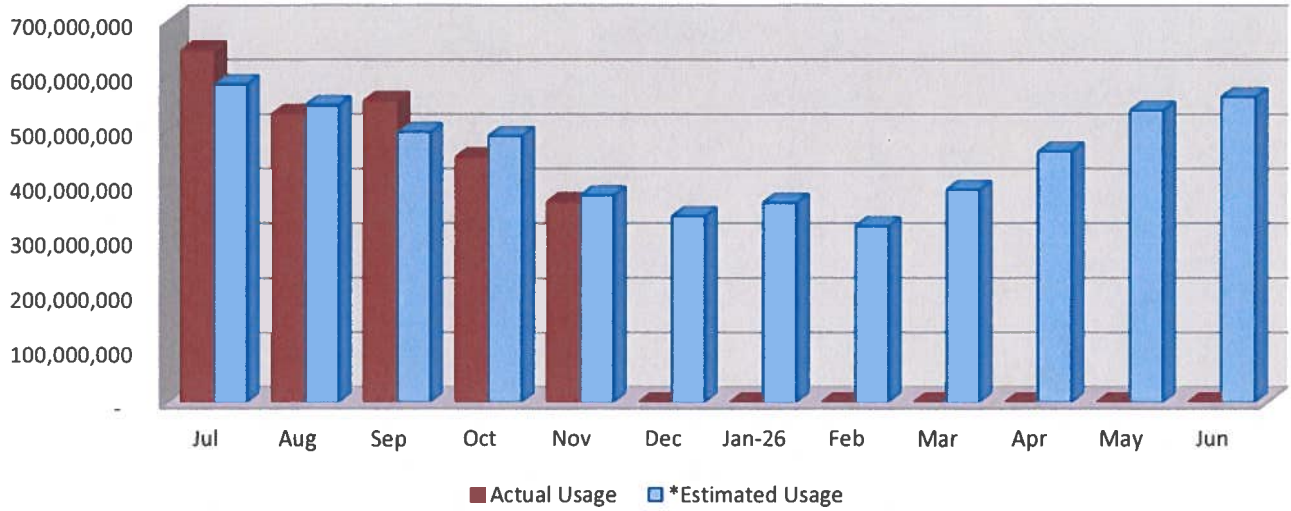
**EDR1** - Comments on Customers' Water Usage and Raw Water Revenue for  
Fiscal Year to Date Ending November 30, 2025

**EDR2** - Operating Budget Status, Ending October 31, 2025

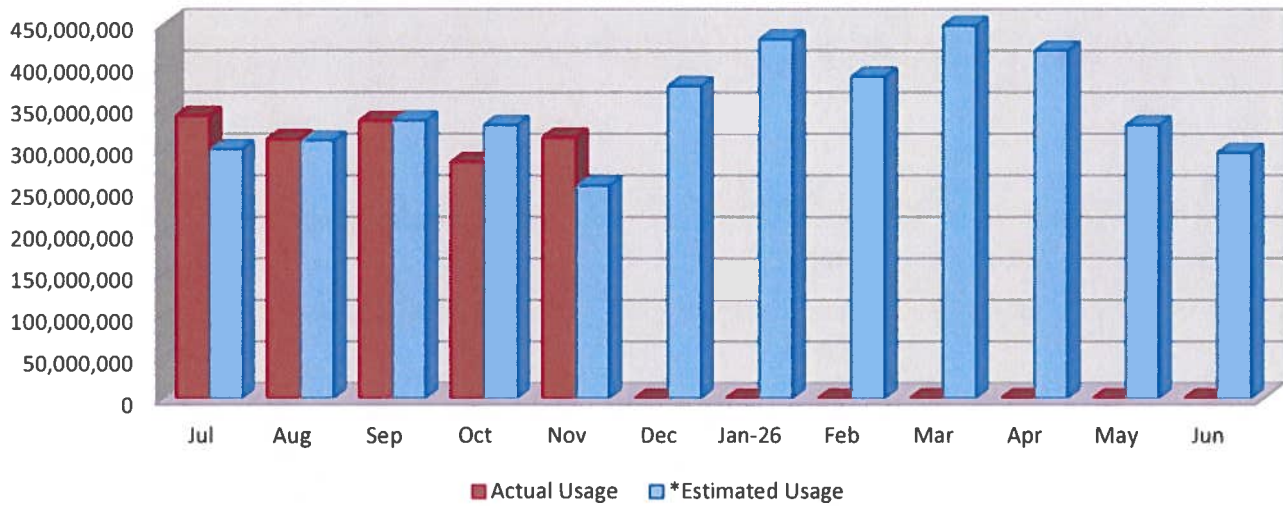
**EDR3** - Summary of Activities

**Action Requested:** For information purposes.

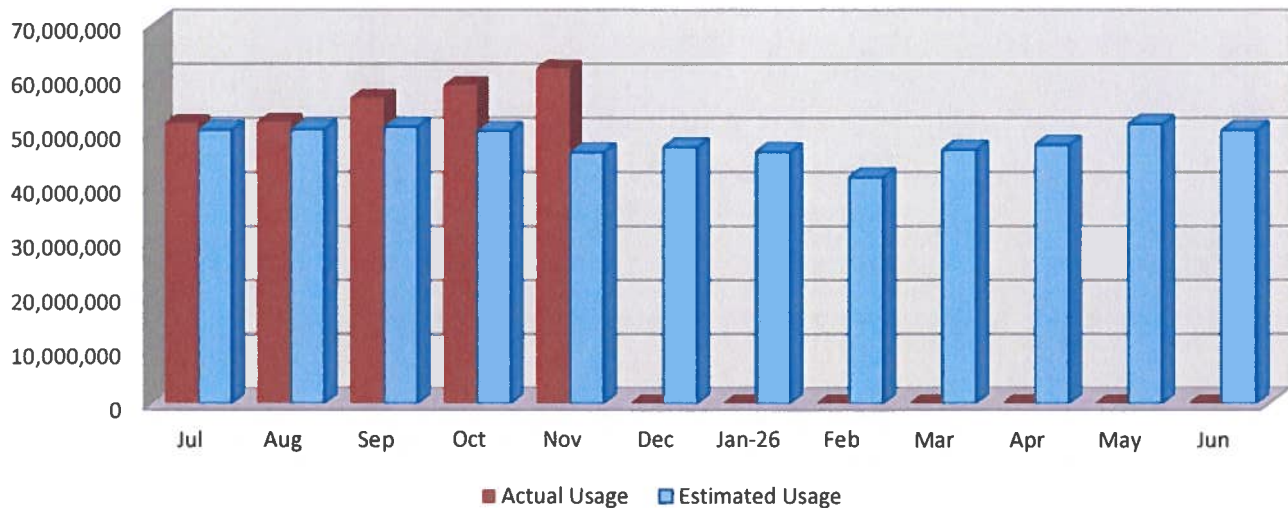
### Brunswick County Water Usage FY 25-26



### CFPUA Water Usage FY 25-26



### Pender County Water Usage FY 25-26



**LOWER CAPE FEAR WATER AND SEWER AUTHORITY**  
**FISCAL YEAR 2025-2026 BUDGET**

| ACCOUNT NO. | REVENUES                                              | FY 2025-2026 APPROVED BUDGET | FY 2025-2026 AMENDED BUDGET | July 1 - October 31, 2025 ACTUAL |                   | FY 25-26 TOTAL COMBINED BUDGET | % of Amended Budget As of 10/1/2025 |
|-------------|-------------------------------------------------------|------------------------------|-----------------------------|----------------------------------|-------------------|--------------------------------|-------------------------------------|
|             |                                                       |                              |                             | KINGS BLUFF                      | BLADEN BLUFFS     |                                |                                     |
|             | <b>OPERATING</b>                                      |                              |                             |                                  |                   |                                |                                     |
| 3001-01     | Brunswick County                                      | \$ 2,621,733                 | \$ 2,621,733                | \$ 1,043,808                     | \$ -              | \$ 1,043,808                   | 40%                                 |
| 3002-01     | Cape Fear Public Utility Authority                    | \$ 2,022,934                 | \$ 2,022,934                | \$ 609,624                       | \$ -              | \$ 609,624                     | 30%                                 |
| 3003-03     | Pender County                                         | \$ 289,440                   | \$ 289,440                  | \$ 105,270                       | \$ -              | \$ 105,270                     | 36%                                 |
| 3004-01     | Stepan/Invista                                        | \$ 140,000                   | \$ 140,000                  | \$ 41,635                        | \$ -              | \$ 41,635                      | 30%                                 |
| 3005-01     | Praxair, Inc                                          | \$ 35,200                    | \$ 35,200                   | \$ 9,626                         | \$ -              | \$ 9,626                       | 27%                                 |
| 3006-01     | Bladen Bluffs Reimbursement for Plant Operation Costs | \$ 5,670,086                 | \$ 5,670,086                | \$ -                             | \$ 631,011        | \$ 631,011                     | 11%                                 |
| 3006-02     | Bladen Bluffs Administrative Reimbursement            | \$ 133,823                   | \$ 133,823                  | \$ -                             | \$ 64,530         | \$ 64,530                      | 48%                                 |
| 3007-01     | Sales Tax Refund                                      | \$ 159,988                   | \$ 159,988                  | \$ -                             | \$ -              | \$ -                           | 0%                                  |
|             | <b>Subtotal</b>                                       | <b>\$ 11,073,204</b>         | <b>\$ 11,073,204</b>        | <b>\$ 1,809,964</b>              | <b>\$ 695,540</b> | <b>\$ 2,505,504</b>            | <b>23%</b>                          |
|             | <b>Non-Operating</b>                                  |                              |                             |                                  |                   |                                |                                     |
| 3105-01     | Interest                                              | \$ 200,000                   | \$ 200,000                  | \$ 97,604                        | \$ -              | \$ 97,604                      | 49%                                 |
| 3120-01     | Other Revenue (Insurance Proceeds/Refunds/FEMA)       | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                  |
| 3125-01     | Federal Tax Subsidy                                   | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                  |
| 3156-00     | Rental House Income                                   | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                  |
| 3170-01     | Transfer In                                           | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                  |
| 3900-01     | Renewal and Replacement Fund Appropriated             | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                  |
| 3900-02     | SRF/ARPA                                              | \$ 37,762,800                | \$ 37,762,800               | \$ 16,823,446                    | \$ -              | \$ 16,823,446                  | 45%                                 |
| 2900-00     | Fund Balance Appropriated                             | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                  |
|             | <b>Subtotal</b>                                       | <b>\$ 37,962,800</b>         | <b>\$ 37,962,800</b>        | <b>\$ 16,921,050</b>             | <b>\$ -</b>       | <b>\$ 16,921,050</b>           | <b>45%</b>                          |
|             | <b>TOTAL REVENUES</b>                                 | <b>\$ 49,036,004</b>         | <b>\$ 49,036,004</b>        | <b>\$ 18,731,014</b>             | <b>\$ 695,540</b> | <b>\$ 19,426,554</b>           | <b>40%</b>                          |



**LOWER CAPE FEAR WATER AND SEWER AUTHORITY**  
**FISCAL YEAR 2025-2026 BUDGET**

| ACCOUNT NO.       | EXPENDITURES                               | FY 2025-2026 APPROVED BUDGET | FY 2025-2026 AMENDED BUDGET | July 1 - October 31, 2025 ACTUAL |                  | FY 25-26 TOTAL COMBINED BUDGET | % of Amended Budget As of 10/31/2025 |
|-------------------|--------------------------------------------|------------------------------|-----------------------------|----------------------------------|------------------|--------------------------------|--------------------------------------|
|                   |                                            |                              |                             | KINGS BLUFF                      | BLADEN BLUFFS    |                                |                                      |
|                   | Administration                             |                              |                             |                                  |                  |                                |                                      |
| 4001-01           | Salaries                                   | \$ 246,869                   | \$ 246,869                  | \$ 67,298                        | \$ 18,515        | \$ 85,813                      | 35%                                  |
| 4010-01           | Per Diem and Mileage Board Members         | \$ 64,791                    | \$ 64,791                   | \$ 13,989                        | \$ 4,859         | \$ 18,848                      | 29%                                  |
| 4012-01           | Vehicle Allowance                          | \$ 5,200                     | \$ 5,200                    | \$ 1,410                         | \$ 390           | \$ 1,800                       | 35%                                  |
| 4019-01 & 4024-01 | FICA Taxes                                 | \$ 24,658                    | \$ 24,658                   | \$ 6,161                         | \$ 1,849         | \$ 8,011                       | 32%                                  |
| 4029-01           | Retirement                                 | \$ 36,660                    | \$ 36,660                   | \$ 8,504                         | \$ 2,750         | \$ 11,253                      | 31%                                  |
| 4035-01           | 401K Plan                                  | \$ 13,912                    | \$ 13,912                   | \$ 3,264                         | \$ 1,043         | \$ 4,308                       | 31%                                  |
| 4036-01           | Miscellaneous Payroll Processing Expenses  | \$ 2,900                     | \$ 2,900                    | \$ 979                           | \$ -             | \$ 979                         | 34%                                  |
| 4038-01           | Group Insurance                            | \$ 42,586                    | \$ 42,586                   | \$ 7,162                         | \$ 3,194         | \$ 10,356                      | 24%                                  |
| 4039-01           | Property and Liability Insurance           | \$ 173,160                   | \$ 173,160                  | \$ 57,919                        | \$ 12,987        | \$ 70,906                      | 41%                                  |
| 4046-00           | Professional Services General              | \$ 55,000                    | \$ 55,000                   | \$ 50,106                        | \$ -             | \$ 50,106                      | 91%                                  |
| 4046-01           | Attorney                                   | \$ 65,000                    | \$ 65,000                   | \$ 11,419                        | \$ -             | \$ 11,419                      | 18%                                  |
| 4047-01           | Auditor                                    | \$ 9,500                     | \$ 9,500                    | \$ 3,950                         | \$ 2,800         | \$ 6,750                       | 71%                                  |
| 4048-01           | Engineer                                   | \$ 150,000                   | \$ 150,000                  | \$ 10,274                        | \$ -             | \$ 10,274                      | 7%                                   |
| 4049-01           | Information Technology                     | \$ 15,000                    | \$ 15,000                   | \$ 4,992                         | \$ -             | \$ 4,992                       | 33%                                  |
| 4050-01           | Financial Advisor                          | \$ 10,000                    | \$ 10,000                   | \$ -                             | \$ -             | \$ -                           | 0%                                   |
| 4055-01           | Office Maintenance/Repair/Common Charge    | \$ 45,000                    | \$ 45,000                   | \$ 7,131                         | \$ -             | \$ 7,131                       | 16%                                  |
| 4058-01           | Office Utilities                           | \$ 4,000                     | \$ 4,000                    | \$ 1,396                         | \$ -             | \$ 1,396                       | 35%                                  |
| 4059-01           | Office Expenses (telephone, Printing, Adv) | \$ 15,000                    | \$ 15,000                   | \$ 2,767                         | \$ -             | \$ 2,767                       | 18%                                  |
| 4062-01           | Office Equipment                           | \$ 30,000                    | \$ 30,000                   | \$ 23,200                        | \$ -             | \$ 23,200                      | 77%                                  |
| 4064-01           | Printing and Advertising                   | \$ 15,500                    | \$ 20,500                   | \$ 2,934                         | \$ -             | \$ 2,934                       | 14%                                  |
| 4065-01           | Telephone and Internet                     | \$ 5,500                     | \$ 5,500                    | \$ 2,384                         | \$ -             | \$ 2,384                       | 43%                                  |
| 4070-01           | Travel and Training                        | \$ 36,000                    | \$ 36,000                   | \$ 9,354                         | \$ -             | \$ 9,354                       | 26%                                  |
| 4070-20           | Phone Allowance                            | \$ 520                       | \$ 520                      | \$ 141                           | \$ 39            | \$ 180                         | 35%                                  |
| 4075-01           | Vehicle Expense                            | \$ -                         | \$ -                        | \$ -                             | \$ -             | \$ -                           | 0%                                   |
| 4080-01           | Miscellaneous Expense                      | \$ 25,000                    | \$ 25,000                   | \$ 814                           | \$ -             | \$ 814                         | 3%                                   |
| 4081-01           | Dues & Subscription                        | \$ 12,000                    | \$ 12,000                   | \$ 5,764                         | \$ -             | \$ 5,764                       | 48%                                  |
|                   | <b>Subtotal</b>                            | <b>\$ 1,103,756</b>          | <b>\$ 1,108,756</b>         | <b>\$ 303,312</b>                | <b>\$ 48,427</b> | <b>\$ 351,739</b>              | <b>32%</b>                           |

LOWER CAPE FEAR WATER AND SEWER AUTHORITY  
FISCAL YEAR 2025-2026 BUDGET

| ACCOUNT NO. | EXPENDITURES                                         | FY 2025-2026 APPROVED BUDGET | FY 2025-2026 AMENDED BUDGET | July 1 - October 31, 2025 ACTUAL |                   | FY 25-26 TOTAL COMBINED BUDGET | % of Amended Budget As of 10/31/2025 |
|-------------|------------------------------------------------------|------------------------------|-----------------------------|----------------------------------|-------------------|--------------------------------|--------------------------------------|
|             |                                                      |                              |                             | KINGS BLUFF                      | BLADEN BLUFFS     |                                |                                      |
|             | Operating                                            |                              |                             |                                  |                   |                                |                                      |
| 4501-01     | Sales Tax Expense                                    | \$ 150,000                   | \$ 550,000                  | \$ -                             | \$ 272,307        | \$ 272,307                     | 50%                                  |
| 4510-01     | Bladen Bluffs O & M                                  | \$ 3,821,385                 | \$ 3,416,385                | \$ -                             | \$ 357,484        | \$ 357,484                     | 10%                                  |
| 4515-01     | Bladen Bluffs Hurricane Florence                     | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                   |
| 4520-01     | Utilities/Energy Kings Bluff                         | \$ 778,052                   | \$ 778,052                  | \$ 210,625                       | \$ -              | \$ 210,625                     | 27%                                  |
| 4530-01     | Contract O & M Kings Bluff                           | \$ 736,811                   | \$ 736,811                  | \$ 293,734                       | \$ -              | \$ 293,734                     | 40%                                  |
| 4537-01     | O&M Kings Booster Pump Bluff Pump Station            | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                   |
| 4541-01     | Combined Enterprise Funded Series 2010 Principal     | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                   |
| 4542-01     | Combined Enterprise Funded Series 2010 Interest      | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                   |
| 4543-01     | Combined Enterprise System Ref Series 2012 Principal | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                   |
| 4544-01     | Combined Enterprise System Ref Series 2012 Interest  | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                   |
| 4545-01     | Bladen Bluffs Debt Service Principal                 | \$ 1,115,000                 | \$ 1,115,000                | \$ -                             | \$ -              | \$ -                           | 0%                                   |
| 4546-01     | Bladen Bluffs Debt Service Interest                  | \$ 480,000                   | \$ 480,000                  | \$ -                             | \$ 127,518        | \$ 127,518                     | 27%                                  |
|             | Operating Capital Expense                            | \$ 10,851,000                | \$ 10,851,000               | \$ 612,549                       | \$ -              | \$ 612,549                     | 6%                                   |
| 4998-05     | Transfer to R&R - Kings Bluff R&R Expense            | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                   |
|             | Transfer to R&R - Industrial                         | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                   |
| 4998-06     | Transfer to Enterprise Fund                          | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                   |
| 2041-01     | 421 Relocation New Hanover County Loan Principal     | \$ -                         | \$ -                        | \$ -                             | \$ -              | \$ -                           | 0%                                   |
| 5180-00     | SRF77 mile parallel line expenditures                | \$ 30,000,000                | \$ 30,000,000               | \$ 11,211,468                    | \$ -              | \$ 11,211,468                  | 37%                                  |
|             | Subtotal                                             | \$ 47,932,248                | \$ 47,927,248               | \$ 12,328,376                    | \$ 757,310        | \$ 13,085,686                  | 27%                                  |
|             | <b>TOTAL EXPENDITURES</b>                            | <b>\$ 49,036,004</b>         | <b>\$ 49,036,004</b>        | <b>\$ 12,631,688</b>             | <b>\$ 805,737</b> | <b>\$ 13,437,425</b>           | <b>27%</b>                           |

**Executive Director Highlighted Activities:**

- Regular Monthly meetings with the Design Build Team and the Owner's Advisor for the parallel line project.
- Continuing work with the Legislative Delegation on the double project funding
- Work with the Lobbyist to set up a January Legislative Delegate Event
- IBT Discussion with our Lobbyist
- Certify BB Monthly Report
- Attended Lower Cape Fear River Program Quarterly meeting
- Participated in Discussions with CFPWA and McKim and Creed about potential check dam issues near the bank of the Cape Fear River.
- LCFWASA Staff worked with Brunswick IT to finish the installation of real-time, read-only Kings Bluff plant status.
- Rental House Demolition Completed.
- North Carolina Rural Water Long Range Planning Committee meeting.
- Continue to review easements needed for the parallel line project with the Design Build Team and the LCFWASA attorney (weekly)