Chairman Phillips called to order the Authority meeting scheduled on July 13th, 2026, 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 Phillips:

Present: Chakema Clinton-Quintana, Patrick DeVane, Wayne Edge, Jerry Groves, Harry Knight, Al Leonard, Scott Phillips, Bill Saffo, Chris Smith, Bill Sue, Phil Tripp, and Frank Williams

Present by Virtual Attendance: Damien Buchanan

Absent: Rob Zapple

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

Guests Present: Troy Hunter, Computer Warriors; Kevin Morris, Cape Fear Public Utility Authority Deputy Director; Ken Waldroup, Cape Fear Public Utility Authority Executive Director; Benjamin Kearns, Cape Fear Public Utility Authority Water Resources Manager Water Treatment; David Carson, Brunswick County Kings Bluff Water Resource Supervisor; Chris Giesting, Brunswick County Water Resources Manager; James Proctor, Pender County Interim Utilities Director; Colby Sawyer, Pender County Manager; Sam Shumate, Electus Governmental Affairs Inc, Vice President; David Fournier, HDR Construction Services Resident Project Representative; David Cowell, HDR Construction Services P.E., HDR Construction Services

Guests Virtual Attendance: Heidi Cox, NC DEQ Regional Engineering Supervisor, Division of Water Infrastructure; Michael Miller, NC DEQ Financial Services; Erin Jones, Pender County Utilities Water Treatment Plant Superintendent; Aaron Smith, Brunswick County Director of Fiscal Operations; Dodie Render, Electus Governmental Affairs Inc, President; Margarita Anayiotou, Electus Governmental Affairs Inc, Research & Operations Associate; Elisabeth Austin, Electus Governmental Affairs Inc

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

AMENDING THE AGENDA

Chairman Phillips requested the Board's add a closed session to the agenda for in accordance with N.C.G.S. §143-318. 11(a)(3) to discuss with our attorney a matter within the attorney-client privilege.

Motion: Director Leonard **MOVED**; seconded by Director DeVane, approval to amend the agenda. Upon voting, the **MOTION CARRIED UNANIMOUSLY.**

APPROVAL OF CONSENT AGENDA

C1 – Minutes of June 8, 2026, Regular Board Meeting
C2 – Minutes of May 11, 2026, Regular Board Meeting
C3– Minutes of May 11, 2026, Finance Committee Meeting
C4 – Kings Bluff Monthly Operations and Maintenance Report
C5 – Bladen Bluffs Monthly Operations and Maintenance Reports
C7 – Line-Item Adjustment for May 31, 2026

Motion: Director Williams **MOVED**; seconded by Director Clinton-Quintana, approval of the Consent Agenda Items. Upon voting, the **MOTION CARRIED UNANIMOUSLY.**

NEW BUSINESS

NB1 - Truck for Lower Cape Fear Water & Sewer Authority Office

Executive Director Holloman reviewed the bids received for the purchase of a new Authority truck. The lowest bid was approximately $46,222 from a Wilmington-area Dodge dealership for a 2025 Ram truck. Executive Director Holloman explained that the dealership had purchased a large quantity of vehicles and was able to offer a competitive price. The proposed purchase price was below the amount included in the Authority's budget.

Motion: Director Edge **MOVED**; seconded by Clinton-Quintana, to approve the recommended for the 2025 Ram 1500 vehicle for the Lower Cape Fear Water & Sewer Authority Office. Upon voting, the **MOTION CARRIED UNANIMOUSLY.**

NB2 - Owners Advisor for Reservoir Project

Executive Director Holloman reported that LCFWASA had completed the purchase of property for the reservoir project and had remaining funds available to begin the Design-Build process. LCFWASA advertised a Request for Qualifications for an owner's advisor and received two submissions. The project was re-advertised, but no additional submissions were received. The two firms submitting qualifications were Schnabel and HDR. Staff recommended selecting HDR as the owner's advisor based on the firm's qualifications and the Authority's previous experience working with HDR. Mr. Holloman stated that HDR would assist the Authority with advertising for a Design-Build contractor. The overall reservoir project is estimated to cost more than $70 million, and additional funding will be required as the project progresses.

Motion: Director Williams **MOVED**; seconded by Director Leonard, to approve the Owners Advisor for Reservoir Project. Upon voting, the **MOTION CARRIED UNANIMOUSLY.**

ENGINEER'S COMMENTS

Jess Powell provided an update regarding one of the existing 12,000-gallon diesel fuel storage tanks that was leaking fuel into the secondary containment area. Kings Bluff staff arranged for the rental of a temporary 10,000-gallon tank so that the facility would maintain adequate diesel fuel storage during hurricane season. Two primary replacement options were discussed: A replacement concrete Convault tank, with an estimated tank cost of approximately $140,000 and a preliminary total project estimate between $400,000 and $500,000. A double-wall steel tank, similar to the temporary rental tank currently on site. The estimated cost for a turnkey installation was approximately $180,000, including tank removal, demolition, disposal, delivery, installation, and associated concrete work. Staff advised that the double-wall steel tank would have an estimated service life of approximately 20 years and would require minimal maintenance other than routine painting and exterior upkeep. The steel tank could also be installed more quickly than the concrete tank.

The Board directed staff to obtain firm proposals for the following three options: A 10,000-gallon double-wall steel tank; A 12,000-gallon double-wall steel tank; and A replacement Convault tank. The proposals will be presented at a future Board meeting for consideration.

PRESENTATION: Quarterly Review from Sam Shumate, Electus Governmental Affairs Inc

Sam Shumate provided an update regarding LCFWASA state and federal legislative activities.
Mr. Shumate reported that LCFWASA representatives had met with members of the regional legislative delegation to discuss the Authority's long-term infrastructure needs. LCFWASA continues to seek legislative support for two major projects: Approximately $5.8 million for a fourth pump at the Kings Bluff facility; and Approximately $4.2 million for replacement of the air backwash access walkway and associated building at Kings Bluff. The Authority previously secured approximately $750,000 in federal community project funding through Congressman David Rouzer's office for the fourth pump project. Mr. Shumate noted that the recently adopted state budget contained fewer special appropriations and directed infrastructure grants than in prior years. Legislative planning for the next long session will begin immediately, with the session expected to begin in January.

ATTORNEY COMMENTS

No comments.

EXECUTIVE DIRECTOR REPORT

EDR1 – Comments on Customers' Water Usage and Raw Water Revenue for Fiscal Year to Date Ending June 2026

Executive Director Holloman reported that all customers exceeded projections in June.

DIRECTOR'S COMMENTS AND/OR FUTURE AGENDA ITEMS

No comments.

PUBLIC COMMENT

No comments.

CLOSED SESSION

Chairman Phillips requested a motion to go into a closed session in accordance with N.C.G.S. §143-318.11(a)(3) to discuss with our attorney a matter within the attorney-client privilege.

Motion: Director Williams **MOVED**; seconded by Director Clinton-Quintana, to go into closed session in accordance with N.C.G.S. §143-318.11(a)(3) to discuss with our attorney a matter within the attorney-client privilege. Upon voting, the **MOTION CARRIED UNANIMOUSLY**.

At 9:35 a.m., the board went into closed session. At 9:59 a.m., the board returned to open session. Discussion only; no action taken.

ADJOURNMENT

There being no further business, Chairman Phillips adjourned the meeting at 10:01 a.m.

Respectfully Submitted:

Chakema Clinton-Quintana

Chakema Clinton-Quintana, Secretary