

AGENDA
Lower Cape Fear Water & Sewer Authority
1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina
8:30 a.m. – Finance Committee Meeting
May 12, 2025

MEETING CALL TO ORDER: Chairman DeVane

PRESENTATION: PowerPoint for Fiscal 2025-2026 Budget

DISCUSSION: Directors' Comments and Questions

ACTION/DIRECTION: Recommend to the full Board for Consideration at the Regular Meeting to follow and for approval at June 16th, 2025, Regular Board Meeting.

FUTURE MEETINGS: TBD

ADJOURNMENT



AGENDA
Lower Cape Fear Water & Sewer Authority
1107 New Pointe Boulevard, Suite # 17, Leland, North Carolina
9:00 a.m. – Regular Monthly Board Meeting
May 12, 2025

MEETING CALL TO ORDER: Chairman DeVane

INVOCATION

PLEDGE OF ALLEGIANCE

APPROVAL OF CONSENT AGENDA

- C1** – Minutes of April 14, 2025, Regular Board Meeting
- C2** – Minutes of April 14, 2025, Long Range Planning Committee Meeting
- C3** – Kings Bluff Monthly Operations and Maintenance Report
- C4** – Bladen Bluffs Monthly Operations and Maintenance Reports
- C5** – Retainer for General Counsel Services Agreement: Matthew Nichols, Attorney at Law in the amount of \$225 per hour for FY 2025-2026
- C6** – Line-Item Adjustment for March 31, 2025
- C7 A** – Resolution of Lower Cape Fear Water & Sewer Authority Exempting Lower Cape Fear Water & Sewer Authority from the Provisions of N.C.G.S. §143-64.31 for C7 B
- C7 B** – Retainer for Engineering Services Agreement: McKim & Creed in the amount of \$34,800 for Fiscal Year 2025-2026

PUBLIC HEARING: PRESENTED DRAFT BUDGET FOR FISCAL YEAR 2025-2026 BUDGET AND BUDGET ORDINANCE

A. Public Hearing:

- Motion to open Public Hearing in accordance with North Carolina General Statute Section 159-12 for the review of the Fiscal Year 2025-2026 Budget and Budget Ordinance for Consideration of Approval on June 16th, 2025
- Motion to close Public Hearing

NEW BUSINESS

- NB1** – Finance Committee Comments and Review of Draft Recommended Budget for the Fiscal Year 2025-2026 (Finance Committee Chairman Patrick DeVane)
- NB2** – Appointment of Jerry Groves to the Calendar Year 2025 Personnel Committee and Finance Committee by Chairman DeVane

ENGINEER'S COMMENTS

ATTORNEY COMMENTS

EXECUTIVE DIRECTOR REPORT

- EDR1** – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending April 30, 2025
- EDR2** – Operating Budget Status, Ending March 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, June 16th 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: May 12, 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 April 14, 2025, Regular Board Meeting

C2 – Minutes of April 14, 2025, Long Range Planning Committee Meeting

C3 – Kings Bluff Monthly Operations and Maintenance Report

C4 – Bladen Bluffs Monthly Operations and Maintenance Report for March and April

C5 – Retainer for General Counsel Services Agreement: Matthew Nichols, Attorney at Law in the amount of \$225 per hour for FY 2025-2026.

C6 – Line-Item Adjustment for March 31, 2025

C7 A – Resolution of Lower Cape Fear Water & Sewer Authority Exempting Lower Cape Fear Water & Sewer Authority from the Provisions of N.C.G.S. §143-64.31 for C7 B.

C7 B – Retainer for Engineering Services Agreement: McKim & Creed in the amount of \$34,800 for Fiscal Year 2025-2026

Action Requested: Motion to approve/disapprove Consent Agenda.

Lower Cape Fear Water & Sewer Authority
Regular Board Meeting Minutes
April 14th, 2025

Chairman DeVane called to order the Authority meeting scheduled on April 14th, 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. Director Leonard gave the invocation.

Roll Call by Chairman DeVane:

Present: Norwood Blanchard, Patrick DeVane, Wayne Edge, Jerry Groves, Harry Knight, Al Leonard, Charlie Rivenbark, Bill Sue, Phil Tripp, and Frank Williams

Present by Virtual Attendance: Bill Saffo and Chris Smith

Absent: Scott Phillips and Rob Zapple

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

Guests Present: Devon Moore, Computer Warriors; Anthony Colon, Pender County Utilities Director; James Proctor, Pender County Utilities Deputy Director; John Nichols, Brunswick County Public Utilities Director; Glenn Walker, Brunswick County Water Resources Manager; David Carson, Brunswick County Kings Bluff Water Resource Supervisor; Sean Kenyon, McKim & Creed Senior Project Engineer; Adam Paukovich, McKim & Creed P.E., McKim & Creed; Amy Vitner, First Tryon Advisors Managing Director; Christopher "CJ" Cahoy, Garney Construction; Alex Littleton, Garney Construction Assistant Project Manager; and David Fournier, HDR Construction Services

Guests Virtual Attendance: Erin Jones, Pender County Utilities Water Treatment Plant Superintendent; Ken Waldroup, Cape Fear Public Utility Authority Executive Director; Craig Wilson, Cape Fear Public Utility Authority Engineering Manager; Kevin Morris, Cape Fear Public Utility Authority Deputy Director; James Kern, Smithfield Wastewater Supervisor; Heidi Cox, NC DEQ Regional Engineering Supervisor, Division of Water Infrastructure. Dodie Bowman Render, President of Electus Governmental Affairs; Sam Shumate, Vice President of Electus Governmental Affairs, Inc

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

APPROVAL OF CONSENT AGENDA

C1 – Minutes of March 10, 2025, Regular Board Meeting

C2 – Minutes of March 10, 2025, Personnel Committee Report

C3 – Minutes of March 10, 2025, Long Range Planning Committee Report

C4 – Kings Bluff Monthly Operations and Maintenance Report

C5 – Bladen Bluffs Monthly Operations and Maintenance Reports

C6 – Implementation of Salary Study

C7 – Resolution Adopting the Lower Cape Fear Water & Sewer Authority's Local Water Supply Plan for Kings Bluff Raw Water Pump Station, PWSID 50-09-013, for calendar year 2024.

C8 – Resolution Adopting the Lower Cape Fear Water & Sewer Authority's Local Water Supply Plan for Bladen Bluff's Regional Surface Water System, PWSID 50-09-013, for calendar year 2024.

C9 – Line-Item Adjustment for February 28, 2025

C10 – Resolution Recognizing National Drinking Water Week

Motion: Director Leonard **MOVED**; seconded by Director Blanchard, approval of the Consent Agenda Items C1-C10. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

NEW BUSINESS

NB1- SCADA System Upgrade at the Kings Bluff Plant

Executive Director Holloman advised this year's budget included the SCADA system for the Kings Bluff Plant. Initial budget figures were \$125,000.00; the lowest bid is \$157,714.56. The Scada has not been upgraded since the plan was completed in 2009.

Motion: Director Leonard **MOVED**; seconded by Director Knight, approving the SCADA System Update at the Kings Bluff Plant. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

NB2- Fiber Optic Update

Executive Director Holloman advised that Brunswick County requests for LCFWASA to upgrade the existing direct burial Fiber Optic cable that allows monitoring of the KB Pump Station and Raw Tank from the Northwest Treatment plant. Three bids have been secured to perform the work. This line was put in by Brunswick County in the early to mid-80's.

Motion: Director Tripp **MOVED**; seconded by Director Blanchard, approval of the Fiber Optic Update of Lower Responsible Bidder. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

Director Williams stated that Electus Governmental Affairs, Inc., is a client of his and would like to be recused from this discussion.

Motion: Director Blanchard **MOVED**; seconded by Director Rivenbark, to recuse Director Williams from voting on the Resolution Approving Agreement for Governmental Affairs Consulting and Legislative Lobbying Services. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

NB3- Resolution Approving Agreement for Governmental Affairs Consulting and Legislative Lobbying Services

Executive Director Holloman advised LCFWASA needs regular engagement with state and federal legislators on matters impacting the five counties of the regional authority. To support these efforts, staff recommend entering into an agreement with Electus Governmental Affairs, Inc., a firm with extensive experience in legislative advocacy, to assist with governmental affairs consulting and lobbying efforts. The agreement includes monitoring legislation, advocating for key funding priorities, and providing strategic advice throughout the legislative cycle.

Motion: Director Leonard **MOVED**; seconded by Director Knight, approval of the Resolution Approving Agreement for Governmental Affairs Consulting and Legislative Lobbying Services. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

PRESENTATION: Quarterly Review from First Tryon Advisors

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

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

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

ENGINEER'S COMMENTS

No comments

ATTORNEY COMMENTS

Matt Nichols advised the board that he is watching Senate Bill 428 and 605, and House Bill 850. These bills will change IBT standards.

EXECUTIVE DIRECTOR REPORT

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

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

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

No comments.

PUBLIC COMMENT

No comments.

ADJOURNMENT

There being no further business, Chairman DeVane adjourned the meeting at 9:45 a.m.

Respectfully Submitted:

Al Leonard, Secretary



Lower Cape Fear Water & Sewer Authority

Financial Update Presentation

April 14, 2025

Agenda

- 1 Credit Overview
- 2 Financial Results and Peer Comparisons
- 3 Preliminary Debt Schedules
- 4 Market Update



Amy Vitner
Managing Director

e avitner@firsttryon.com
t 704.926.2457
m 704.458.4759

Credit Overview

Credit Profile of the Authority

- Three primary rating agencies include Moody's, S&P Global and Fitch
- The Authority does not currently carry any standalone long-term credit ratings
 - The Authority's 2010 Bonds carry a short-term credit rating of A+/A-1 from S&P Global through the Substitute Credit Facility provided by Rabobank Nederland.
- The Members of the Authority carry the following ratings:
 - Bladen County (Aa3/NR/NR)
 - City of Wilmington (Aaa/AAA/AA+)
 - Brunswick County (Aaa/AAA/AAA)
 - Columbus County (Aa3/NR/NR)
 - New Hanover County (Aaa/AAA/NR)
 - Pender County (Aa2/AA/NR)

Moody's	S&P	Fitch
Aaa	AAA	AAA
Aa1	AA+	AA+
Aa2	AA	AA
Aa3	AA-	AA-
A1	A+	A+
A2	A	A
A3	A-	A-
Baa1	BBB+	BBB+
Baa2	BBB	BBB
Baa3	BBB-	BBB-
Non Investment Grade		

Financial Results and Peer Comparisons

3-Year Historical Operating Results

FY 2022 - FY 2024

- Operating Revenues
 - 34.3% increase since FY 2022
 - 9.7% decrease from FY 2023 to FY 2024
- Operating Expenditures
 - 12.1% increase since FY 2022
 - Increase in FY 2023 driven by administrative costs
- Net Position
 - 29.0% increase since FY 2022

	FY 2022	FY 2023	FY 2024
Operating Revenues:			
Charges for services	7,472,215	11,170,678	10,098,155
Other operating revenue	114,314	114,314	89,005
Total operating revenues	7,586,529	11,284,992	10,187,160
Operating Expenses:			
Operations and administration	4,483,011	7,503,574	5,146,860
Depreciation and amortization	1,727,437	1,785,716	1,812,138
Total operating expenses	6,210,448	9,289,290	6,958,998
Operating income (loss)	1,376,081	1,995,702	3,228,162
Nonoperating Revenues (Expenses)			
Investment earnings	765	2,312	42,221
Insurance Claim Proceeds	1,411	3,614	-
Capital contributions	-	-	1,664,740
Interest and fees paid	(101,023)	(506,120)	(607,137)
Other non-operating revenues (expenses)	18,272	1,611,154	97,496
Total nonoperating revenues (expenses)	(80,575)	1,110,960	1,197,320
Income (loss) before transfers and capital contributions	1,295,506	3,106,662	4,425,482
Change in net position	1,295,506	3,106,662	4,425,482
Net position, beginning	24,693,765	25,989,271	29,095,933
Net position, ending	25,989,271	29,095,933	33,521,415

Source: LCFWASA Audits

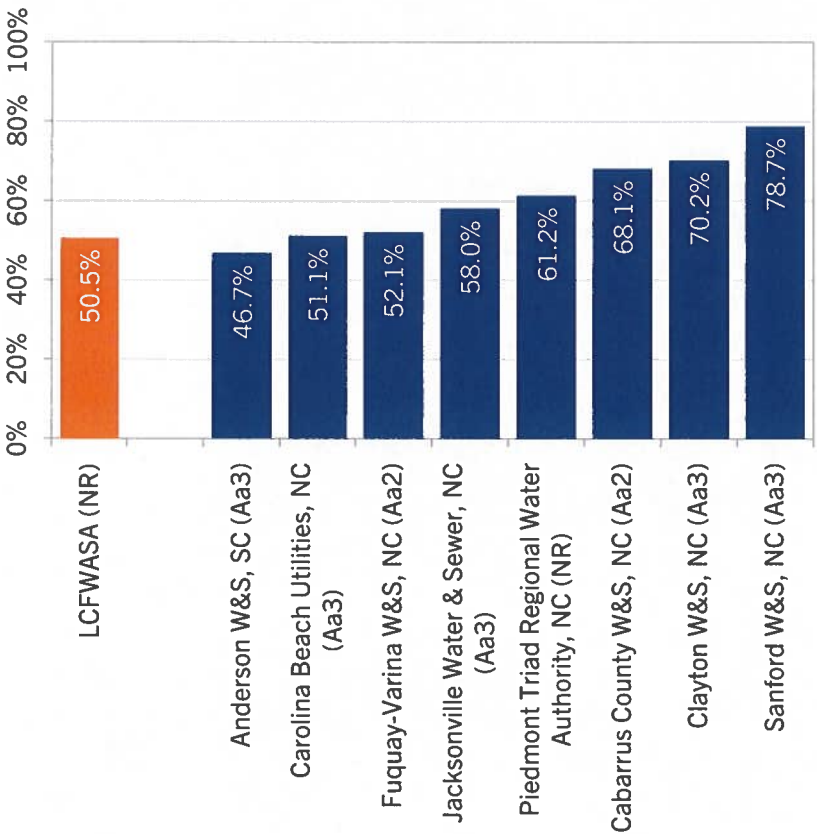


Lower Cape Fear Water & Sewer Authority

Financial Performance

Operating Ratio

- Calculation
 - O&M Expenses / Total Operating Revenues
- Why it matters
 - A lower ratio indicates greater operational efficiency
 - Aim for the lowest costs required to generate maximum revenues
- LCFWASA's Performance
 - 50.5% as of June 30, 2024
 - Strong result compared to peer group

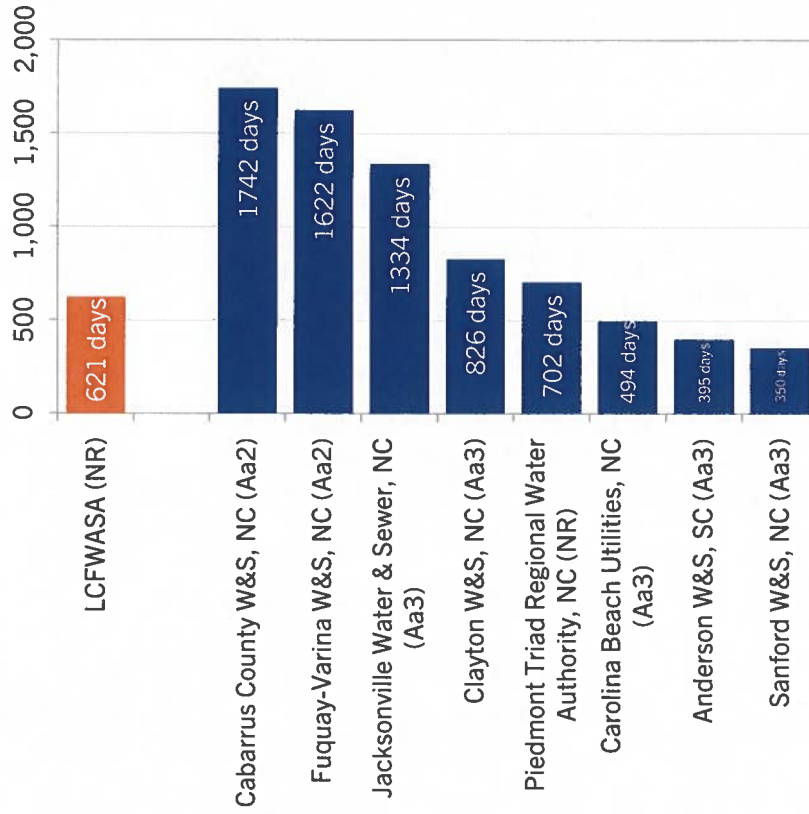


Source: LCFWASA Audits, Moody's Investors Service

Liquidity

Days Cash on Hand

- Calculation
 - Unrestricted Cash & Investments / O&M Expenses * 365
- Why it matters
 - Represents how long a system can operate without generating any revenues
 - Greater levels of unrestricted cash leave a system better prepared for unforeseen expenditures or hardships (such as a hurricane)
- LCFWASA's Performance
 - 621 days as of June 30, 2024
 - Around the median for the peer group, but at a very strong level
 - Coastal systems often maintain higher cash levels



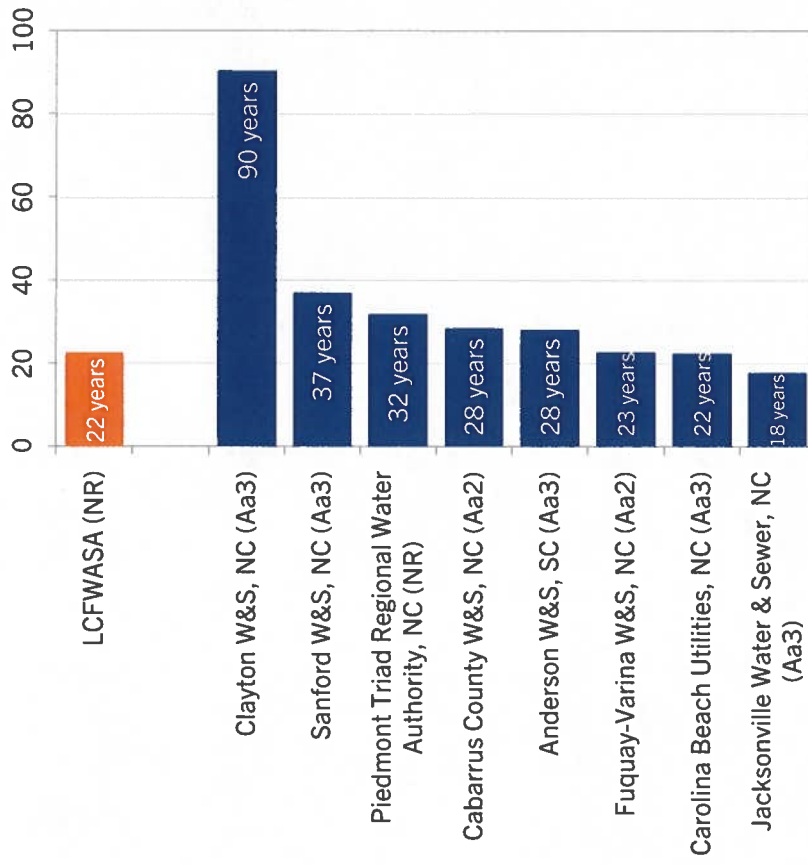
Source: LCFWASA Audits, Moody's Investors Service



Asset Condition

Remaining Useful Life

- Calculation
 - Fixed Assets (Net of Depreciation) / Annual Depreciation
 - Expressed in years
- Why it matters
 - Indicates the average age of a system's plant and equipment
 - A higher remaining useful life indicates that a system's infrastructure is in newer condition and less prone to issues with environmental regulations or service disruptions
- LCFWASA's Performance
 - 22 years as of June 30, 2024
 - On the lower end of the peer group, but in line with many of the regional entities



Source: LCFWASA Audits, Moody's Investors Service



Lower Cape Fear Water & Sewer Authority

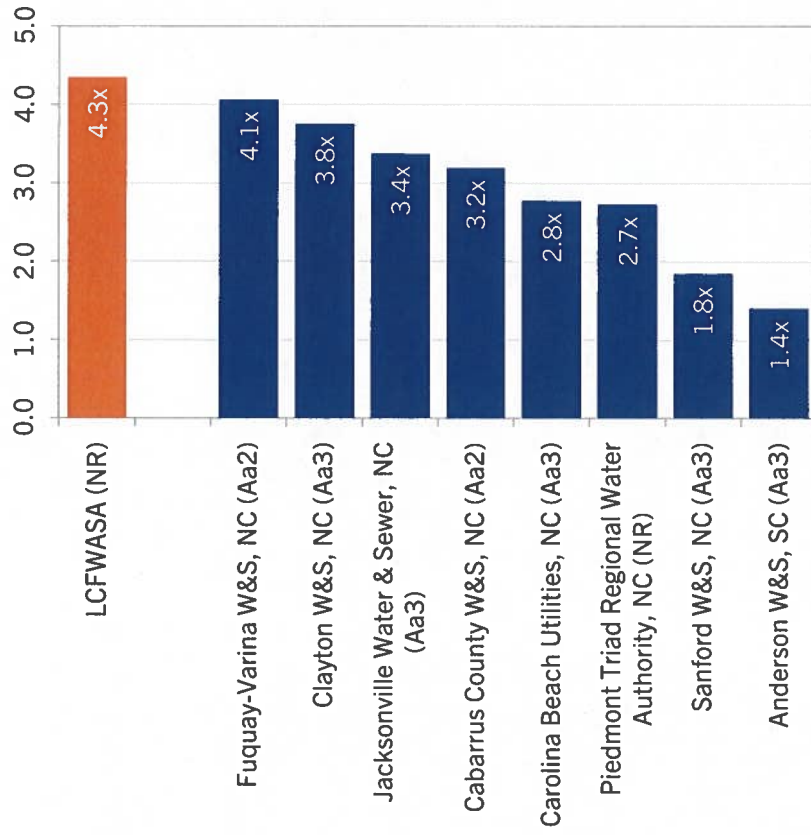
Debt Affordability Annual Debt Service Coverage

- Calculation
 - Income Available for Debt Service / Annual Debt Service
- Why it matters
 - Represents the sufficiency of a system's available net revenues to cover debt service payments
 - A higher ratio indicates that a system has greater flexibility to withstand volatile revenues or unexpected expenditures
- LCFWASA's Performance
 - 4.3x as of June 30, 2024
 - Strongest result in its peer group

Source: LCFWASA Audits, Moody's Investors Service



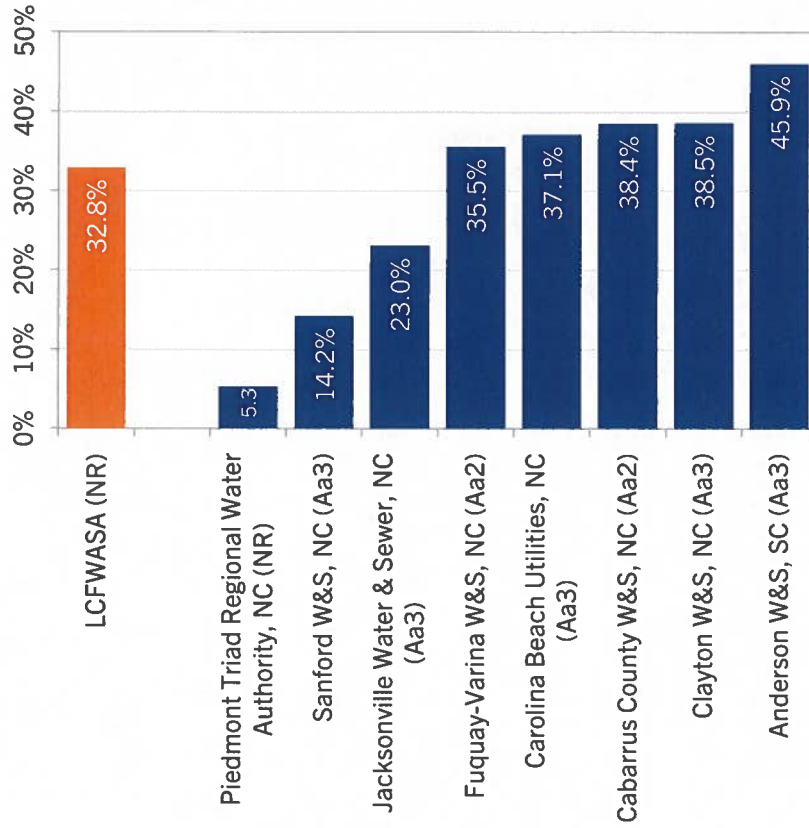
Lower Cape Fear Water & Sewer Authority



Debt Leverage

Total Long-Term Debt to Total Assets

- Calculation
 - Total Long-Term Debt Outstanding / Total Assets
- Why it matters
 - Represents the leverage of a system
 - A lower ratio indicates the system has greater capacity to afford additional debt borrowing
- LCFWASA's Performance
 - 32.8% as of June 30, 2024
 - Around the median for the peer group



Source: LCFWASA Audits, Moody's Investors Service

Preliminary Debt Schedules

Estimated Debt Service Schedules **\$5.8 Million Borrowing**

- 15-Year Borrowing
 - More banks can provide this term
 - Lower interest rate
 - Lower total debt service
- 20-Year Borrowing
 - Limited banks can provide this term
 - Higher interest rate
 - Lower annual debt service
- The interest rates and debt schedules provided are estimated and subject to change.

15-Year Borrowing (4.50% Interest Rate)			
Year	Principal	Interest	Total
Total	5,800,000	2,300,901	8,100,901
1	279,060	261,000	540,060
2	291,618	248,442	540,060
3	304,741	235,319	540,060
4	318,454	221,606	540,060
5	332,784	207,276	540,060
6	347,760	192,300	540,060
7	363,409	176,651	540,060
8	379,762	160,298	540,060
9	396,852	143,209	540,060
10	414,710	125,350	540,060
11	433,372	106,688	540,060
12	452,874	87,187	540,060
13	473,253	66,807	540,060
14	494,549	45,511	540,060
15	516,804	23,256	540,060

20-Year Borrowing (4.75% Interest Rate)			
Year	Principal	Interest	Total
Total	5,800,000	3,311,854	9,111,854
1	180,093	275,500	455,593
2	188,647	266,946	455,593
3	197,608	257,985	455,593
4	206,994	248,598	455,593
5	216,826	238,766	455,593
6	227,126	228,467	455,593
7	237,914	217,679	455,593
8	249,215	206,378	455,593
9	261,053	194,540	455,593
10	273,453	182,140	455,593
11	286,442	169,151	455,593
12	300,048	155,545	455,593
13	314,300	141,293	455,593
14	329,229	126,363	455,593
15	344,868	110,725	455,593
16	361,249	94,344	455,593
17	378,408	77,184	455,593
18	396,383	59,210	455,593
19	415,211	40,382	455,593
20	434,933	20,659	455,593

Estimated Debt Service Coverage Impact Based on FY 2024 Results

- Due to the lower annual debt service, the 20-year term results in a stronger debt service coverage ratio than the 15-year term.

	15-Year Term	20-Year Term
Operating Revenues	10,187,160	10,187,160
Operating Expenses*	5,173,996	5,173,996
Operating Income	5,013,164	5,013,164
Non-Operating Revenues (Expenses)	1,831,593	1,831,593
Income Available for Debt Service	6,844,757	6,844,757
Aggregate Debt Service	2,117,197	2,032,730
Debt Service Coverage Ratio	3.23x	3.37x

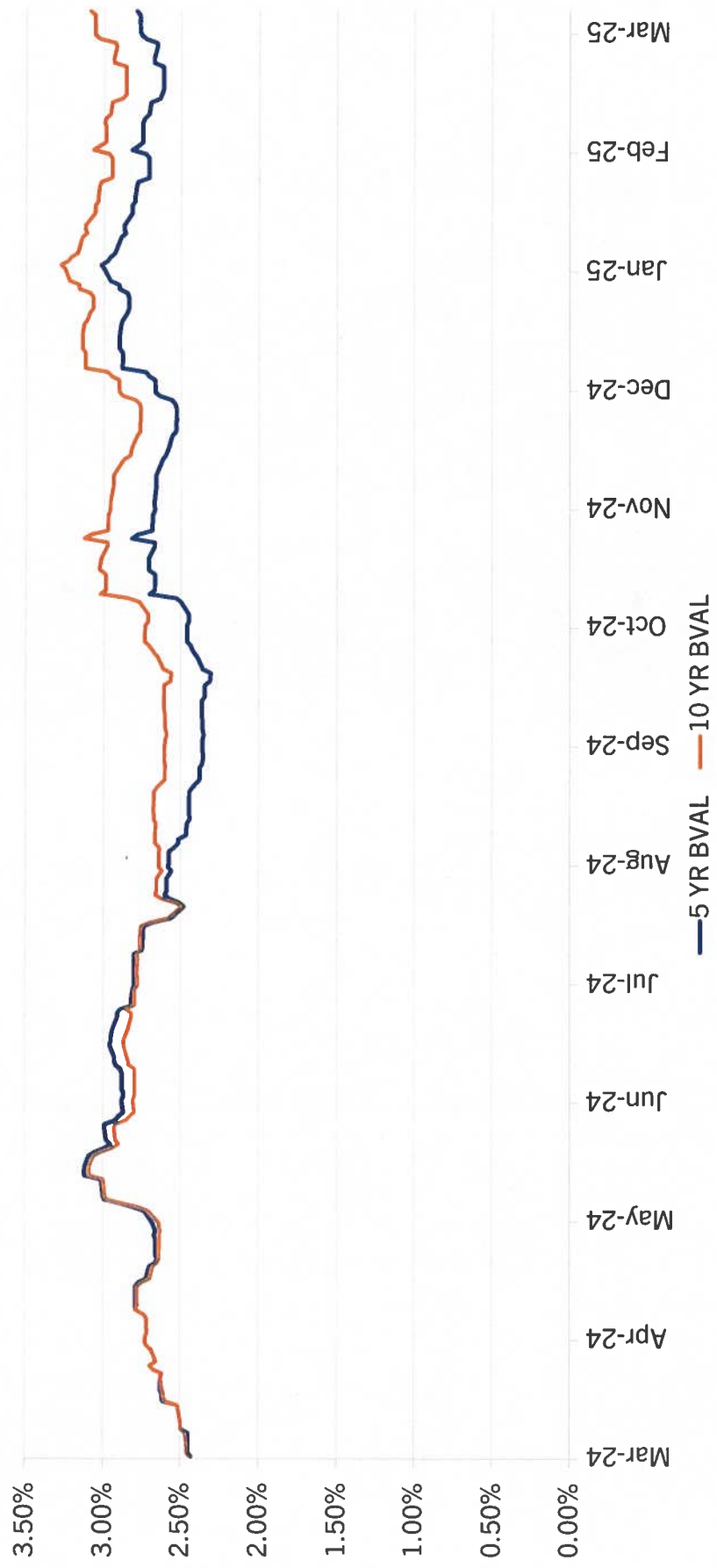
*Excludes depreciation and amortization expenses.

Sample Financing Timeline Bank Placed Revenue Bond

Timing	Event
Week 1	Organize working group
Weeks 2-3	Circulate and review draft documents
Weeks 4-5	Obtain approvals from member entities
Week 5	Submit LGC application Send bank loan RFP to banks
Week 8	Receive bank bids
Week 9	LGC approval
Week 10	Circulate closing documents
Week 11	Close on financing

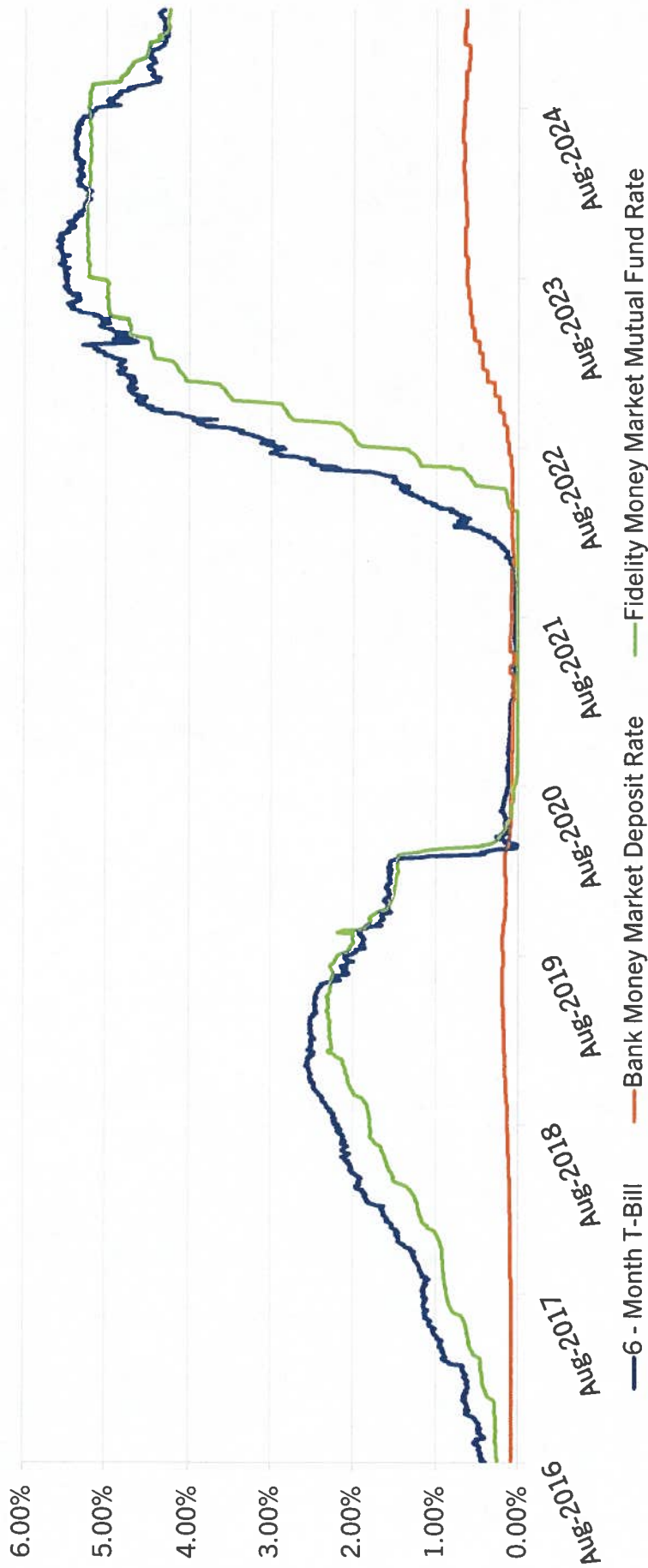
Market Update

5-Year & 10-Year Tax-Exempt Rates: One Year History



Source: Bloomberg as of March 19, 2025

Comparison of Deposit Yields



Source: MarketWatch, FDIC, Bloomberg

First Tryon Advisors

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Kings Bluff Pipeline Update





PHASE 2A -- 10,850' (FROM BRUNSWICK TANKS TO MISERY ROAD WITH INTERCONNECT TO EXISTING LINE AT MISERY RD (\$16,900,000)

PHASE 2B -- 24,000' (FROM MISERY RD TO PENDER VAULT WITH CAPE FEAR RIVER CROSSING AND CONNECTION TO PENDER COUNTY (\$22,650,000)

CONTINGENCY -- \$1,243,200 NONE UTILIZED TO DATE







FEBRUARY



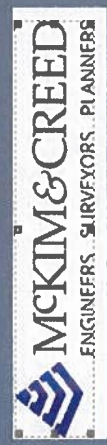
Garney
CONSTRUCTION



MCKIM & CREED
ENGINEERS · SURVEYORS · PLANNERS



MARCH



MARCH



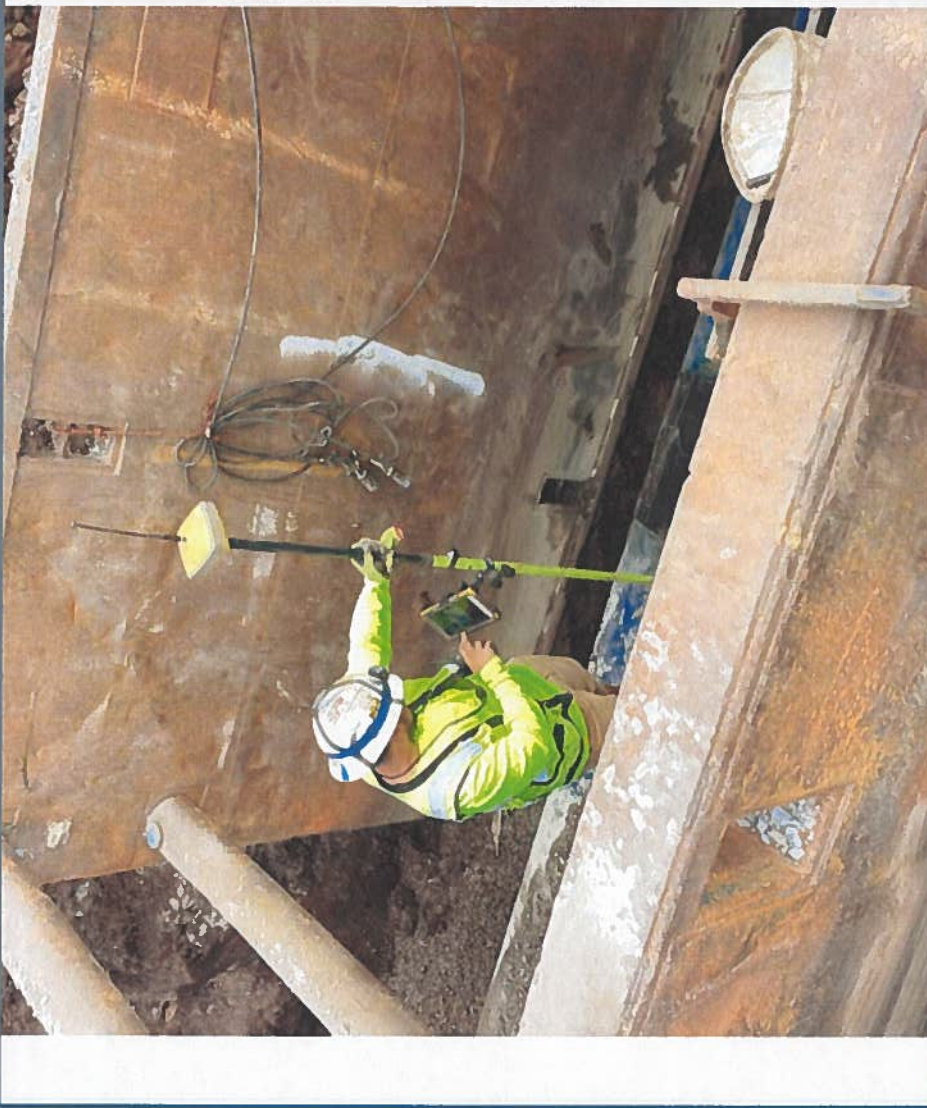
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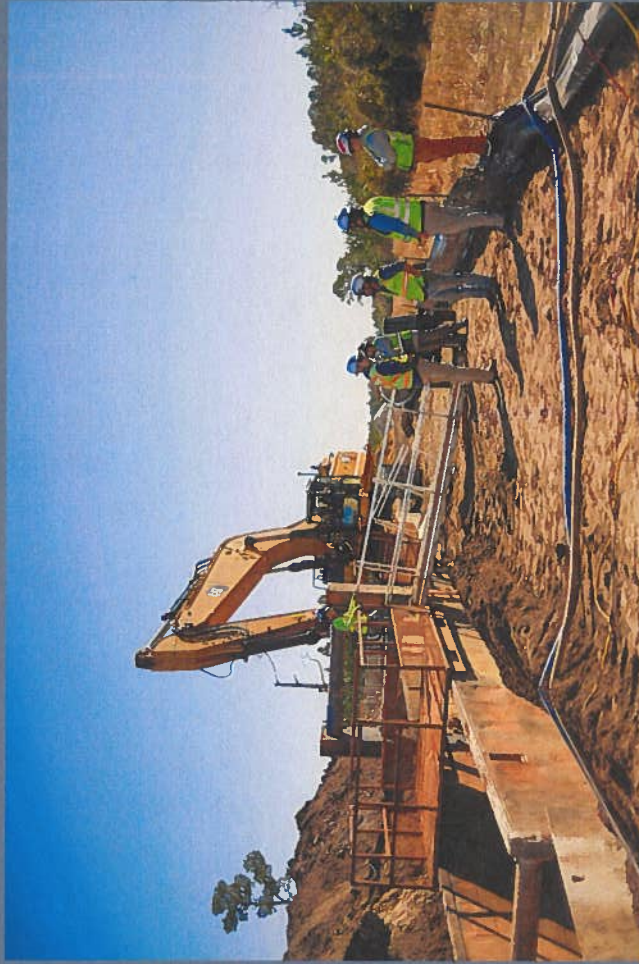
QC ITEMS

PIPE AS-BUILT



TO DATE -- APRIL

Phase A -- Prep (100%)
 Pipe delivery (100%)
 Installation (100%)
 Welding (70%)
 Graded/Ready for seed (78%)
 Seeded (55%)



Phase 2 B -- Clearing (15%)





FUTURE

- April – Finish pipe install on Phase A and clean –up
Clear, Prep and pipe deliveries on Phase B
- May – Finish Prep/pipe delivery first half on phase B
Continue prep on second half
Start pipe install on 2B

Lower Cape Fear Water & Sewer Authority
Long Range Planning Committee Meeting
April 14, 2025

Chairman DeVane called to order the Long-Range Planning Committee Meeting on April 14, 2025, at 10:00 a.m. The meeting was held at the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

Roll Call by Chairman Blanchard:

Present: Patrick DeVane, Jerry Groves, Al Leonard, Charlie Rivenbark, Phil Tripp, and Frank Williams

Present by Virtual Attendance: None

Absent: Harry Knight, Scott Phillips, and Rob Zapple

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

Guests Present: Devon Moore, Computer Warriors; Anthony Colon, Pender County Utilities Director; James Proctor, Pender County, Deputy Director of Utilities; John Nichols, Brunswick County Public Utilities Director; Glenn Walker, Brunswick County Water Resources Manager; David Carson, Brunswick County Kings Bluff Water Resource Supervisor; Sean Kenyon, McKim & Creed Senior Project Engineer; and Adam Paykovich, McKim & Creed P.E., McKim & Creed

Guests Virtual Attendance: Craig Wilson, Cape Fear Public Utility Authority Engineering Manager; Kevin Morris, Cape Fear Public Utility Authority Deputy Director; and Ken Waldroup, Cape Fear Public Utility Authority Executive Director

Presentation: Master Plan Review (Capital Improvement Plan) review by Sean Kenyon

Sean Kenyon presented the current draft Capital Improvement Plan (CIP) from 2025 through 2050, including Kings Bluff, Raw Water, and Bladen Bluff water treatment facilities. The CIP had several factors, including category of need, capacity issue, whether it needs to be replaced or rehabilitated, and whether there is a maintenance efficiency or redundancy issue. They assigned each project a criticality score as to whether it was a high or low priority and looked at no consequence if no action was taken. There are three primary drivers: demand and capacity, life cycle, redundancy, and resiliency. The criticality is scored one, two, or three. One being the lowest and three being the highest need. The preliminary design memorandum is based on a demand table for projected usage from the different entities, with a future demand of 96 million gallons per day in 2062.

Sean Kenyon listed fourteen projects for Kings Bluff and three cost-sharing projects. KB1 New 4th Pump at Kings Bluff has a criticality of three because current pumps will meet projected demands by 2037. The fourth pump will be standby/backup and add to pump rotation to reduce hours per pump. KB2 Rebuild/Refurbish the existing 1600 HP vertical turbine raw water pump. Rebuilding the pumps will extend their service life. KB3 Generators at King's Bluff Raw Water Pump Station have a criticality of two due to the need to upgrade due to the future increased load associated with auxiliary pump motor HP and larger quantities pump. The KB4 Pig 48" pipe from the Kings Bluff pump station to the 3 MG ground tank is critical because pigging will maintain a clean pipeline free of sediment, silt, and debris. It will also improve the efficiency of pumps by reducing the frictional characteristics of the pipeline. KB5 Pig 54" pipe from 3MG ground tank to US 421 has a criticality of one sighting, the same reason as pigging the 48" pipeline. KB6 Walkway and air backwash building replacement have a criticality of two because the walkway is in serviceable condition and will need to be replaced by 2025 due to rotting wood and the overall weathering of the walkway. KB7 Replacing raw water pumps 1,4, and 5 has a criticality of three due to age and mechanical wear. KB8 New surge tank at Kings Bluff has a criticality of two because as the demand increases, surges in the system will likely increase, and this needs to be installed before the fifth pump comes online. KB9 5 ROW acquisitions

rated a criticality of two. The KB10 48-inch PCCP inspection and pig from the ground tank to US 421, with a criticality of one, is a matter of utmost importance due to the current loss of capacity and/or clogging caused by sediment buildup. Similarly, the KB11 48-inch PCCP repairs, also with a criticality of one, pose a significant risk of a pipeline break. The KB12 48" PCCP Leak Detection Project has a criticality of one because of potential leaks and weak points in the existing line before a break or failure. KB13 Surge Tank Control Panel Upgrades are critical because replacing the existing panels with a single panel and connecting to SCADA improves efficiency, minimizes required maintenance, and increases operational flexibility. KB14 Solar Power Study and Installation has a criticality of one. This will enhance the reliability and efficiency of the station by providing a redundant power source.

CS1 A New fifth pump at Kings Bluff raw water pump station has a criticality of three because decreasing the load and run times of existing pumps will extend the life and improve all pumps' reliability. CS2 3-Mile parallel raw water main from 3MG Pender Vault to Cape Fear Public Utilities vault has one criticality. CS3 100MGD Reservoir has a criticality of one due to the increasing availability of a system for water storage, allowing for temporary redundancy of supply in the case of an emergency (line break, power outage, hurricane)

Director Williams requested for KB12 be completed initially and then check the data within five years and then determine the need and frequency of the project.

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

No comments.

FUTURE MEETINGS

June 16th, 2025 at 10:00 am

ADJOURNMENT

There being no further business, Chairman DeVane adjourned the meeting at 10:39 a.m.

Respectfully Submitted:

Al Leonard, Secretary

Lower Cape Fear Water & Sewer Authority Master Planning Document 2025 Update



**Long Range Planning Committee
April 14, 2025**



MCKIM & CREED

Item C2

Master Planning Document Components

- ❖ Updated Master Planning Schedule 2025-2050
- ❖ Kings Bluff Raw Water Facilities Projects



Evaluation Factors

- ❖ Category of Need (*Capacity/Renewal-Rehabilitation/Efficiency/Maintenance*)
- ❖ Criticality Score (*1 – 3*)
- ❖ Consequence of No-Action

Drivers

- ❖ Demand/Capacity
- ❖ Life-Cycle
- ❖ Redundancy/Resiliency

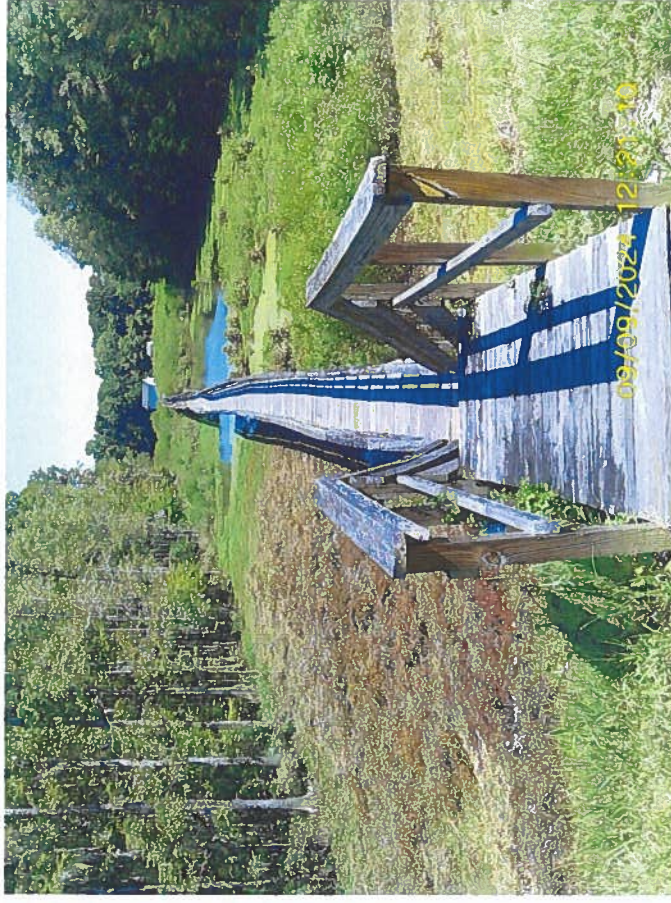
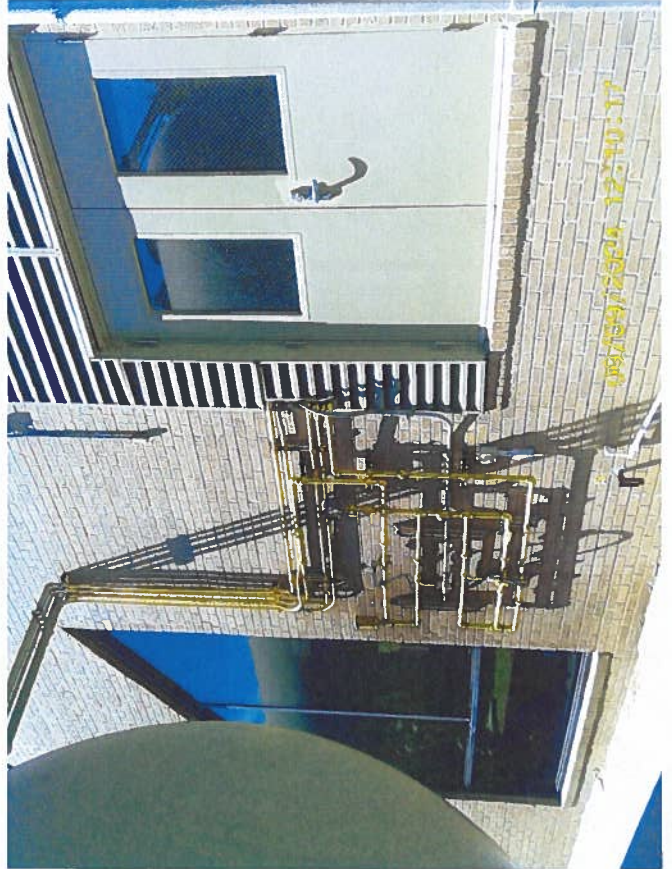


09/09/2024 12:28:17



Major Components

- ❖ Specific Project Pages
- ❖ Tabular Summary
- ❖ Operations/Capital Budget



Removed Projects

- ❖ Intermediate Booster Pump Station Shelter
- ❖ Intermediate Booster Pump Station Upgrade
- ❖ 20 MG Ground Tank
- ❖ 7-Mile Raw Water Main from 3 MG Ground Tank to Pender Vault



New Projects

PROJECT TITLE	48" PCCP Leak Detection Project	KB 12
CATEGORY OF NEED:	Renewal/Rehabilitation, Efficiency, Maintenance	Maintenance
Summary:	<ul style="list-style-type: none"> Begin a Leak Detection Program on the existing 48-inch PCCP pipe that would include an initial assessment and periodic assessments every 10 years or as often as water loss data indicates it is needed. 	
Justification:	<ul style="list-style-type: none"> Identifies potential leaks and weak points in the existing line prior to a break or failure 	
Consequence of No Action:	<ul style="list-style-type: none"> Increased risk for a break to occur along the pipeline at some point in the future 	
Criticality: ▼		
	1	2
DURATION (MONTHS)		36
REQUIRED COMPLETION		2049
TOTAL ESTIMATED COST		\$900,000
FISCAL YEAR	ANTICIPATED FISCAL YEAR EXPENDITURE	
2028-2029	\$300,000	
2038-2039	\$300,000	
2048-2049	\$300,000	

PROJECT TITLE	Surge Tank Control Panel Upgrades	KB 13
CATEGORY OF NEED:	Maintenance, Efficiency	Maintenance
Summary:	<ul style="list-style-type: none"> Connection to SCADA and upgrades to the existing control panel for the surge tanks at the King's Bluff Pump Station 	
Justification:	<ul style="list-style-type: none"> Replacing the existing panels with a singular panel and connecting to SCADA improves efficiency, minimizes required maintenance and increases operational flexibility 	
Consequence of No Action:	<ul style="list-style-type: none"> Lack of operational flexibility and continued maintenance of three panels 	
Criticality: ▼		
	1	2
DURATION (MONTHS)		12
REQUIRED COMPLETION		2028
TOTAL ESTIMATED COST		\$150,000
FISCAL YEAR	ANTICIPATED FISCAL YEAR EXPENDITURE	
2027-2028	\$150,000	

Kings Bluff Capital Projects Annualized Summary (\$MM)

- Capacity
- Redundancy/Resiliency
- Life Cycle/Replacement

Annual Fiscal Year Budget Breakdown – Capital Projects (In Millions of Dollars)

Project No.	Description	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	FY 2046	FY 2047	FY 2048	FY 2049	FY 2050	Totals
KB1	New 4th Pump at King's Bluff (KBPS)	\$3.85	\$1.30																									\$5.15
KB2	Rebuild High Service Pump Motor	\$0.50																										\$0.50
KB3	New Generators							\$2.20	\$19.30																			\$21.50
KB4	Pig 48" Water Main (KBPS to 3 MG Tank)																	\$2.10										\$2.10
KB5	Pig 54" Water Main											\$1.80																\$1.80
KB6	Walkway and Air Backwash Building Replacement	\$3.40																										\$3.40
KB7	Replace Raw Water Pumps 1, 4, 5								\$4.60					\$5.30			\$5.80											\$15.70
KB8	New Surge Tank at KBPS																			\$1.30								\$1.30
KB9	5 ROW Acquisitions	\$0.10	\$0.10	\$0.11																								\$0.31
KB10	48-Inch PCCP Inspection and Pig - Ground Tank to US 421			\$2.60	\$0.21																							\$2.81
KB11	48-Inch PCCP Repairs			\$1.00																								\$1.00
KB12	48" PCCP Leak Detection Project				\$0.30									\$0.30											\$0.30			\$0.90
KB13	Surge Tank Control Panel Upgrades			\$0.15																								\$0.15
KB14	Solar Power Study and Installation						\$0.50	\$2.50																				\$3.00
Cost Sharing Projects																												
CS1	New 5th Pump at King's Bluff																				\$2.00	\$5.10	\$2.30					\$9.40
CS2	3-Mile 48" Parallel Raw Water Main	\$0.10	\$0.90	\$19.50																								\$20.50
CS3	100 MGD Reservoir			\$0.10	\$0.88				\$8.70	\$71.42	\$71.42	\$1.80	\$0.00	\$5.30	\$0.30	\$0.00	\$5.80	\$2.10	\$0.00	\$0.00	\$1.30	\$2.00	\$5.10	\$2.30	\$0.30	\$0.00	\$0.00	\$81.10
Total Fiscal Year Expenditure		\$7.95	\$2.30	\$23.46	\$1.39	\$0.00	\$0.50	\$4.70	\$23.90	\$8.70	\$71.42	\$1.80	\$0.00	\$5.30	\$0.30	\$0.00	\$5.80	\$2.10	\$0.00	\$0.00	\$1.30	\$2.00	\$5.10	\$2.30	\$0.30	\$0.00	\$0.00	\$170.62

Kings Bluff Capital Projects Annualized Summary (\$MM)

From 2024 Master Plan Update

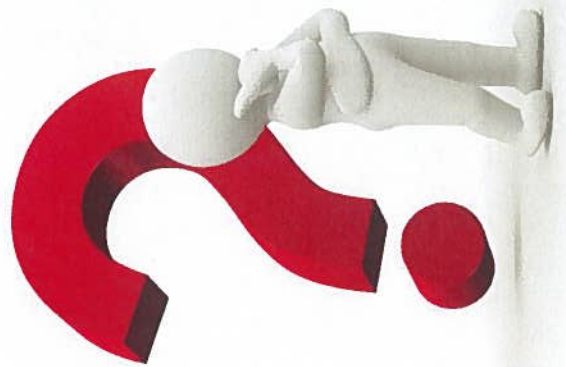
Annual Fiscal Year Budget Breakdown – Capital Projects (In Millions of Dollars)

Project No.	Description	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	FY 2046	FY 2047	FY 2048	FY 2049	Totals	
KB 1	New 4th Pump at King's Bluff (KBFS)					\$3.85	\$1.30																					\$5.15	
KB 2	Rebuild High Service Pump Motor													\$0.50														\$0.50	
KB 3	New Generators												\$2.20	\$19.30														\$21.50	
KB 4	Pig 48" Water Main (KBFS to 3 MG Tank)																		\$2.10									\$2.10	
KB 5	Pig 54" Water Main												\$1.80															\$1.80	
KB 6	Walkway and Air Backwash Building Replacement		\$2.40																									\$2.40	
KB 7	Replace Raw Water Pumps 1, 4, 5							\$1.60					\$5.30			\$5.80												\$15.70	
KB 8	New Surge Tank at KBFS																					\$1.30						\$1.30	
KB 9	5 ROW Acquisitions	\$0.10	\$0.10	\$0.11																								\$0.31	
KB 10	48-Inch PCCP Inspection and Pig – Ground Tank to US-421				\$2.60	\$0.21																						\$2.81	
KB 11	48-Inch PCCP Repairs				\$0.30																							\$0.30	
KB 12	1.3 MW Solar Power Installation								\$2.50																			\$2.50	
Cost Sharing Projects																													
CS-1	Intermediate Reservoir Pump Station-Shellie*																												
CS-2	Intermediate Reservoir Pump Station-Upgrade*																												
CS 3	New 5th Pump at King's Bluff																						\$2.00	\$5.10	\$2.30			\$9.40	
CS 4	20 MG Ground Tank														\$5.50	\$18.20												\$23.70	
CS 5	7-Mile 48" Parallel Raw Water Main		\$15.00	\$20.60																								\$35.60	
CS 6	3-Mile 48" Parallel Raw Water Main			\$6.50	\$18.75																							\$25.25	
CS 7	100 MGD Reservoir	\$0.05							\$8.10	\$47.40		\$0.00	\$9.30	\$19.80	\$5.50	\$24.00	\$0.00	\$0.00	\$2.10	\$0.00	\$0.00	\$1.30	\$2.00	\$5.10	\$2.30	\$0.00	\$0.00	\$55.50	
Total Fiscal Year Expenditure		\$0.15	\$17.50	\$27.21	\$21.65	\$4.06	\$1.30	\$4.60	\$2.50	\$8.10	\$47.40	\$0.00	\$9.30	\$19.80	\$5.50	\$24.00	\$0.00	\$0.00	\$2.10	\$0.00	\$0.00	\$1.30	\$2.00	\$5.10	\$2.30	\$0.00	\$0.00	\$205.82	

Kings Bluff Total Annualized Fiscal Year Summary (\$MM)

2025-2034

Total Annual Fiscal Year Budget Breakdown											
Item	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	Totals
OPERATION PROJECTS BUDGET											
ROW Maintenance	\$75,000	\$75,000	\$75,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$1,275,000
SCADA Improvements	\$158,000									\$175,000	\$333,000
Anti-Vortexing Improvements	\$50,000	\$50,000									\$100,000
Meter and Valve Upgrades/Replacements					\$150,000						\$150,000
VFD Replacements	\$290,000										\$290,000
RR Trans	\$750,000				\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$4,250,000
Miscellaneous	\$30,000	\$30,000	\$30,000	\$30,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$420,000
Total Operations Annual Fiscal Year Expenditure	\$1,353,000	\$155,000	\$105,000	\$680,000	\$850,000	\$700,000	\$700,000	\$700,000	\$700,000	\$875,000	\$6,818,000
CAPITAL PROJECTS BUDGET											
KB1 - New 4th Pump at King's Bluff (KBPS)	\$3,850,000	\$1,300,000									\$5,150,000
KB2 - Rebuild High Service Motor Pumps	\$500,000										\$500,000
KB3 - New Generators							\$2,200,000	\$19,300,000			\$21,500,000
KB6 - Walkway and Air Backwash Building Replacement	\$3,400,000										\$3,400,000
KB7 - Replace Raw Water Pumps 1, 4, 5								\$4,600,000			\$4,600,000
KB9 - ROW Acquisitions	\$100,000	\$100,000	\$110,000								\$310,000
KB10 - 48-Inch PCCP Inspection and Pig - Ground Tank to US421			\$2,600,000	\$210,000							\$2,810,000
KB11 - 48-Inch PCCP Repairs			\$1,000,000								\$1,000,000
KB12 - 48-Inch Leak Detection Project				\$300,000							\$300,000
KB13 - Surge Tank Control Panel Upgrades			\$150,000								\$150,000
KB14 - Solar Power Study and Installation						\$500,000	\$2,500,000				\$3,000,000
CS2 - 3-Mile 48" Parallel Raw Water Main	\$100,000	\$900,000	\$19,500,000								\$20,500,000
CS3 - 100 MGD Reservoir			\$100,000	\$880,000					\$8,700,000	\$71,420,000	\$81,100,000
Total Capital Annual Fiscal Year Expenditure	\$7,950,000	\$2,300,000	\$23,360,000	\$1,390,000	\$0	\$500,000	\$4,700,000	\$23,900,000	\$8,700,000	\$71,420,000	\$144,220,000
Total Annual Fiscal Year Expenditure	\$9,303,000	\$2,455,000	\$23,465,000	\$2,070,000	\$850,000	\$1,200,000	\$5,400,000	\$24,600,000	\$9,400,000	\$72,295,000	\$151,038,000



Questions?



BRUNSWICK COUNTY PUBLIC UTILITIES

Kings Bluff Pump Station/LCFWASA

246 Private Rd. 703
Riegelwood, NORTH CAROLINA 28456MAILING ADDRESS
P. O. Box 249
BOLIVIA, NORTH CAROLINA 28422TELEPHONE (910) 655-4799
FAX (910) 655-4798**TO: Tim Holloman****FROM David Carson****DATE: 5/1/2025****SUBJECT: Monthly maintenance report for April 2025**

Mr. Holloman,

The Maintenance and Operations of the King's Bluff facility (KB) for the month of April 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 / CFPWA 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 sanitized and power washed pump rooms 1,4, & 5 as well as both pipe galleries.

KB personnel exercised all valves on the 48" and 54" waterline interconnections.

KB personnel back washed the Johnson screens at river.

KB personnel replaced the section of the water coolant line on pump #1.

KB personnel installed a toolbox on back of GMC.

KB personnel flushed surge tank 1,2, & 3 of dirt and debris.

KB personnel scrapped old paint and rust from doors and then put coats of primer over them.

KB personnel cleaned around generators of oil and dirt.

KB personnel assisted R.D. White with the replenishment of diesel for both generators.

KB personnel rebuilt and installed motor to back up valve machine (Spin Doctor).

Contractors:

Fullford HVAC came to give quotes on the new unit.

O'Brien HVAC serviced unit #1 and gave quotes for the new unit.

Duke Energy installed a monitoring device to examine incoming power.

LJ's Land management cut Kings Bluff and Authority property.

Pridgen Brothers HVAC serviced unit #2 and gave quoter for new units.

McKim and Creed surveyed the back of the plant to river for new walkway.

R.D. White filled both diesel storage tanks.

David Carson

2024-2025 Annual Inspection Report Update form Glenn Walker

Grounds		
Site	Trench has been filled in and leveled on the water side of the pump station. Snik hole near Small generator and sewer lift station have been filled in. Crushed valve box connection of old and new force mains has been replaced	Wednesday, October 30, 2024 Thursday, October 31, 2024 Friday, November 1, 2024
Original Pumping Station		
Roofing	Roofing has been completed and inspected (McKim & Creed) punch list has been completed	Thursday, December 12, 2024
Ceiling	Ceiling tiles in old pump control room have been replaced	Wednesday, February 19, 2025
Old Pump Room		
Lights	New LED High Bay fixtures have been installed	Wednesday, December 11, 2024
Pump#1	Discharge check valve has been repaired by CR Underwood dash-pot check valve dampening system has been replaced as warranty work	Monday, February 10, 2025
Light Duty Generator		
Surge Tank Air and Water System		
Surge Tank	Install Heat Trace and Insulation on Tank control pipping and drains valves on all 3 tanks.	Wednesday, December 11, 2024
New Pump Room		
Pump#5	Pump #5 check valve was repaired (C R Underwood)	Wednesday, October 2, 2024
Structure	The back wall by the door has been repainted	Monday, April 28, 2025
New Pump Room		
Station Flow Meters	Flow meters have been replaced with calibrated meters annually (Brunswick County I&E)	Monday, November 18, 2024
New Electric Room		
Doors	North door (electric room) latch has been repaired	Tuesday, September 10, 2024
New HVAC Room & HVAC Equip.		
Doors	North door (HVAC Room) weather stripping has been replaced	Wednesday, September 11, 2024
Pier		
New Control Building	New slide bolt lock added to back door of control room	Thursday, January 9, 2025
Structure	Replacing broken or rotten boards replaced as a on going processes	Thursday, September 12, 2024
Intake Pipe Site Maintenance	Hand cutting of both sides of the Pier structure have been completed (LJ's landscaping)	Thursday, December 5, 2024
Old Electrical/Compressor area		
Air Tank/Vaves	New electric drain valves have been replaced	Wednesday, October 23, 2024
Generator Room		

Ceiling /Roof piping	Spray foam insulation PO has been issued/ Meeting with contractor 5/5/25 to begin work Labeling for fuel lines,radiator lines and air lines have been labeled	Monday ,May 5 , 2025 Thursday, January 9,2025
60- Inch Intake Screens 2000 Gallon Air Tank	Repaired Air Valve position indicator on #2 air valve	Thursday, January 23,2025
Raw Water Parallel Line Cross over inter connections	All of the valves at the four inter connections and Raw Tank Have been exercised	Friday , April 25 ,2025



To: Tim Holloman - LCFWASA

From: James Kern – Bladen Bluffs SWTP ORC

Date: 5/5/25

Subject: April 2025 Operations

During the month of April, Bladen Bluffs SWTP operated a total of 19 days, treating 59.05 million gallons of water.

We used:

35,592 lbs. of aluminum sulfate (Alum)

9,915 lbs. of sodium hydroxide (Caustic)

1,431 lbs. of sodium hypochlorite (2,873 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: 5/5/2025

ISSUE:

PLAN OF ACTION:

All PLC need updated	Quote received – In Discussion
Vault intrusion electrical needs replaced	Using in house electricians
Need to do full chemical pump PM	Getting quote
Piping for diesel fuel needs painting	COMPLETE
Multiple flooded vaults	COMPLETE
Corrosion on exposed GAC	COMPLETE
Corrosion on column in chemical building	Will repair after leaking hose is replaced
Electrical Issue in Pipe Gallery	Temp FIXED, quote approved to reroute electric
Wooden walkway to river needs replacement	Planning with LCF
Leak on CL2 truck fill outside	Scheduled to repair

Highlighted items are items noted on annual engineer inspection.

Monthly Operating Reports (MORs) Summary

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

Year: <u>2025</u>	PWS Name: <u>Bladen Bluffs Water System</u>	PWSID# : <u>NC5009012</u>
Month: <u>April</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>103</u>
Samples exceeding .3 NTU (count): <u>0</u>	Number of samples taken: <u>103</u>
Samples exceeding .3 NTU (pct): <u>0.0%</u>	Highest single turbidity reading NTU: <u>0.169</u>
	Monthly average turbidity NTU: <u>0.075</u>

Individual Filter Effluent (IFE) Turbidity

1) Was each filter <u>continuously</u> monitored for turbidity?	Yes	<u>X</u>	No	
2) Was each filter's monitoring results <u>recorded every 15 minutes</u> ?	Yes	<u>X</u>	No	
3) Was there a failure of the continuous turbidity monitoring equipment?	Yes		No	<u>X</u>
4) Was any individual filter turbidity level > 1.0 NTU in two consecutive measurements ?	Yes		No	<u>X</u>
5) Was any individual filter turbidity level > 0.5 NTU in two consecutive measurements at the end of 4 hours of operation after the filter has been backwashed or otherwise taken offline ?	Yes		No	<u>X</u>
6) Was any individual filter turbidity level > 1.0 NTU in two consecutive measurements in each 3 consecutive months ?	Yes		No	<u>X</u>
7) Was any individual filter turbidity level > 2.0 NTU in two consecutive measurements in 2 consecutive months ?	Yes		No	<u>X</u>

Entry Point Residual Disinfectant Concentration (EPRD)

Disinfectant Used <u>Chlorine</u>	Number of samples required <u>103</u>
Minimum EPRD concentration <u>0.4700</u>	Number of samples taken <u>103</u>

Distribution Residual Disinfectant Concentration

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

Contact Time (CT) Ratio

Lowest CT ratio reading <u>16.30</u>	Number of CT ratios required <u>19</u>
Number of CT ratios below 1.0 <u>0</u>	Number of CT ratios calculated <u>19</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 April, 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

**LAW OFFICE OF
MATTHEW A. NICHOLS**

3205 Randall Parkway, Suite 104
Wilmington, NC 28403

Ph: (910) 508-7476
Email: matt@mattnicholslaw.com

April 30, 2025

Via email: director@lcfwasa.gov

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

Dear Tim:

This letter is written in response to your request regarding my representation of Lower Cape Fear Water and Sewer Authority (the "Authority") in fiscal year 2025-2026 and the anticipated cost of doing so.

I will be pleased to serve as general counsel for the Authority for fiscal year 2025-2026 if the Board of Directors wishes for me to continue in that capacity. As previously discussed, my new hourly rate for fiscal year 2025-2026 will be \$225 per hour, and my paralegal's new hourly rate will be \$85 per hour.

I anticipate the total charges for fiscal year 2025-2026 will be approximately \$17,500. This total estimated fee assumes only limited additional work with Authority easement matters. If additional work is required, the annual fee will be higher. If you need additional information, please contact me.

Respectfully submitted,



Matthew A. Nichols

MN/nc

CONSENT AGENDA (CA-6)**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 03/31/2025

Operating Fund:	Line-Item Budget Amount prior to Adjustment	Decrease	Increase	Budget Amount as of 03/31/2025
Expenses				
4048-01 Engineer	\$141,000	\$(24,000)		\$117,000
4038-01 Group Insurance	\$42,586		\$2,000	\$44,586
4081-01 Dues & Subscription	\$12,500		\$2,000	\$14,500
4501-01 Sales Tax Expense	\$105,000		\$20,000	\$125,000
Total	\$ 301,086	\$(24,000)	\$24,000	\$ 301,086

**A RESOLUTION OF
LOWER CAPE FEAR WATER & SEWER AUTHORITY
EXEMPTING LOWER CAPE FEAR WATER & SEWER AUTHORITY
FROM THE PROVISIONS OF N.C.G.S. §143-64.31**

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

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

Whereas, the Authority proposes to enter into a contract with McKim & Creed, Inc. for engineering services as described hereinafter; and

Whereas, the estimated professional fee for the work to be performed by McKim & Creed, Inc. in connection with such project is less than \$50,000.00, with total estimated fees not to exceed \$34,800.00; and

Whereas, the Authority by its execution of this resolution intends to waive the requirements of N.C.G.S. §143-64.31.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Lower Cape Fear Water & Sewer Authority as follows:

1. Pursuant to N.C.G.S. §143-64.32 the Authority hereby exempts the following from the provisions of N.C.G.S. §143-64.31: McKim & Creed proposal for professional consulting engineering services to the Authority for FY 2025-2026, with total estimated fees not to exceed \$34,8000.00.
2. This Resolution shall be effective upon passage.

This Resolution was adopted on the 12th day of May 2025.

Patrick DeVane, Chairman

ATTEST:

Al Leonard, Secretary



ENGINEERS

SURVEYORS

PLANNERS

April 25, 2025

252056

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

**Re: Proposal for Professional Consulting Engineering Services
 Lower Cape Fear Water & Sewer Authority
 FY 2025-2026 Annual Retainer Services**

Dear Mr. Holloman:

McKim & Creed appreciates the opportunity to provide this proposal for professional consulting services for the fiscal year 2025-2026. This proposal is based on the project tasks as outlined below.

Task 1 – Monthly Authority Meetings

McKim & Creed will attend the Monthly meetings of the Authority and assist the Executive Director and Board of Directors by providing technical guidance and responding to general questions with respect to the Authority's facilities during the meetings. The standard service for this item will be \$275 per month (lump sum).

Task 2 – Technical Evaluations & On-Call Services

Frequently, the Authority receives requests for technical evaluations concerning their capabilities and capacity to meet the needs of its members or public and private entities within the five-county area (Bladen, Columbus, New Hanover, Pender, and Brunswick). At the request and direction of the Executive Director and the Board of Directors, McKim & Creed will provide technical evaluations or assistance for specific issues concerning the Authority's facilities and customers.

We will provide such assistance to the Authority on an hourly not to exceed basis or fixed fee basis at the discretion of the Executive Director and the Board of

243 North Front Street

Wilmington, NC 28401

910.343.1048

Fax 910.251.8282

www.mckimcreed.com

K:\Water\Lower Cape Fear Water & Sewer Authority (LCFWSA)\252056_LCFWSA 2025-2026 Annual
 Services\03_Estimates_FeeCalcs_FeeProposal\02_McKim\252056 Proposal FY 2025-2026.doc

Mr. Tim Holloman, Executive Director
Lower Cape Fear Water and Sewer Authority
April 25, 2025
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Directors. McKim & Creed will obtain approval from the Executive Director prior to commencing work on an item.

Task 3 – Kings Bluff Raw Water Facilities Annual Inspection Report

The consultant will review the activities related to the Authority's raw water pumping facilities for the Kings Bluff system and meet with the O&M Contractor's staff to prepare a summary report concerning current conditions and O&M conducted over the past fiscal year. This summary will constitute the Annual Inspection Report for the Authority for the Kings Bluff Raw Water Facilities.

Task 4 – Bladen Bluffs Water Treatment Facilities Annual Inspection Report

The consultant will review the activities related to the Authority's Bladen Bluffs Surface Water Treatment Facility, located in Tar Heel, NC. We will meet with plant operations staff to prepare a summary report concerning current conditions and O&M conducted at the facility over the past fiscal year. This summary will constitute the Annual Inspection Report for the Authority for the Bladen Bluffs Water Treatment Facilities.

Task 5 – Annual Master Plan Update

The consultant will prepare an update to the Authority's Master Plan. Primary tasks will include:

- Review current Master Plan projects and update year of occurrence and opinion of probable project costs.
- Remove/edit current Master Plan projects based on current needs of the Authority.
- Add additional Master Plan projects based on current needs of the Authority.
- Update Master Plan document for review and comment by Authority staff and Board of Directors
- Prepare Draft and Final Master Plan document in hard copy and electronic (PDF) format.
- Present updated Master Plan to the Authority's Board of Directors.

Mr. Tim Holloman, Executive Director
 Lower Cape Fear Water and Sewer Authority
 April 25, 2025
 Page 3

Fee Summary

The following summarizes the fees proposed for this project.

Task	Fee Type	Annual Cost
1 - Monthly Assistance	\$275 Per Month	\$3,300
2 - Technical Evaluations	Hourly NTE	\$10,000
3 - Kings Bluff Annual Inspection	Fixed Fee	\$6,500
4 - Bladen Bluffs Annual Inspection	Fixed Fee	\$6,500
5 - Annual Master Plan Update	Fixed Fee	\$8,500
Total Estimated Fees		\$34,800

Miscellaneous Conditions

- 1.5% per month on overdue invoices.
- Either party may terminate with a 30-day notice.

ACCEPTANCE AND AUTHORIZATION

If this proposal is acceptable, please sign below as indicated and return one executed copy to our office. Upon receipt, McKim & Creed will consider this as the authorization to proceed.

We appreciate the opportunity to provide these services and look forward to our continuing work with the Authority. If you have any questions, please do not hesitate to contact me.

Sincerely,

McKIM & CREED, Inc.



Tony Boahn, PE
 Vice-President

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

Mr. Tim Holloman, Executive Director
Lower Cape Fear Water and Sewer Authority
April 25, 2025
Page 4

Accepted by:

LOWER CAPE FEAR WATER & SEWER AUTHORITY

NAME: _____

SIGNATURE: _____

TITLE: Chairman, Board of Directors

DATE: _____

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

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act, this the ____ day of _____, 2025

Finance Officer, Lower Cape Fear Water and Sewer Authority

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

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

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

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

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

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

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

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

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

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

Opinions of Cost.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Paragraph Headings. The paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

AGENDA ITEM

To: CHAIRMAN DEVANE AND BOARD MEMBERS

From: TIM HOLLOMAN, EXECUTIVE DIRECTOR

Date: May 12, 2025

Re: Public Hearing Prior to Approval of the Fiscal Year 2025 – 2026 Budget and Budget Ordinance

Please find enclosed for consideration of approval, appropriations for the listed funds for the operation of the Authority for the Fiscal Year beginning July 1, 2025, and ending June 30, 2026.

Public Hearing: In accordance with North Carolina General Statute Section 159-12 (b), prior to adopting the budget ordinance, the Board shall hold a public hearing at which time any persons who wish to be heard on the budget may appear. Legal notice of the public hearing on the budget was published on April 21st, 23rd, 27th, 30th, May 4th, and 7th 2025, in Star-News and on the Authority's web page.

Written public comment regarding the Fiscal Year 2025-2026 Budget may be submitted to Executive Director Holloman at director@lcfwasa.gov until 4:30 p.m. on June 6th, 2025.

- A. Operating Fund Appropriations in the Amount of \$49,036,004
- B. Operating General Fund Appropriations in the Amount of \$4,738,387
- C. Enterprise Fund/Capital Project Fund Appropriations in the Amount of \$511,048
- D. Renewal and Replacement Appropriations Fund in the Amount of \$2,033,897
- E. Right of Way Fund Appropriations in the Amount of \$281,501

Motion to Open Public Hearing

1. A motion is made by _____ to open a public hearing on the FY 2025-2026 Budget.
2. The motion is seconded by _____.

Motion to Close Public Hearing

1. A motion is made by _____ to close the public hearing.
2. The motion is seconded by _____.

Executive Director Holloman will briefly review the recommended budget as recommended by the Finance Committee

Action Requested: No action is required at this time. The Budget is being presented for consideration of approval/disapproval on June 16, 2025, at 9:00 a.m.

NEW BUSINESS (NB1)

**Lower Cape Fear Water & Sewer
Authority**

AGENDA ITEM

To: CHAIRMAN DEVANE AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: May 12, 2025

Re: FY 2025-2026 Draft Fiscal Year Budget

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

Background: The Finance Committee has met and reviewed drafts since March and recommend the FY 2025-2026 Budget as presented during the Public Hearing for consideration for approval on June 16th, 2025.

Action Requested: For information purposes.

ANNUAL BUDGET

Fiscal Year 2025 - 2026



LOWER CAPE FEAR WATER & SEWER AUTHORITY
1107 NEW POINTE BLVD., SUITE 17
LELAND, NORTH CAROLINA 28451

AUTHORITY BOARD OF DIRECTORS

PATRICK DEVANE, CHAIRMAN

SCOTT PHILLIPS, VICE-CHAIRMAN

AL LEONARD, SECRETARY

CHARILE RIVENBARK, TREASURER

JERRY GROVES, ASSISTANT TREASURER

DAMIEN BUCHANAN

WAYNE EDGE

HARRY KNIGHT

BILL SAFFO

CHRIS SMITH

WILLIAM SUE

PHIL TRIPP

FRANK WILLIAMS

ROB ZAPPLE

BLADEN COUNTY

BRUNSWICK COUNTY

COLUMBUS COUNTY

CITY OF WILMINGTON

PENDER COUNTY

PENDER COUNTY

BLADEN COUNTY

NEW HANOVER COUNTY

CITY OF WILMINGTON

COLUMBUS COUNTY

BRUNSWICK COUNTY

BRUNSWICK COUNTY

BRUNSWICK COUNTY

NEW HANOVER COUNTY

TIM HOLLOMAN, EXECUTIVE DIRECTOR

DANIELLE HERTZOG, ADMINISTRATIVE ASSISTANT

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June 16, 2025

Chairman Devane and Directors:

I am pleased to present the FY 2025-2026 Budget for the Lower Cape Fear Water and Sewer Authority for your review and consideration. The enclosed FY 25-26 Budget has been prepared in accordance with the North Carolina General Statute 159 Article 3, entitled "*The Local Government Budget and Fiscal Control Act.*"

The Public Hearing on the annual budget was held during the regularly scheduled monthly meeting of the Authority Board at 9:00 AM on Monday, May 12, 2025, in the conference room of the Authority's offices located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

Legal notice of the public hearing on the budget was published on April 21, 23, 27, 30, May 4, and May 7, 2025, in accordance with the General Statutes.

The Authority's annual budget outlines the revenues that the Authority expects to receive during the fiscal year and outlines the expenditures expected to be made during the fiscal year. The core business of the Authority is providing raw water from the Cape Fear River to the Authority's customers. The Authority also continues to work with Smithfield Foods in the operation of the Bladen Bluffs Regional Water Treatment Plant.

The region served by the Authority continues to be one of the fastest-growing regions in the nation. The counties served by the Authority have increased in population from 456,941 in 2010 to an estimated population of 545,634 in 2022. This represents a 20% increase in the number of people served by the Authority's customers.

FY 24-25 ACCOMPLISHMENTS

Construction on the 10-mile parallel line project began in late February and is made possible by partner, State Revolving loan funds, and other funding to advance the project schedule and maximize its benefits.

Engaged Electus as the Authority's Lobbyist.

Continue work on land acquisition for the Reservoir.

Working to update the long-range demand requirements for the region.

Began design on the Air backwash and Walkway project.

CAPITAL IMPROVEMENT PLAN ALIGNED WITH RATES

The Authority continues to align the CIP with adequate rates to stabilize various funds and levels and anticipate unexpected emergencies and long-term needs. The Long-Range Planning Committee continues to support a rate policy aligned with construction, refurbishment, and expansion needs.

FISCAL YEAR 2024-2025 FUND DESCRIPTION

The Authority maintains five funds. The funds and their purposes are as follows:

BLADEN BLUFFS OPERATING FUND

While the Authority owns the Bladen Bluffs Regional Water Treatment Plant and is responsible for the debt associated with its construction, Smithfield Foods operates the facilities and pays all costs related to their operation, including the debt service. The Authority receives the bills related to the facility's operation, pays the vendors, and then submits a consolidated statement to Smithfield Foods monthly per the December 19, 2009, Agreement.

The debt service principal for the Bladen Bluffs Regional Water Treatment Plant for FY 25-26 is \$1,115,000 to be paid in December 2025. The interest rate on the remaining principal is variable, and based on current interest rates, it is estimated that \$480,000 in interest will be paid.

In FY 25-26, Smithfield's expenditure on the operation of the Bladen Bluffs Regional Water Treatment Plant is expected to be \$5,670,086.

The Authority charges approximately 32.5% of personnel and direct costs to Smithfield in recognition of the personnel's work performed on Bladen Bluffs Regional Water Treatment Plant-related issues, such as accounts payable, expenditure accounting, and capital project management. Smithfield pays its proportionate share of other direct costs, such as insurance and audits.

KINGS BLUFF OPERATING FUND

REVENUES

In FY 25-26, the projected water revenues reflect an increase of 6% over the FY 24-25 projections. The projected water demand for FY 25-26 is 10.51 billion gallons or 28.82 million gallons per day (mgd). By Board approval, the raw water

rate increases in FY 25-26 to \$0.4800 per 1,000 gallons for governmental partners and to \$0.70 for Industrial customers. This rate and the projected flow will generate \$5,102,107 in operating revenue.

EXPENDITURES

The Authority owns the Kings Bluff Raw Water Pump Station and associated transmission system. While the Authority contracts with Brunswick County for the daily operation of the station, the Authority is responsible for paying for several direct costs associated with station operation, such as electric charges from Duke Energy, fuel costs related to the main generators, debt service on capital improvements, and significant capital expenditures for repairs of station equipment.

In FY 25-26, Brunswick County's Operations and Maintenance costs remained the same at \$736,811.

In FY 25-26, the cost of operating the Kings Bluff Pump Station is \$13,240,918. \$10,851,000 million in capital funds will be expended for various projects, with approximately \$4,200,000 on the air backwash and walkway replacement and 5,800,000 on the fourth pump. \$30,000,000 will be spent on the three-phase, 10-mile parallel line project.

RENEWAL AND REPLACEMENT FUND

The purpose of this fund is to pay for the replacement of equipment at the Kings Bluff Pump Station. At a minimum, the projected balance over ten years should be \$5,000,000, adjusted for inflation.

ENTERPRISE FUND

The Enterprise Fund is the primary source of funds for capital projects and major repairs. No projects are budgeted for this fund in FY 25-26. The balance of this fund is \$511,049. Over ten years, the projected balance should be \$10,000,000 at a minimum. Annual allocations to this fund need to be in the range of \$400,00 to \$500,000 annually to reach 50% of the projected need.

RIGHT OF WAY FUND

The Right of Way Maintenance Fund was funded by a developer and will be used to repair the roadway constructed with the Authority's easement in Brunswick County. We do not anticipate any expenditure from this fund in FY 25-26.

CONCLUSION

I want to thank the Finance Committee and the Board for supporting and recognizing the resources needed to keep the Authority moving forward. I would also like to express special appreciation to our Financial Administrative Assistant for her attention to detail with Authority funds. The Board continues to strengthen the Authority's Financial position to be prepared to meet capital obligations to our partners and the communities they serve. Furthermore, planning to accommodate future growth and promoting business retention and recruitment to the Cape Fear Region is a top concern for the Board. Recognition also goes to our partners and Board for their continued efforts to secure funding for our larger capital projects in addition to rate revenue.

Respectfully Submitted,

Tim H. Holloman
Executive Director



BUDGET ORDINANCE

FY 2025-2026

Lower Cape Fear Water & Sewer Authority

BE IT ORDAINED by the Governing Board of the Lower Cape Fear Water & Sewer Authority:

Section 1: The following amounts are hereby appropriated in the **Operating Fund** for the operation of the Authority and its activities for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

APPROPRIATIONS

Administration	\$1,103,756
Operating Expenses	
Sales Tax Expense	150,000
Operating Capital Expense	10,851,000
Bladen Bluffs Expense	3,821,385
Utilities/Energy – Kings Bluff Pump Station	778,052
O&M Expense – Kings Bluff	736,811
Transfer to R&R - Kings Bluff R&R Expense	0
Transfer to Enterprise	0
Series 2010 Revenue Bond-Principal Expense (BB)	1,115,000
Series 2010 Revenue Bond-Interest Expense (BB)	480,000
SRF/ARPA	<u>30,000,000</u>

TOTAL APPROPRIATIONS	<u><u>\$49,036,004</u></u>
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Section 2: It is estimated the following revenues will be available in the **Operating General Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

REVENUES

Operating Revenues

Brunswick County	\$2,621,733
Cape Fear Public Utility Authority	2,022,934
Pender County	289,440
Hwy 421	140,000
Praxair	35,200
Bladen Bluffs Revenue	5,670,183
Bladen Bluffs Admin Reimbursement	133,823
Sales Tax Refund	159,988

Non-Operating Revenues

Interest	200,000
Other Revenue	0
Bladen Bluffs FEMA Admin Reimbursement	0
Renewal and Replacement Fund Appropriated	0
SRF/ARPA	<u>37,762,703</u>

TOTAL REVENUES	<u><u>49,036,004</u></u>
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Section 3: The Board of Directors of the Lower Cape Fear Water & Sewer Authority hereby establishes a raw water rate of \$0.4800/.70 per 1,000 gallons as of July 1, 2025, for raising the necessary revenue to balance the appropriations noted in Section 1.

Section 4: The following amount is hereby appropriated in the **Operating General Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

APPROPRIATIONS

Operating General Fund – Appropriated for Future Expenditures	\$ 4,738,387
TOTAL APPROPRIATIONS	\$ 4,738,387

Section 5: It is estimated the following revenue will be available in the **Operating General Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

REVENUES

Operating General Fund - Fund Balance	\$ 4,738,387
TOTAL ESTIMATED REVENUES	\$ 4,738,387

Section 6: The following amount is hereby appropriated in the **Enterprise Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

APPROPRIATIONS

Enterprise Fund - Reserve for Future Expenditures	\$ 511,048
TOTAL APPROPRIATIONS	511,048

Section 7: It is estimated the following revenue will be available in the **Enterprise Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

REVENUES

Enterprise Fund - Fund Balance Appropriated	\$ 511,048
TOTAL ESTIMATED REVENUES	\$ 511,048

Section 8: The following amounts are hereby appropriated in the **Renewal and Replacement Fund (R&R)** for the fiscal year beginning July 1, 2024, and ending June 30, 2025:

APPROPRIATIONS

R&R - Reserve for Future Expenditures	\$ 2,033,897
R&R - Kings Bluff R&R Expense	0
TOTAL APPROPRIATIONS	\$ 2,033,897

Section 9: It is estimated the following revenues will be available in the **Renewal and Replacement Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

REVENUES

R&R - Fund Balance Appropriated	\$ 2,033,897
Transfer In from Operating Fund	0
TOTAL ESTIMATED REVENUES	\$ 2,033,897

Section 10: The following amount is hereby appropriated in the **Right of Way Maintenance Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

APPROPRIATIONS

Right of Way Fund - Reserve for Future Expenditures	\$	281,504
TOTAL APPROPRIATIONS	\$	281,504

Section 11: It is estimated the following revenue will be available in the **Right of Way Maintenance Fund (ROW)** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

REVENUES

ROW - Fund Balance Appropriated	\$	281,504
TOTAL ESTIMATED REVENUES	\$	281,504

Section 10: Copies of this Budget Ordinance shall be furnished to the Finance Officer to be kept on file for direction in the disbursement of funds. This budget acknowledges and approves any transfers between funds expected as revenue from one fund or account specifically in reference to the Bladen Bluffs Administrative transfers as reflected in this budget and any funds in associated Kings Bluff Funds, including the Revenue and Replacement Fund, Enterprise Fund, and Right of Way Fund.

Adopted this 16th day of June 2025

Patrick DeVane, Chairman

ATTEST:

Al Leonard, Secretary

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

ACCOUNT NO	REVENUES	FY 23-24 APPROVED BUDGET	FY 23-24 ACTUALS	FY 24-25 AMENDED BUDGET	FY 24-25 ACTUAL 03/31/2025	PROPOSED FY 25-26 BUDGET		FY 25-26 TOTAL COMBINED BUDGET
						KINGS BLUFF	BLADEN BLUFFS	
	OPERATING							
3001-01	Brunswick County	\$ 1,923,193	\$ 2,092,732	\$ 2,522,662	\$ 1,698,916	\$ 2,621,733	\$ -	\$ 2,621,733
3002-01	Cape Fear Public Utility Authority	\$ 1,652,562	\$ 1,706,436	\$ 1,835,996	\$ 1,286,852	\$ 2,022,934	\$ -	\$ 2,022,934
3003-03	Pender County	\$ 234,160	\$ 245,752	\$ 256,344	\$ 182,412	\$ 289,440	\$ -	\$ 289,440
3004-01	Stepan/Invista	\$ 110,000	\$ 121,448	\$ 176,000	\$ 138,299	\$ 140,000	\$ -	\$ 140,000
3005-01	Praxair, Inc	\$ 15,784	\$ 19,156	\$ 35,200	\$ 17,772	\$ 35,200	\$ -	\$ 35,200
3006-01	Bladen Bluffs Reimbursement for Plant Operation Costs	\$ 5,615,603	\$ 5,703,114	\$ 5,570,183	\$ 3,805,396	\$ -	\$ 5,670,086	\$ 5,670,086
3006-02	Bladen Bluffs Administrative Reimbursement	\$ 158,754	\$ 158,754	\$ 119,988	\$ 125,391	\$ 133,823	\$ -	\$ 133,823
3007-01	Sales Tax Refund	\$ 100,000	\$ 106,041	\$ 115,234	\$ 116,124	\$ 34,988	\$ 135,000	\$ 159,988
	Subtotal	\$ 9,810,056	\$ 10,153,433	\$ 10,631,607	\$ 7,371,162	\$ 5,278,118	\$ 5,805,086	\$ 11,073,204
	Non-Operating							
3105-01	Interest	\$ 9,716	\$ 130,862	\$ 154,188	\$ 170,433	\$ 200,000	\$ -	\$ 200,000
3120-01	Other Revenue (Insurance Proceeds/Refunds/FEMA)	\$ -	\$ 729	\$ -	\$ -	\$ -	\$ -	\$ -
3125-01	Federal Tax Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3156-00	Rental House Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3170-01	Transfer In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3900-01	Renewal and Replacement Fund Appropriated	\$ -	\$ -	\$ 104,534	\$ -	\$ -	\$ -	\$ -
3900-02	SRF/ARPA/STATE APPROPRIATION	\$ 2,500,000	\$ 1,625,752	\$ 20,000,000	\$ 12,396,527	\$ 37,762,800	\$ -	\$ 37,762,800
2900-00	Fund Balance Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal	\$ 2,509,716	\$ 1,757,343	\$ 20,258,722	\$ 12,566,960	\$ 37,962,800	\$ -	\$ 37,962,800
	TOTAL REVENUES	\$ 12,319,772	\$ 11,910,776	\$ 30,890,329	\$ 19,938,122	\$ 43,240,918	\$ 5,805,086	\$ 49,036,004

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

EXPENDITURES	FY 22-23 APPROVED BUDGET	FY 22-23 ACTUALS	FY 24-25 AMENDED BUDGET	FY 24-25 ACTUAL 03/31/2025	PROPOSED FY 25-26 BUDGET		FY 25-26 TOTAL COMBINED BUDGET
					KINGS BLUFF	BLADEN BLUFFS	
Administration							
Salaries	\$ 213,675	\$ 196,423	\$ 222,026	\$ 167,384	\$ 172,808	\$ 74,061	\$ 246,869
Per Diem and Mileage Board Members	\$ 64,001	\$ 55,475	\$ 64,476	\$ 40,537	\$ 45,354	\$ 19,437	\$ 64,791
Vehicle Allowance	\$ 5,200	\$ 5,200	\$ 5,200	\$ 4,000	\$ 3,640	\$ 1,560	\$ 5,200
FICA Taxes	\$ 20,953	\$ 19,492	\$ 22,534	\$ 16,009	\$ 17,261	\$ 7,397	\$ 24,658
Retirement	\$ 28,153	\$ 25,670	\$ 30,196	\$ 21,323	\$ 25,662	\$ 10,998	\$ 36,660
401K Plan	\$ 12,312	\$ 11,100	\$ 12,422	\$ 8,835	\$ 9,738	\$ 4,174	\$ 13,912
Miscellaneous Payroll Expenses	\$ 3,100	\$ 2,874	\$ 2,900	\$ 2,358	\$ 2,900	\$ -	\$ 2,900
Group Insurance	\$ 40,176	\$ 38,002	\$ 42,586	\$ 30,283	\$ 29,810	\$ 12,776	\$ 42,586
Property and Liability Insurance	\$ 133,236	\$ 111,030	\$ 156,000	\$ 96,235	\$ 121,212	\$ 51,948	\$ 173,160
Professional Services General	\$ 3,800	\$ -	\$ 15,000	\$ -	\$ 38,500	\$ 16,500	\$ 55,000
Attorney	\$ 41,000	\$ 40,365	\$ 50,000	\$ 31,500	\$ 45,500	\$ 19,500	\$ 65,000
Auditor	\$ 8,200	\$ 8,200	\$ 10,500	\$ 6,000	\$ 6,650	\$ 2,850	\$ 9,500
Engineer	\$ 238,153	\$ 46,174	\$ 141,000	\$ 25,257	\$ 135,000	\$ 25,000	\$ 150,000
Information Technology	\$ 50,428	\$ 23,191	\$ 25,000	\$ 2,853	\$ 10,500	\$ 4,500	\$ 15,000
Financial Advisor	\$ -	\$ -	\$ 10,000	\$ -	\$ 7,000	\$ 3,000	\$ 10,000
Office Maintenance/Repair/Common Charge	\$ 23,000	\$ 15,147	\$ 40,000	\$ 25,192	\$ 45,000	\$ -	\$ 45,000
Office Utilities	\$ 5,000	\$ 2,173	\$ 3,500	\$ 2,165	\$ 4,000	\$ -	\$ 4,000
Office Expenses (telephone, Printing, Adv)	\$ 16,000	\$ 15,852	\$ 15,000	\$ 6,334	\$ 15,000	\$ -	\$ 15,000
Office Equipment	\$ 43,000	\$ 38,389	\$ 40,000	\$ 27,968	\$ 30,000	\$ -	\$ 30,000
Printing and Advertising	\$ 8,000	\$ 8,033	\$ 14,500	\$ 9,456	\$ 15,500	\$ -	\$ 15,500
Telephone and Internet	\$ 3,500	\$ 3,101	\$ 7,000	\$ 4,099	\$ 5,500	\$ -	\$ 5,500
Travel and Training	\$ 29,000	\$ 23,210	\$ 36,000	\$ 30,382	\$ 36,000	\$ -	\$ 36,000
Phone Allowance	\$ 520	\$ 520	\$ 520	\$ 400	\$ 520	\$ -	\$ 520
Vehicle Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous Expense	\$ 20,000	\$ 15,562	\$ 17,000	\$ 6,661	\$ 25,000	\$ -	\$ 25,000
Dues & Subscription	\$ -	\$ -	\$ 12,500	\$ 12,210	\$ 12,000	\$ -	\$ 12,000
Subtotal	\$ 1,010,407	\$ 705,183	\$ 995,860	\$ 577,441	\$ 860,055	\$ 253,701	\$ 1,103,756

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

EXPENDITURES	FY 22-23 APPROVED BUDGET	FY 22-23 ACTUALS	FY 24-25 AMENDED BUDGET	FY 24-25 ACTUAL 03/31/2025	PROPOSED FY 25-26 BUDGET		FY 25-26 TOTAL COMBINED BUDGET
					KINGS BLUFF	BLADEN BLUFFS	
Operating							
Sales Tax Expense	\$ 135,000	\$ 119,601	\$ 105,000	\$ 103,480	\$ 15,000	\$ 135,000	\$ 150,000
Bladen Bluffs O & M	\$ 3,856,666	\$ 3,478,562	\$ 3,821,385	\$ 1,887,315	\$ -	\$ 3,821,385	\$ 3,821,385
Bladen Bluffs Hurricane Florence	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities/Energy Kings Bluff	\$ 786,589	\$ 754,376	\$ 775,363	\$ 513,649	\$ 778,052	\$ -	\$ 778,052
Contract O & M Kings Bluff	\$ 686,749	\$ 385,012	\$ 736,811	\$ 502,048	\$ 736,811	\$ -	\$ 736,811
O&M Kings Booster Pump Bluff Pump Station	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Combined Enterprise Funded Series 2010 Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Combined Enterprise Funded Series 2010 Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Combined Enterprise System Ref Series 2012 Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Combined Enterprise System Ref Series 2012 Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bladen Bluffs Debt Service Principal	\$ 970,000	\$ 970,000	\$ 1,035,000	\$ 1,035,000	\$ -	\$ 1,115,000	\$ 1,115,000
Bladen Bluffs Debt Service Interest	\$ 608,000	\$ 607,251	\$ 500,000	\$ 375,297	\$ 10,851,000	\$ 480,000	\$ 480,000
Operating Capital Expense	\$ 1,286,360	\$ 90,856	\$ 2,760,310	\$ 625,290	\$ -	\$ -	\$ 10,851,000
Transfer to R&R - Kings Bluff R&R Expense	\$ 380,000	\$ 380,000	\$ 160,600	\$ -	\$ -	\$ -	\$ -
Transfer to R&R - Industrial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer to Enterprise Fund	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
421 Relocation New Hanover County Loan Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SRF/7 mile parallel line expenditures	\$ 2,500,000	\$ 1,764,140	\$ 20,000,000	\$ 10,788,734	\$ 30,000,000	\$ -	\$ 30,000,000
Subtotal	\$ 11,309,364	\$ 8,649,798	\$ 29,894,469	\$ 15,830,813	\$ 42,380,863	\$ 5,551,385	\$ 47,932,248
TOTAL EXPENDITURES	\$ 12,319,771	\$ 9,354,981	\$ 30,890,329	\$ 16,408,254	\$ 43,240,918	\$ 5,805,086	\$ 49,036,004

WATER REVENUE ESTIMATES AND WATER RATE CALCULATION

Raw Water Customer	FLOWS			
	FY 23-24 Actual	FY 24-25 Projected	FY 24-25 Actual (as of 03/31/2025)	FY 25-26 Projected
Brunswick County	5,233,359	5,733,323	3,861,171	5,461,944
CFPUA	4,266,090	4,172,719	2,924,663	4,214,446
Pender County	614,380	582,600	414,573	603,000
Stephan	303,619	266,667	209,544	200,000
Praxair	47,890	53,333	26,926	40,000
	10,465,338	10,808,642	7,436,877	10,519,390

Raw Water Customer	REVENUES			
	FY 22-23 Actual	FY 24-25 Projected	FY 24-25 Actual (as of 03/31/2025)	FY 24-25 Projected
RATE PER 1,000 GALLONS	\$ 0.4000	\$ 0.4400	\$ 0.4400	\$ 0.4800
Brunswick County	\$ 2,093,344	\$ 2,522,662	\$ 1,698,915	\$ 2,621,733
CFPUA	\$ 1,706,436	\$ 1,835,996	\$ 1,286,852	\$ 2,022,934
Pender County	\$ 245,752	\$ 256,344	\$ 182,412	\$ 289,440
	\$ 4,045,532	\$ 4,615,002	\$ 3,168,179	\$ 4,934,107

RATE PER 1,000 GALLONS	\$ 0.4000	\$ 0.6600	\$ 0.6600	\$ 0.7000
Stepan	\$ 121,448	\$ 117,333	\$ 138,299	\$ 140,000
Praxair	\$ 19,156	\$ 35,200	\$ 17,771	\$ 28,000
	\$ 140,604	\$ 152,533	\$ 156,070	\$ 168,000
Combined Total	\$ 4,186,135	\$ 4,767,536	\$ 3,324,249	\$ 5,102,107

KINGS BLUFF EXPENSES	
ADMINISTRATION	\$ 860,055
OPERATING INCLUDING DEBT SERVICE	\$ 42,380,863
TOTAL EXPENSES	\$ 43,240,918

KINGS BLUFF REVENUES	
WATER SALES BASED ON CURRENT RATE	\$ 5,102,107
OTHER REVENUES	\$ 133,823
TOTAL REVENUES	\$ 5,235,930

BRUNSWICK COUNTY
PROJECTED WATER USE
FOR JULY 1, 2025 THROUGH JUNE 30, 2026
WATER RATE OF \$0.48 / 1,000 GALLONS

Month	Estimated Usage	Cumulative Total
July 2025	583,015,500.00	583,015,500.00
August	544,155,133.33	1,127,170,633.33
September	495,088,700.00	1,622,259,333.33
October	487,979,666.67	2,110,239,000.00
November	378,881,000.00	2,489,120,000.00
December	340,888,233.33	2,830,008,233.33
January 2026	365,638,533.33	3,195,646,766.67
February	322,818,022.22	3,518,464,788.89
March	389,507,411.11	3,907,972,200.00
April	459,588,488.89	4,367,560,688.89
May	535,066,811.11	4,902,627,500.00
June	559,316,233.33	5,461,943,733.33
TOTAL	5,461,943,733.33	
Annual Daily Average:	14,964,229.41	Annual Revenue
		\$ 2,621,732.99

CAPE FEAR PUBLIC UTILITY AUTHORITY
PROJECTED WATER USE
FOR JULY 1, 2025 THROUGH JUNE 30, 2026
WATER RATE OF \$0.48 / 1,000 GALLONS

Month	Estimated Usage	Cumulative Total
July 2025	299,693,954.88	299,693,954.88
August	310,099,994.98	609,793,949.86
September	334,033,887.21	943,827,837.07
October	328,830,867.16	1,272,658,704.23
November	255,988,586.46	1,528,647,290.69
December	375,658,047.61	1,904,305,338.30
January 2026	431,850,664.15	2,336,156,002.45
February	387,104,691.72	2,723,260,694.17
March	448,500,328.31	3,171,761,022.48
April	418,322,812.02	3,590,083,834.50
May	328,830,867.16	3,918,914,701.66
June	295,531,538.84	4,214,446,240.50
TOTAL	4,214,446,240.50	
Annual Daily Average:	11,546,428.06	Annual Revenue \$ 2,022,934.20

PENDER COUNTY
PROJECTED WATER USE
FOR JULY 1, 2025 THROUGH JUNE 30, 2026
WATER RATE OF \$0.48 / 1,000 GALLONS

Month	Estimated Usage	Cumulative Total
July 2025	56,000,000.00	56,000,000.00
August	54,000,000.00	110,000,000.00
September	49,000,000.00	159,000,000.00
October	46,000,000.00	205,000,000.00
November	44,000,000.00	249,000,000.00
December	47,000,000.00	296,000,000.00
January 2026	42,000,000.00	338,000,000.00
February	42,000,000.00	380,000,000.00
March	45,000,000.00	425,000,000.00
April	55,000,000.00	480,000,000.00
May	58,000,000.00	538,000,000.00
June	65,000,000.00	603,000,000.00
TOTAL	603,000,000.00	
Annual Daily Average:	1,652,054.79	Annual Revenue \$ 289,440.00

PERSONNEL COST

Employee	Adopted FY 24-25	Salary	Proposed FY 25-26	Notes
Executive Director	\$	139,986.05	\$ 156,784.38	3%COLA/4% Merit/5% SSA
Administrative Assistant	\$	67,040.21	\$ 75,085.04	3%COLA/4% Merit/5% SSA
Part-Time	\$	15,000.00	\$ 15,000.00	
	\$	222,026.26	\$ 246,869.41	
Board Per Diem and Mileage				
Board	\$	64,475.94	\$ 64,790.94	
		FICA		
Executive Director	\$	11,968.81	\$ 13,405.06	8.55 % of Salary
Administrative Assistant	\$	5,731.94	\$ 6,419.77	8.55 % of Salary
Part-Time	\$	1,282.50	\$ 1,282.50	8.55% of Salary
Board Members	\$	3,550.95	\$ 3,550.95	8.55% of Salary
	\$	22,534.20	\$ 24,658.28	
		Retirement		
Executive Director	\$	19,038.10	\$ 23,282.48	14.85%
Part-Time	\$	9,117.47	\$ 2,227.50	
Administrative Assistant	\$	2,040.00	\$ 11,150.13	14.85%
	\$	30,195.57	\$ 36,660.11	
		Health Insurance		
Executive Director	\$	21,293.00	\$ 21,293.00	
Administrative Assistant	\$	21,293.00	\$ 21,293.00	
	\$	42,586.00	\$ 42,586.00	
		401 K Contribution		
Executive Director	\$	8,399.16	\$ 9,407.06	6.0% of the salary
Administrative Assistant	\$	4,022.41	\$ 4,505.10	6.0% of the salary
	\$	12,421.58	\$ 13,912.16	

BOARD MEMBER COST

Board Member Salaries and Mileage Reimbursement

Salary for Board Member per meeting	\$	300
Salary for Chairman Per Board Meeting	\$	330
Total Salary Costs	\$	50,760.00 Based upon 12 meetings per year
Current Board Total Mileage		875
Current IRS Mileage Rate	\$	0.700 per mile
Total Mileage Cost Per Year	\$	7,350.00

Total for Budget \$ 58,110.0

Round to \$50,000 increase of committee meetings outside of normal meetings

Social Security \$ 3,883

Breakfast \$ 233.15 per month \$ 2,797.80

\$ 64,790.9

BLADEN BLUFFS ADMINISTRATIVE COST CALCULATION

Employee	Allocation		Bladen Bluffs Allocation
SALARY			
Executive Director		\$ 156,784.38	
Administrative Assistant		\$ 75,085.04	
Part Time		\$ 15,000.00	
		<u>\$ 246,869.41</u>	\$80,232.56
Board Per Diem, Mileage and Expense		\$64,790.94	\$21,057.06
VEHICLE & CELL PHONE ALLOWANCE			
Executive Director - Vehicle		\$5,200.00	
Executive Director - Cell phone		\$520.00	
		<u>\$5,720.00</u>	\$1,859.00
FICA			
Executive Director		\$13,405.06	
Administrative Assistant		\$6,419.77	
Part Time		\$1,282.50	
Board Members		\$3,550.95	
		<u>\$24,658.28</u>	\$8,013.94
RETIREMENT			
Executive Director		\$23,282.48	
Part Time		\$2,227.50	
Administrative Assistant		\$11,150.13	
		<u>\$36,660.11</u>	\$11,914.53
401K			
Executive Director		\$9,407.06	
Administrative Assistant		\$4,505.10	
		<u>\$13,912.16</u>	\$4,521.45
HEALTH INSURANCE			
Executive Director		\$21,293.00	
Administrative Assistant		\$21,293.00	
		<u>\$42,586.00</u>	\$13,840.45
		\$ 435,196.91	\$141,439.00

BLADEN BLUFFS ADMINISTRATIVE COST CALCULATION CONTINUED

ATTORNEY	\$	19,500
ENGINEER	\$	25,000
AUDITOR	\$	2,850
INFORMATION TECHNOLOGY	\$	4,800
ADMINISTRATIVE COST FROM FIRST SHEET	\$	<u>141,439</u>
	\$	193,589
INSURANCE PROPERTY & LIABILITY		
Total cost of Property and Liability Insurance is \$94,301		
Bladen Bluffs share is		
based upon percent		
	\$	<u>51,948</u>
Total Annual Admin Cost	\$	245,537

BLADEN BLUFFS OPERATING BUDGET

Bladen Bluffs Budget FY 2023-24	FY 2023-2024	FY 2024-2025	FY 2025-2026
Sales Tax	\$100,000.00	\$105,000.00	\$135,000.00
Administrative LCFWASA	\$110,000.00	\$213,798.00	\$245,537.00
Administrative General	\$62,000.00	\$62,000.00	\$62,000.00
Audit	\$2,800.00	\$2,800.00	\$2,800.00
Insurance	\$27,500.00	\$36,566.00	\$51,948.00
Professional Services	\$98,000.00	\$98,000.00	\$98,000.00
Professional Services Engineering	\$30,000.00	\$25,000.00	\$25,000.00
Postage	\$810.00	\$1,000.00	\$1,000.00
Training	\$1,500.00	\$12,500.00	\$12,500.00
Computer/IT	\$32,000.00	\$43,500.00	\$43,500.00
Fuel Diesel	\$29,000.00	\$15,000.00	\$15,000.00
Fuel Gas	\$10,000.00	\$5,000.00	\$5,000.00
Equipment Rental	\$90,000.00	\$35,207.00	\$35,207.00
Utilities Water	\$1,000.00	\$1,000.00	\$1,000.00
Building Maintenance	\$4,400.00	\$12,000.00	\$12,000.00
Grounds Maint./Landscaping	\$340.00	\$15,000.00	\$15,000.00
Equipment Maintenance	\$250,000.00	\$200,000.00	\$200,000.00
Departmental Supplies	\$1,650,253.00	\$1,500,000.00	\$1,300,000.00
Departmental Supplies/Parts	\$170,000.00	\$75,000.00	\$82,204.00
Lab Expenses	\$122,000.00	\$135,000.00	\$135,000.00
Permitting	\$140,000.00	\$55,000.00	\$55,000.00
Environmental/Livestock Safety	\$17,000.00	\$15,000.00	\$15,000.00
Land Application	\$275,000.00	\$275,000.00	\$275,000.00
Capital Expense	\$40,000.00	\$50,000.00	\$50,000.00
Capital Reserve General		\$0.00	\$350,000.00
Capital Reserve Vehicle	\$12,000.00	\$39,600.00	\$41,580.00
Capital Reserve Scada	\$52,000.00	\$99,000.00	\$103,950.00
Capital Reserve GAC	\$360,000.00	\$435,600.00	\$457,380.00
Capital Reserve Water and Well	\$148,000.00	\$237,600.00	\$249,480.00
Debt Service Principal	\$970,000.00	\$1,035,000.00	\$1,115,000.00
Debt Service Interested	\$450,000.00	\$500,000.00	\$480,000.00
Total	\$5,255,603.00	\$5,335,171.00	\$5,670,086.00

Total Expenditures	2,915,510	441,110	795,812	690,163	94,518	13%	739,247	48,884	736,811	(2,436)
Revenues Over(Under) Expenditures		(0)	(15,449)		(20,892)					
Salaries and Wages	230,045	181,090		305,688			295,622	293,186		
Operating Expenditures	63,473	23,471		254,175			244,125	244,125		
Repair and Maint	2,585,041	236,548		130,500			199,500	199,500		
Capital Outlay	37,951									
Salaries and Wages							-3.3%	-4.1%		
Operating Expenditures							-4.0%	-4.0%		
Repair and Maint							51.5%	51.5%		
Capital Outlay							N/A	N/A		
Summary										
Major Operating check										
Capital Outlay check										
Line item Detail check										
Payroll check										
Total New Plus Exp							1,478,494	1,473,622		
FR Change (negative)										
RV										(2,436)
XP										2,436
net										
Summary Check										
Major Operating check										
Capital Outlay check										
Line item Detail check										
Payroll check										
Total New Plus Exp										

OPERATING FUND CAPITAL EXPENDITURES AND TRANSFERS

EQUIPMENT TO BE REPLACED	REPLACEMENT COST
VFD COMPONENT REPLACEMENT	\$ 280,000
SCADA	\$ 125,000
VTR PUMP/INSPECT REFURBISH	\$ 200,000
NEW BOWL ASSEMBLY	\$ -
ANTI VORTEXING	\$ 50,000
UPDATE RATE STUDY	\$ -
ROW ACQUISITION	\$ 100,000
MATCHING SRF FUNDING	
FOURTH PUMP	\$ 5,800,000
WALKWAY REPLACEMENT AND AIR BACKWASH	\$ 4,200,000
UTILITY TRUCK WITH BODY	\$ 66,000
MISCELLANEOUS	\$ 30,000
TOTAL	\$ 10,851,000

**LOWER CAPE FEAR WATER AND SEWER AUTHORITY
5 YEAR CAPITAL IMPROVEMENT PLAN**

KINGS BLUFF CIP PROJECTS									
FY21-22		FY22-23		FY23-24		FY24-25		FY 25-26 PROJECT TOTALS	
0.33		0.36		0.4		0.44		0.48	
INTERMEDIATE BOOSTER PUMP STATION SHELTER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SURVEYING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
VFD	\$ 266,875.00	\$ 266,875.00	\$ -	\$ -	\$ -	\$ -	\$ 280,000.00	\$ 813,750.00	\$ 813,750.00
VTR PUMP	\$ -	\$ 200,000.00			\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 600,000.00	\$ 600,000.00
ROW MAINTENANCE	\$ -	\$ 35,000.00	\$ 65,000.00		\$ 65,000.00	\$ 67,000.00	\$ 67,000.00	\$ 232,000.00	\$ 232,000.00
ROW CLEARING	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
SCADA UPGRADE	\$ -	\$ -	\$ -	\$ -	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 250,000.00	\$ 250,000.00
REBUILD EXISTING HIGH SERVICE PUMP MOTORS/INSPECT	\$ -	\$ -	\$ 275,000.00	\$ -	\$ -	\$ -	\$ -	\$ 275,000.00	\$ 275,000.00
PURCHASE BOWL ASSEMBLY			\$ 250,000.00						
48" PARALLEL LINE LAST 10 MILE SECTION			\$ 2,000,000.00	\$ 20,000,000.00	\$ 20,000,000.00	\$ 26,000,000.00	\$ 26,000,000.00	\$ 48,000,000.00	\$ 48,000,000.00
ANTI VORTEXING	\$ -	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 200,000.00	\$ 200,000.00
INDEPENDENT RATE STUDY	\$ -		\$ 57,000.00	\$ 57,000.00	\$ -	\$ -	\$ -	\$ 57,000.00	\$ 57,000.00
ROW ACQUISITIONS	\$ -	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 400,000.00	\$ 400,000.00
4TH PUMP	\$ -	\$ -	\$ 225,000.00				\$ 225,000.00	\$ 225,000.00	\$ 225,000.00
REPLACE GENERATOR RADIATORS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WALKWAY REPLACEMENT AND AIR BACKWASH BUILDING	\$ -	\$ -	\$ 226,360.00	\$ 2,180,000.00	\$ 2,180,000.00	\$ 4,200,000.00	\$ 4,200,000.00	\$ 6,606,360.00	\$ 6,606,360.00
4TH PUMP						\$ 5,800,000.00	\$ 5,800,000.00		
VEHICLE REPLACEMENT/ARGO/FORKLIFT	\$ 122,000.00	\$ 30,000.00	\$ 130,000.00	\$ 30,000.00	\$ 30,000.00	\$ -	\$ -	\$ 312,000.00	\$ 312,000.00
PIG 48" WATER MAIN TO CFPWA/PENDER	\$ -	\$ -	\$ -					\$ -	\$ -
TOTALS KINGS BLUFF PROJECTS	\$388,875.00	\$ 681,875.00	\$ 3,378,360.00	\$22,750,000.00	\$36,822,000.00	\$57,971,110.00	\$57,971,110.00	\$57,971,110.00	\$57,971,110.00

KINGS BLUFF CIP-SOURCES	FY 2022		FY 2023		FY 2024		FY 2025		Source Totals	
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2024	FY 2025	FY 2025	FY 2025	Source Totals	Source Totals
OPERATING CAPITAL	\$ 388,875.00	\$ 681,875.00	\$ 1,321,360.00	\$ 2,645,466.00	\$ 3,059,200.00	\$ 8,096,776.00	\$ 8,096,776.00	\$ 8,096,776.00	\$ 8,096,776.00	\$ 8,096,776.00
CAPITAL RESERVES	\$ -	\$ -	\$ -	\$ 104,534.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT PROCEEDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRANT	\$ -	\$ -	\$ -	\$ 20,000,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER SOURCE	\$ -	\$ -	\$ 2,057,000.00	\$ 33,762,800.00	\$ 33,762,800.00	\$ 33,762,800.00	\$ 33,762,800.00	\$ 33,762,800.00	\$ 33,762,800.00	\$ 33,762,800.00
TOTAL KINGS BLUFF SOURCES	\$388,875.00	\$681,875.00	\$3,378,360.00	\$22,750,000.00	\$36,822,000.00	\$57,971,110.00	\$57,971,110.00	\$57,971,110.00	\$57,971,110.00	\$57,971,110.00

AGENDA ITEM

To: CHAIRMAN DEVANE AND BOARD MEMBERS

From: TIM HOLLOMAN, EXECUTIVE DIRECTOR

Date: May 12, 2025

Re: Appointment of Calendar Year 2025 Personnel and Finance
Committee by Chairman

Background: Appointment of Jerry Groves to the Calendar Year 2025
Personnel and Finance Committee by Chairman DeVane

Please find attached Chairman DeVane' s appointments to the Personnel and
Finance Committee.

Action Requested: Motion to approve/disapprove

PERSONNEL COMMITTEE
January 1, 2025- December 31, 2025

CHAIRMAN:**PATRICK DEVANE**

2406 CHESTNUTT LANE
 ELIZABETHTOWN, NC 28337

Cell (910) 874-5014
 Email pdevane50@gmail.com

SCOTT PHILLIPS

5229 MAULTSBY RD. NE
 LELAND, NC 28451

Cell (910) 269-8651
 Home (910) 253-9145
 Email scott.phillips@adm.com

AL J. LEONARD

MANAGER, TOWN OF TABOR CITY
 POST OFFICE DRAWER 655
 TABOR CITY, NC 28463

Cell (910) 234-0966
 Office (910) 653-3458
 Fax (910) 653-3970
 Email yamman2024@gmail.com

CHARLIE RIVENBARK

CITY OF WILMINGTON COUNCILMAN
 4924 PINE STREET.
 WILMINGTON, NC 28403

Cell (910) 200-5244
 Home (910) 332-1643
 Office (910) 344-1000
 Email charlie@capefearcommercial.com
 Email charlie.rivenbark@wilmingtonnc.gov

JERRY GROVES

PENDER COUNTY COMMISSIONER
 250 HORSESHOE LOOP RD
 BURGAW, NC 28425-8234

Work (910) 279-2364
 Cell (910) 604-3019
 Email jgroves@pendercountync.gov

HARRY KNIGHT

3225 ASTER COURT
 WILMINGTON, NC 28409

Cell (910) 289-1310
 Home (910) 794-4956
 Office (910) 509-7623
 Email hknight846@aol.com

MATT NICHOLS

Work 910-508-7476
 Email matt@mattnicholslaw.com

FINANCE COMMITTEE
January 1, 2025 - December 31, 2025

CHAIRMAN:**PATRICK DEVANE**

2406 CHESTNUTT LANE
 ELIZABETHTOWN, NC 28337

Cell (910) 874-5014
 Email pdevane50@gmail.com

SCOTT PHILLIPS

5229 MAULTSBY RD. NE
 LELAND, NC 28451

Cell (910) 269-8651
 Home (910) 253-9145
 Email scott.phillips@adm.com

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MANAGER, TOWN OF TABOR CITY
 POST OFFICE DRAWER 655
 TABOR CITY, NC 28463

Cell (910) 234-0966
 Office (910) 653-3458
 Fax (910) 653-3970
 Email yamman2024@gmail.com

CHARLIE RIVENBARK

CITY OF WILMINGTON COUNCILMAN
 4924 PINE STREET.
 WILMINGTON, NC 28403

Cell (910) 200-5244
 Home (910) 332-1643
 Office (910) 344-1000
 Email charlie@capefearcommercial.com
 Email charlie.rivenbark@wilmingtonnc.gov

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 250 HORSESHOE LOOP RD
 BURGAW, NC 28425-8234

Work (910) 279-2364
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 WILMINGTON, NC 28409

Cell (910) 289-1310
 Home (910) 794-4956
 Office (910) 509-7623
 Email hknight846@aol.com

AGENDA ITEM

To: CHAIRMAN DEVANE AND BOARD MEMBERS

From: TIM H. HOLLOMAN, EXECUTIVE DIRECTOR

Date: May 12, 2025

Re: Executive Director's Report

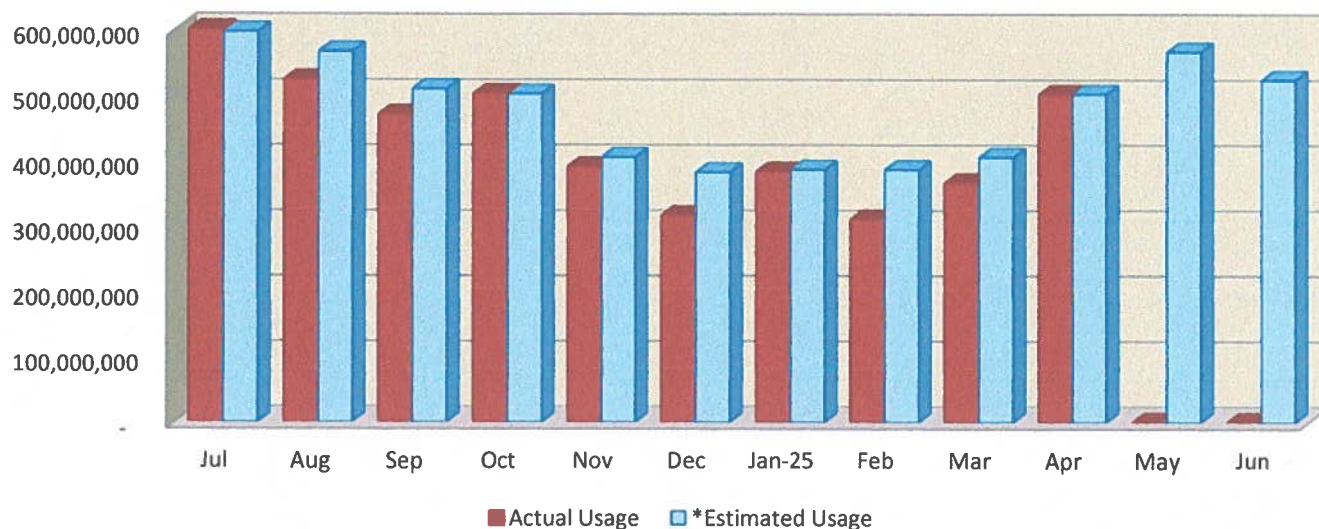
EDR1 - Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending April 30, 2025

EDR2 - Operating Budget Status, Ending March 31, 2025

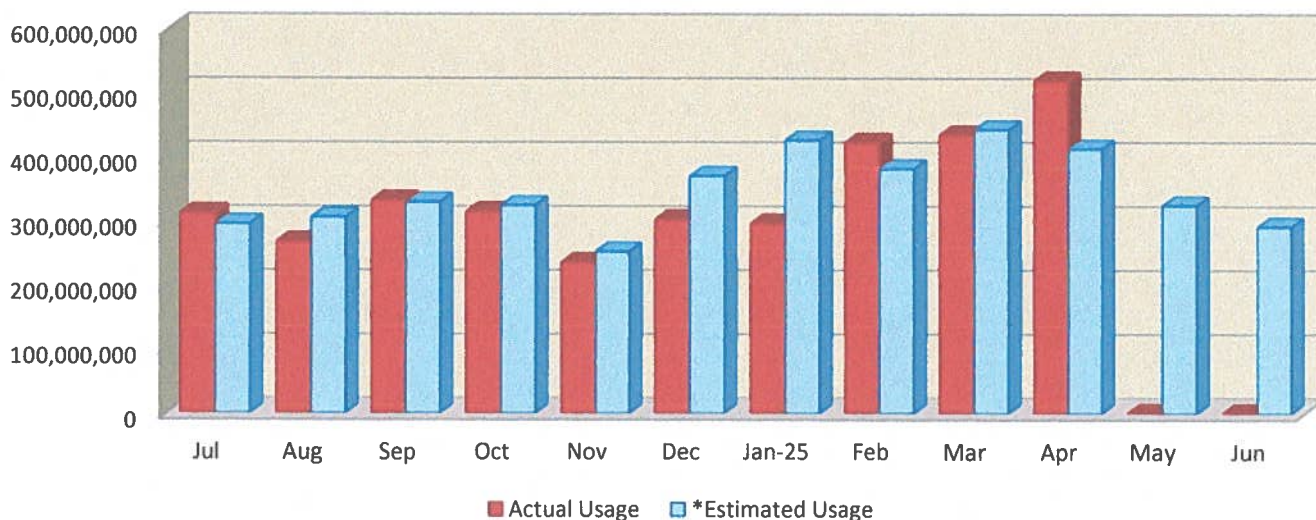
EDR3 - Summary of Activities

Action Requested: For information purposes.

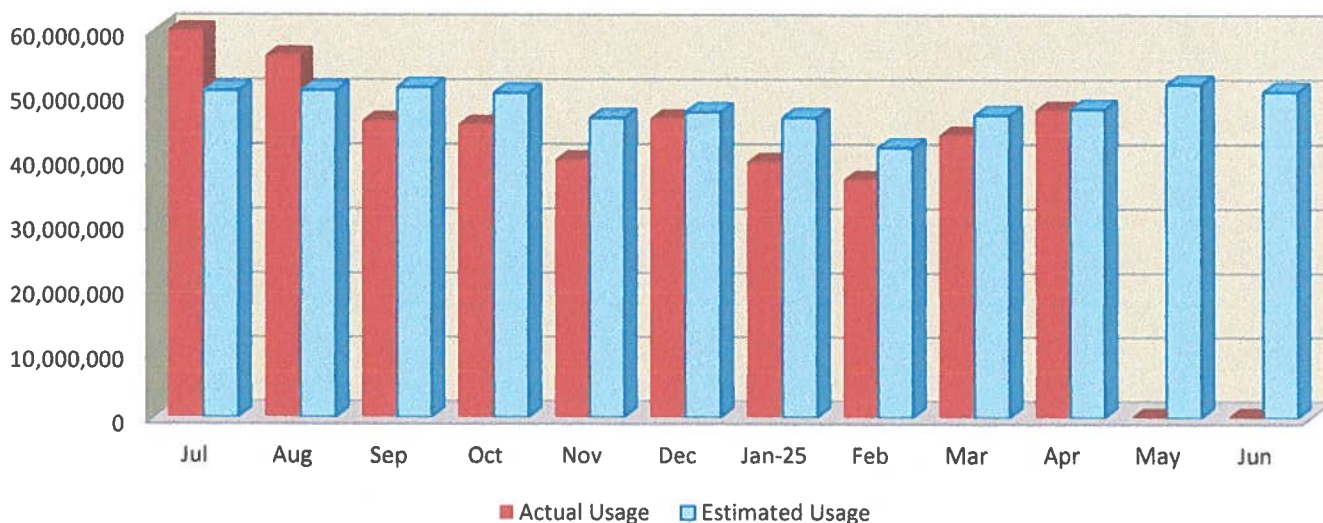
Brunswick County Water Usage FY 24-25



CFPUA Water Usage FY 24-25



Pender County Water Usage FY 24-25



LOWER CAPE FEAR WATER AND SEWER AUTHORITY
FISCAL YEAR 2024-2025 BUDGET

ACCOUNT NO.	REVENUES	FY 2024-2025 APPROVED BUDGET	FY 2024-2025 AMENDED BUDGET	July 1 - March 31, 2025 ACTUAL		FY 24-25 TOTAL COMBINED BUDGET	% of Amended Budget As of 03/31/2025
				KINGS BLUFF	BLADEN BLUFFS		
	OPERATING						
3001-01	Brunswick County	\$ 2,522,662	\$ 2,522,662	\$ 1,698,916	\$ -	\$ 1,698,916	67%
3002-01	Cape Fear Public Utility Authority	\$ 1,835,996	\$ 1,835,996	\$ 1,286,852	\$ -	\$ 1,286,852	70%
3003-03	Pender County	\$ 256,344	\$ 256,344	\$ 182,412	\$ -	\$ 182,412	71%
3004-01	Stepan/Invista	\$ 176,000	\$ 176,000	\$ 138,299	\$ -	\$ 138,299	79%
3005-01	Praxair, Inc	\$ 35,200	\$ 35,200	\$ 17,772	\$ -	\$ 17,772	50%
3006-01	Bladen Bluffs Reimbursement for Plant Operation Costs	\$ 5,570,183	\$ 5,570,183	\$ -	\$ 3,805,396	\$ 3,805,396	68%
3006-02	Bladen Bluffs Administrative Reimbursement	\$ 119,988	\$ 119,988	\$ -	\$ 125,391	\$ 125,391	105%
3007-01	Sales Tax Refund	\$ 115,234	\$ 115,234	\$ -	\$ 116,124	\$ 116,124	101%
	Subtotal	\$ 10,631,607	\$ 10,631,607	\$ 3,324,250	\$ 4,046,912	\$ 7,371,162	69%
	Non-Operating						
3105-01	Interest	\$ 78,878	\$ 154,188	\$ 170,433	\$ -	\$ 170,433	111%
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	\$ 104,534	\$ 104,534	\$ -	\$ -	\$ -	0%
3900-02	SRF/ARPA	\$ 20,000,000	\$ 20,000,000	\$ 12,396,527	\$ -	\$ 12,396,527	62%
2900-00	Fund Balance Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	0%
	Subtotal	\$ 20,183,412	\$ 20,258,722	\$ 12,566,960	\$ -	\$ 12,566,960	62%
	TOTAL REVENUES	\$ 30,815,019	\$ 30,890,329	\$ 15,891,211	\$ 4,046,912	\$ 19,938,122	65%

LOWER CAPE FEAR WATER AND SEWER AUTHORITY
FISCAL YEAR 2024-2025 BUDGET

ACCOUNT NO.	EXPENDITURES	FY 2024-2025 APPROVED BUDGET	FY 2024-2025 AMENDED BUDGET	July 1 - March 31, 2025 ACTUAL		FY 24-25 TOTAL COMBINED BUDGET	% of Amended Budget As of 03/31/2025
				KINGS BLUFF	BLADEN BLUFFS		
	Administration						
4001-01	Salaries	\$ 222,026	\$ 222,026	\$ 117,428	\$ 49,956	\$ 167,384	75%
4010-01	Per Diem and Mileage Board Members	\$ 64,476	\$ 64,476	\$ 26,030	\$ 14,507	\$ 40,537	63%
4012-01	Vehicle Allowance	\$ 5,200	\$ 5,200	\$ 2,830	\$ 1,170	\$ 4,000	77%
4019-01 & 4024-01	FICA Taxes	\$ 22,534	\$ 22,534	\$ 10,938	\$ 5,070	\$ 16,009	71%
4029-01	Retirement	\$ 30,196	\$ 30,196	\$ 14,529	\$ 6,794	\$ 21,323	71%
4035-01	401K Plan	\$ 12,422	\$ 12,422	\$ 6,040	\$ 2,795	\$ 8,835	71%
4036-01	Miscellaneous Payroll Processing Expenses	\$ 2,900	\$ 2,900	\$ 2,358	\$ -	\$ 2,358	81%
4038-01	Group Insurance	\$ 42,586	\$ 44,586	\$ 20,701	\$ 9,582	\$ 30,283	68%
4039-01	Property and Liability Insurance	\$ 156,000	\$ 156,000	\$ 61,135	\$ 35,100	\$ 96,235	62%
4046-00	Professional Services General	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	0%
4046-01	Attorney	\$ 50,000	\$ 50,000	\$ 31,500	\$ -	\$ 31,500	63%
4047-01	Auditor	\$ 8,000	\$ 10,500	\$ 3,200	\$ 2,800	\$ 6,000	57%
4048-01	Engineer	\$ 175,000	\$ 117,000	\$ 25,257	\$ -	\$ 25,257	22%
4049-01	Information Technology	\$ 25,000	\$ 25,000	\$ 2,853	\$ -	\$ 2,853	11%
4050-01	Financial Advisor	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	0%
4055-01	Office Maintenance/Repair/Common Charge	\$ 40,000	\$ 40,000	\$ 25,192	\$ -	\$ 25,192	63%
4058-01	Office Utilities	\$ 3,500	\$ 3,500	\$ 2,165	\$ -	\$ 2,165	62%
4059-01	Office Expenses (telephone, Printing, Adv)	\$ 15,000	\$ 15,000	\$ 6,334	\$ -	\$ 6,334	42%
4062-01	Office Equipment	\$ 35,000	\$ 40,000	\$ 27,968	\$ -	\$ 27,968	70%
4064-01	Printing and Advertising	\$ 8,000	\$ 14,500	\$ 9,456	\$ -	\$ 9,456	65%
4065-01	Telephone and Internet	\$ 3,500	\$ 7,000	\$ 4,099	\$ -	\$ 4,099	59%
4070-01	Travel and Training	\$ 29,000	\$ 36,000	\$ 30,382	\$ -	\$ 30,382	84%
4070-20	Phone Allowance	\$ 520	\$ 520	\$ 296	\$ 104	\$ 400	77%
4075-01	Vehicle Expense	\$ -	\$ -	\$ -	\$ -	\$ -	0%
4080-01	Miscellaneous Expense	\$ 20,000	\$ 17,000	\$ 6,661	\$ -	\$ 6,661	39%
4081-01	Dues & Subscription	\$ -	\$ 14,500	\$ 12,210	\$ -	\$ 12,210	84%
	Subtotal	\$ 995,860	\$ 975,860	\$ 449,564	\$ 127,878	\$ 577,441	59%

LOWER CAPE FEAR WATER AND SEWER AUTHORITY
FISCAL YEAR 2024-2025 BUDGET

ACCOUNT NO.	EXPENDITURES	FY 2024-2025 APPROVED BUDGET	FY 2024-2025 AMENDED BUDGET	July 1 - March 31, 2025 ACTUAL		FY 24-25 TOTAL COMBINED BUDGET	% of Amended Budget As of 03/31/2025
				KINGS BLUFF	BLADEN BLUFFS		
	Operating						
4501-01	Sales Tax Expense	\$ 105,000	\$ 125,000	\$ -	\$ 103,480	\$ 103,480	83%
4510-01	Bladen Bluffs O & M	\$ 3,821,385	\$ 3,821,385	\$ -	\$ 1,887,315	\$ 1,887,315	49%
4515-01	Bladen Bluffs Hurricane Florence	\$ -	\$ -	\$ -	\$ -	\$ -	0%
4520-01	Utilities/Energy/Kings Bluff	\$ 775,363	\$ 775,363	\$ 513,649	\$ -	\$ 513,649	66%
4530-01	Contract O & M Kings Bluff	\$ 736,811	\$ 736,811	\$ 502,048	\$ -	\$ 502,048	68%
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	\$ 1,035,000	\$ 1,035,000	\$ 1,035,000	\$ -	\$ 1,035,000	100%
4546-01	Bladen Bluffs Debt Service Interest	\$ 500,000	\$ 500,000	\$ -	\$ 375,297	\$ 375,297	75%
	Operating Capital Expense	\$ 2,685,000	\$ 2,760,310	\$ -	\$ 625,290	\$ 625,290	23%
4998-05	Transfer to R&R - Kings Bluff R&R Expense	\$ 160,600	\$ 160,600	\$ -	\$ -	\$ -	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	\$ 20,000,000	\$ 20,000,000	\$ 5,457,825	\$ -	\$ 10,788,734	54%
	Subtotal	\$ 29,819,159	\$ 29,914,469	\$ 7,508,521	\$ 2,991,382	\$ 15,830,812	53%
	TOTAL EXPENDITURES	\$ 30,815,019	\$ 30,890,329	\$ 7,958,085	\$ 3,119,260	\$ 16,408,254	53%

Executive Director Highlighted Activities:

- Regular Monthly meetings with the Design Build Team and Owner's Advisor for the parallel line project.
- Participated in weekly update meetings on the 10-mile parallel line.
- Continuing work with the Legislative Delegation on double project funding
- Worked on the 2025-26 Fiscal Budget
- Finalized the search for a Health Benefits provider
- 2012 Truck was sold on Gov Deals for Surplus and netted approximately \$8,700.00
- Attended Board Member Orientation for NC Rural Water
- Strategy Session with Electus, our Lobbyist
- Turned in application for Federal STAG grant
- NC One Water conference in Wrightsville Beach
- Met with Russel Underwood to affirm start on 4th Pump
- Met with McKim and Creed about Raw Water Demand Increases
- Advertised the RFP for Real Estate Services
- Attended Brunswick County Board of Commissioners meeting
- Met with the new Director for Pender County
- Met with the DB Team about the potential redesign of the River Crossing for the 10-mile parallel line
- Meeting with Computer Warriors to add another level of cybersecurity