

2021 Annual Report



**Cape Fear
Public Utility Authority**

Stewardship. Sustainability. Service.

To Our Customers and Stakeholders

The American Water Works Association (AWWA), the U.S. water industry's largest professional organization, surveys North American water professionals nationwide each year on issues ranging from infrastructure and emergency preparedness to regulatory compliance and water resource management.

The results serve as a useful tool to scan for over-the-horizon issues that our peers may already be facing. And, as this Annual Report illustrates, the AWWA survey also confirms that Cape Fear Public Utility Authority's priorities largely align with those of the industry as a whole.

For example, long-term water supply availability and groundwater management ranked among the Top 10 most-pressing challenges in the most recent AWWA survey. CFPUA's focus on these is reflected by several projects highlighted in these pages, from the soon-to-be completed 54-inch raw water line that will increase our access to water from the Cape Fear River, to two new well sites that will help meet demands for water in fast-growing parts of New Hanover County.

Survey respondents also prioritized compliance with current and future regulations, with per- and polyfluoroalkyl substances (PFAS) named as the top concern for the second year in a row. Certainly, PFAS is a top-of-mind topic in our community. The cover of this report depicts the state of construction earlier this year of the eight new granular activated carbon filters at the Sweeney Water Treatment Plant, which late next spring will begin effectively treating PFAS in raw river water.

Unsurprisingly, the COVID-19 pandemic, including the financial stresses it placed on many Americans, figured into AWWA's survey responses. Here, we have kept our focus on providing support for those who may be facing hardship, including working with New Hanover County and the City of Wilmington to launch the CFPUA COVID Relief Program, which is featured inside this report.

One final observation from the AWWA survey results: Respondents provided the most optimistic rating of the water industry's current overall health in the 17-year history of the survey – 5.24 on a scale of 1 (not sound) to 7 (very sound). Results showed another record-high rating of the industry's soundness: 5.01 on the same scale.

Just as we share many of the same concerns as our peers, we at CFPUA also remain optimistic about the strength of our organization and competency of our dedicated staff to meet these challenges and support our customers and community by providing safe, healthy, affordable water and wastewater services.

We invite you to learn more about the projects highlighted above and others in the pages of this Annual Report.

On behalf of our Board and our employees, we thank you for your continued support.



Wesley P. Corder
Board Chairman



Kenneth Waldroup, P.E.
Executive Director

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***This Report is available
at CFPUA.org.***



**Connect with CFPUA
on social media**



Near the Finish Line

Two major projects to increase and enhance the region's water supply will be complete in 2022.

Sweeney Plant Enhancements

Four years after CFPUA committed to tackling PFAS contamination caused by decades of Chemours' and DuPont's pollution in the Cape Fear River, construction on state-of-the-art enhancements at the Sweeney Water Treatment Plant is just months from completion.

In November 2019, crews broke ground on a \$43 million addition at Sweeney, the centerpiece of which is eight new deep-bed filters equipped with Granular Activated Carbon (GAC). The GAC contractors are expected to come online in June.

During the past year, construction contractor Adams Robinson Enterprises, Inc. brought the filter facility skyward, pouring more than 6,800 cubic yards of concrete for the walls and floors.

Pumps for the facility were delivered in October and installation of the 3 million pounds of GAC that the contractors will hold is scheduled to begin in early 2022.

The new deep-bed filters are expected to reduce PFAS in raw water by 90 percent. CFPUA continues to detect PFAS in our regular testing of treated and raw water sourced from the Cape Fear River. These contaminants largely result from decades of releases into the river and the environment by Chemours and DuPont, who have operated a chemical manufacturing plant upriver from Wilmington.

CFPUA has seen some reductions in PFAS levels in treated water thanks to interim steps we have taken, such as regular exchanges of GAC media in existing filters. The Sweeney Treatment Enhancements Project is a long-term solution that will effectively treat PFAS in raw water from the river.

We look forward to cutting the ribbon on the final product in 2022.

Follow our progress at [CFPUA.org/Sweeney](https://www.cfpua.org/Sweeney).



Kings Bluff Raw Water Main

In 2019, crews broke ground on a project to significantly expand the raw water supply for utilities in Southeastern North Carolina.

The Kings Bluff Raw Water Transmission Main is now on track to be completed in March 2022 – several months ahead of the original final completion date of August 2022. The transmission main is a joint project among CFPWA, Brunswick County, and Lower Cape Fear Water and Sewer Authority, with CFPWA managing the project on behalf of the other partners. Of the project's \$44.3 million cost, CFPWA will pay \$16.2 million (36.6 percent).

The 14-mile main will run adjacent to the existing raw water transmission main, carrying raw water from the Kings Bluff Pump Station on the Cape

Fear River to local utilities. After construction on the pipeline itself was completed in late summer, contractor Garney Construction began the process of connecting the new line to the existing water transmission main. The two transmission mains will connect at six points, adding a layer of protection to the region's water supply in the event a portion of the pipeline is out of service.

Building the pipeline required boring underneath major infrastructure, including N.C. 11 in Columbus County and the International Paper rail yard in Riegelwood.

In 2021, crews completed the last of 10 open-cut road crossings and constructed an aerial portion of the pipeline over Livingston Creek.

Currently, CFPWA can draw up to 23 million gallons per day (MGD) from the existing transmission main. This new main will give us an additional 15 MGD in raw water capacity for the Sweeney Water Treatment Plant, keeping our water distribution system ahead of booming growth in the Cape Fear region.

Major Projects

Enterprise Resource Planning (ERP) Replacement

Project start: January 2017

Project complete: March 2021

Cost: \$4.5 million

What: CFPUA modernized the software that facilitates customer service and finance business processes to achieve efficiencies and enhance the customer service experience.

Details: To replace CFPUA's legacy Financial and Customer Service software staff chose to implement an ERP solution, which is extensible and can provide additional functionality for years to come. The ERP system consists of several pieces of integrated, cloud-hosted software, including solutions for core financial management, banking processes, Customer Service and Billing operations, mobile work orders for our Meter Services team, and over-the-counter cashier operations.

Castle Hayne Water Expansion

Project start: May 2020

Project completed: March 2021

Cost: \$1.3 million

What: The Castle Hayne Water Expansion project extended CFPUA water services along Holly Shelter Road to the Castle Hayne commercial district.

Details: The project consisted of adding approximately 3,700 feet of 12-inch water main. The new water main connects to the Sweeney water system at the intersection of Blossom Ferry Road and Holly Shelter Road, continuing along Holly Shelter Road to Orange Street, Castle Avenue, and Castle Hayne Road to serve new residential and commercial customers.



Northside WWTP Improvements and Generator Replacement

Project start: October 2020

Project complete: November 2021

Cost: \$3 million

What: Installation of a new 2,000-kW generator and upgrades to the redundant generator exhaust system, along with the addition of new walkways and washdown facilities for the tertiary filters.

Details: The project replaced the existing 1,300-kW generator with a new 2,000-kW generator, including a new fuel tank and fueling station, increasing power reliability and providing additional capacity to meet increased demands. New walkways were installed along the top of the existing tertiary filters to allow improved access for cleaning and maintenance and to increase safety. Other plant improvements included replacing the digester drain line, adding a retaining wall along 23rd Street, and coating the channel inside two of the plant's clarifiers.

Richardson WTP Capacity Expansion

Project start: October 2020
Project complete: May 2021
Cost: \$1.05 million



What: Increasing the plant's treatment capacity to 7 MGD.

Details: In May, the N.C. Department of Environmental Quality approved CFPUA's request to increase permitted capacity at the Richardson Water Treatment Plant from 6 million gallons per day (MGD) to 7 MGD following the replacement of 900 semi-permeable nanofiltration membranes with low-pressure reverse-osmosis membranes. Crews also added six new membrane housing vessels. This addition allowed CFPUA to cost-effectively increase Richardson's capacity within the existing facility footprint. The increased capacity will help the Richardson water system keep pace with growth in Northern New Hanover County and meet peak seasonal demands. A separate project to further increase Richardson's capacity to 9 MGD is currently in the design phase.

Well Site 46 and 47 Improvement Project

Project start: February 2021
Project complete: Anticipated December 2021
Cost: \$1.3 million

What: Wells 46 and 47 are emergency supply wells for the Monterey Heights groundwater system that are being upgraded to active status to meet demand in the service area.

Details: Water treatment systems will be added at the well sites to provide for water softening, pH adjustment, and the addition of a corrosion inhibitor for improved water quality and to match water chemistry in the rest of the Monterey Heights system. Each well will be able to supply an additional 200 gallons per minute.

Find It, Fix It Program

Project start: Various
Project complete: October 2021
Cost: \$12.5 million (multiple projects; including State grant funding)

What: Annual program including multiple projects to repair and rehabilitate water and sewer lines with a history of maintenance issues, inflow and infiltration, and sewer backups.

Details: 2021 Find It, Fix It projects included the Gravity Sewer Rehabilitation Under Main Roads, an \$11 million grant-funded project with a 50/50 cost split between the State and CFPUA. This project rehabilitated gravity sewer lines aged 40+ years under roads including College Road, Wooster and Dawson streets, Third Street, 16th and 17th streets, and Carolina Beach Road. The project also included cleaning and lining a significant portion of the 36-inch Burnt Mill Creek outfall.

Other projects completed included cleaning, televising, and lining over 1,000 feet of 6-inch gravity sanitary sewer mains in known problem areas and the 2019 FIFI Water and Sewer Repairs Project, which included multiple point repairs, repairing or replacing manholes, and installing water services and water mains across CFPUA's service area.





Employee Spotlight Deborah Leonard

Human Resources Manager Deborah Leonard says there's no such thing as a typical day on the job.

Her daily responsibilities might include overseeing employee compensation, updating HR policy, running analytics on staff hiring and retention, or training and orientation for employees. From Water Treatment to Centralized Maintenance, she works with the many departments that employ CFPUA's 300-plus staff members.

"Everybody just seems to get along well and is willing to help each other, even if you're not in the same department," she said. "People here are just awesome."

Updates in Customer Service

After more than 17 months of suspended late fees and service disconnections for residential customers, CFPUA eased back into regular delinquency procedures in 2021.

With many customers still facing financial difficulties from the pandemic, staff developed innovative ways to balance customers' needs with CFPUA's responsibilities to maintain water and sewer services for the whole community.

Automatic Payment Plans

Since suspending delinquency procedures in February 2020, our Customer Service department saw steady growth in the number and average delinquent amounts of past-due accounts. To help those customers begin catching up, in

May 2021, CFPUA automatically enrolled approximately 1,700 customers in payment plans.

These interest- and fee-free payment plans gave customers an additional 12 months to catch up with bills. This process helped many customers bring their accounts into good standing before CFPUA resumed residential service disconnections in September.

Financial Assistance Programs

In September 2021, CFPUA launched the CFPUA COVID Relief Program in partnership with New Hanover County, the City of Wilmington, and the Good Shepherd Center.

This project earmarked \$1 million – \$500,000 each from the County and

2021 Timeline

January 25: CFPUA temporarily halts in-person service at its main customer service center after several Customer Service staff are exposed or potentially exposed to the coronavirus. In-person service resumes January 29.

February: The N.C. Department of Environmental Quality (NCDEQ) approves CFPUA's application for a

\$4.59 million low-interest loan for sewer rehabilitation. The State Revolving Fund loan will support two projects: replacing 9,800 feet of old clay gravity sewer and 38 manholes under Fifth Avenue in downtown in advance of a City of Wilmington street-paving project and rehabilitating 2,300 feet of 36- and 48-inch sewer and associated manholes in the 100-year flood plain near McCumbers Ditch, a tributary of Burnt Mill Creek.

February 3: In a letter submitted to Sheila Holman, NCDEQ Assistant Secretary, CFPUA expresses concerns "about the apparent ineffectiveness of measures Chemours has taken so far to reduce the mass loading of its PFAS into the Cape Fear River." Among other issues, the letter cites operational failures at treatment installed in fall 2020 intended to reduce PFAS entering the river from Old Outfall 002 at Chemours' industrial site, as well as



Employee Spotlight Darryn Bellamy

City – in federal COVID relief dollars for financial assistance to CFPUA customers. Funds were allocated from the American Rescue Plan Act of 2021 (ARPA), which is being managed by the U.S. Department of the Treasury.

Through the program, CFPUA customers whose household income is at or below 80 percent of the Median Household Income for New Hanover County can apply for financial assistance to cover part or all of their past-due bills.

Throughout the year, CFPUA also helped connect customers with financial assistance through other local programs, including New Hanover County's Emergency Rental Assistance Program and Homeowner Assistance Program, and CFPUA Assist.

Monthly Billing

In October, CFPUA began moving all customers to a monthly billing cycle.

Since opening in 2008, CFPUA had issued bills on a bimonthly basis. This shift to monthly billing means customers will receive bills that are smaller and more frequent, and therefore more manageable. The change also brought our customers' water and sewer bills in line with other household expenses, such as rent or electricity.

As part of the shift to monthly billing, staff reevaluated water meter-reading routes across CFPUA's service area. All routes were simplified to make the meter reading process even more efficient.

In 2021, Wastewater Control Operator Darryn Bellamy marked his 20th year in wastewater treatment here in Wilmington.

Darryn is based at CFPUA's Southside Wastewater Treatment Plant, which collects and treats wastewater from downtown Wilmington to Monkey Junction. His workday includes monitoring plant systems, testing alarms and communications equipment, and collecting wastewater samples. He often steps in to train new wastewater staff.

"I am a Swiss army knife, open me up and I can perform any task required," he said.

operational failures at seep C, one of four seeps that leak groundwater with high levels of Chemours' PFAS into the Cape Fear River.

March 10: Revisions to CFPUA's delinquent account policies are approved by the Board, including automatic enrollment in payment plans for some customers and a plan to resume delinquency-related water service disconnections – already underway among more than half the state's water systems

– in September. CFPUA voluntarily suspended water service disconnections in February 2020, weeks before the first Executive Order from Gov. Roy Cooper enacting a shutoff moratorium.

May 5: NCDEQ approves CFPUA's request to increase the Richardson Water Treatment Plant's capacity from 6 MGD to 7 MGD. The higher capacity was made possible by a recently completed project to replace water filter membranes at

the plant, which sources groundwater from wells in the Castle Hayne and Pee Dee aquifers. Richardson is CFPUA's second-largest water treatment plant, serving nearly 30,000 customers in Murrayville, Northchase, Porters Neck, and parts of Castle Hayne and Ogden.

May 21: A voluntary water conservation advisory begins for customers in all parts of the CFPUA service area. An extended period of dry,

Cont'd on next page

Sustainability at CFPUA

Employee Spotlight

Danny Sullivan

If you've ever had to call CFPUA's emergency hotline for an after-hours sewer crisis, Collections Field Supervisor Danny Sullivan probably responded.

Coming up on 40 years in wastewater work, first with the City of Wilmington and then with CFPUA, Danny specializes in solving sewer issues. His managers often hear from grateful customers about how Danny and his team quickly cleared a blockage in their neighborhood.

"My wife says I can't retire because I can't be Superman if I'm not working," Danny said. "I just like making us a better company, and when times are bad, making them better."

In keeping with CFPUA's commitment to environmental protection, in 2021 our Environmental Management Department was renamed the Environmental Management and Sustainability Department, incorporating staff and resources from the formerly separate Public and Environmental Policy Department.

This change will more closely tie CFPUA's sustainability initiatives, such as our Electric Vehicle Program and annual resiliency reports, with our core mission of protecting customers and the environment by providing high quality water and wastewater treatment.

Resiliency Report

Staff this year compiled CFPUA's first annual Resiliency Report, the

most comprehensive look to date at how the organization may be affected by and mitigate its impact on climate change.

To create the report, staff gathered data on sea-level rise, increasing incidences of extreme heat, and other climate change-related phenomena that may pose risks for CFPUA infrastructure and employees working in the field.

The report also includes an organization-wide inventory of greenhouse gas emissions tied to CFPUA operations and staff commutes. In addition, staff highlighted successes in preparing for climate change, including CFPUA's partnership with Lower Cape Fear Water and Sewer Authority and other utilities to develop a regional Water Supply Emergency Management Plan. Staff expects the final report to be

hot weather led to higher demand across CFPUA's water systems. As of May 11, the drought intensity level for our region was elevated to Category D1 (Moderate Drought) by the NC Drought Monitor and the National Drought Mitigation Center.

June 7: New Hanover County discusses plans to designate \$500,000 in funds it received from the federal American Rescue Plan Act (ARPA)

to provide financial assistance to CFPUA customers who became delinquent on their water and sewer bills during the COVID-19 pandemic. The City of Wilmington later matches the County with \$500,000 from its ARPA funds.

June 9: For the third year in a row, the CFPUA Board approves an operating budget that includes no rate increases. The \$91.97 million

budget for Fiscal Year 2022 is a 2.2 percent increase over the previous year's budget.

June 9: The CFPUA Board names Kenneth Waldroup as CFPUA's new Executive Director. Mr. Waldroup has 27 years of experience in the water industry and comes to CFPUA from the City of Raleigh Public Utilities Department (Raleigh Water), where he was an assistant director.



Employee Spotlight Erin Tremblay

published by the end of the year.

Pump Station Study

CFPUA is a coastal utility, and one of the most immediate threats to infrastructure from climate change is the impact of sea level rise and more frequent flooding on wastewater pump stations.

Following an elevation study of its 150 pump stations, CFPUA identified 18 sites in areas prone to flooding from stormwater, storm surge, or both. Crews have begun making site-specific improvements to protect this critical infrastructure, including elevating electrical generators and adding water-tight components.

Future steps for the study include plans to add cameras at pump stations to monitor conditions

real-time during major rain events. CFPUA will use this data to inform pump station adaptation decisions.

Electric Vehicle Expansion

CFPUA is regularly looking for opportunities to replace aging vehicles in our fleet with zero-emission models. The fleet includes two hybrid-electric vehicles and one fully electric car. In May, CFPUA received \$8,000 in rebate funding from the N.C. Department of Environmental Quality for an electric vehicle charging station. Funding for the station comes from N.C.'s Volkswagen Mitigation Settlement Program.

The two-port charging station was delivered to the Sweeney Plant in August and installation is expected before the end of 2021.

In her nearly 4 years with CFPUA, Public & Environmental Policy Specialist Erin Tremblay has worked on environmental initiatives across the organization, including the annual greenhouse gas inventories and helping start the Electric Vehicle Program.

Erin's work touches not just on environmental sustainability, but on social sustainability. She serves on the Board for WATERway NC, a nonprofit that raises funds for customer financial assistance.

"While the affordability work is the most time-consuming and logistically challenging part of my job, it is also the most worthwhile part, because I know it helps people in our community," she said.

Mr. Waldroup succeeds Jim Flechtner, who was CFPUA's Executive Director since 2013 and announced his retirement in August 2020.

July 1: CFPUA begins more frequent water sampling after the City of Greensboro reports high levels of 1,4-dioxane had been detected in discharge from the T.Z. Osborne Wastewater Treatment Plant. Staff at Greensboro alerted CFPUA that

1,4-dioxane had been detected at approximately 615 parts per billion in discharge sampled Wednesday, June 30. The discharge eventually flows to the Cape Fear River, where it would be expected to undergo significant dilution before reaching CFPUA's intakes at Kings Bluff. No atypical concentrations of 1,4-dioxane are detected in CFPUA's daily monitoring of water from the Cape

Fear River through July 16.

July 10: An apparent lightning strike damages a water main in the 2000 block of Carolina Beach Road. CFPUA crews work through the weekend and into Monday to repair the break and repave the roadway.

July 13: The State of North Carolina presents former CFPUA Executive Director Jim Flechtner with the Old North State Award in recognition

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Employee Spotlight Jessica Daughtry

Customer Service Representative Jessica Daughtry joined the CFPUA team in mid-2020. She started at a time when much of the Customer Service department was working remotely due to COVID-19, but staff has since transitioned back to a (socially distanced) office setting.

Workdays are spent assisting CFPUA customers, from helping them pay bills to starting or stopping service.

“The thing I enjoy most about my job is having customers tell me ‘Thank you’ and express how much of a great customer service experience I have provided to them,” she said.

Finances

Statement of Net Position*

Date: June 30, 2021

ASSETS

Current assets	\$139,060,492
Capital assets	\$812,970,279
Total assets	\$952,030,771

DEFERRED OUTFLOWS OF RESOURCES

\$17,129,828

LIABILITIES

Current liabilities	\$41,308,586
Noncurrent liabilities	\$309,786,614
Total liabilities	\$351,095,200

DEFERRED INFLOWS OF RESOURCES

\$1,587,457

NET POSITION

Net investment in capital assets	\$543,758,699
Restricted	\$13,477,800
Unrestricted	\$59,241,443
Total net position	\$616,477,942

This statement shows the Authority’s net position – the extent to which the Authority’s assets exceed its liabilities. This statement categorizes net position into three types:

1) Net investment in capital assets is equal to the depreciated value of the Authority’s capital investment in water and sewer infrastructure less any outstanding amount of debt used to acquire or construct those assets. These amounts are not available to fund the Authority’s ongoing operations.

2) Restricted net position represents assets and liabilities that are restricted by law, Board action, or outside parties. For the Authority, the amounts in this category are restricted to pay principal and interest on outstanding debt and to pay for certain capital projects

3) Unrestricted net position is the portion of total net position that is available to fund the Authority’s ongoing operations. A relatively high amount of unrestricted net position is an indication of financial health and resilience.

*** Information contained on this page is unaudited. CFPUA maintained Aa1 and AA+ credit ratings from Moody’s and S&P, respectively. Both ratings are just one notch below the highest-possible rating.**

of his 27 years of public service. The award, which recognizes “dedication and service beyond expectation and excellence to the Great State of North Carolina,” is presented by New Hanover County Commissioner and CFPUA Board member Jonathan Barfield during the County Commissioners meeting, which also included the approval of a resolution, presented by Commis-

sioner and CFPUA Board member Rob Zapple.

August 9: In accordance with guidance from State and Federal health officials and in response to recent increases in COVID-19 infections, CFPUA reinstitutes a requirement that all visitors to its facilities wear face coverings – regardless of vaccination status.

August 17: For the 14th consecutive

year, NCDEQ awards the N.C. Area Wide Optimization Award to the Sweeney Water Treatment Plant for surpassing federal and state drinking water standards in 2020. Because the Area Wide Optimization Award recognizes facilities that treat water from surface sources (in Sweeney’s case, the Cape Fear River), CFPUA’s Richardson Water Treatment Plant is ineligible for the

Statement of Revenues, Expenses, and Changes in Net Position*

Fiscal year ended June 30, 2021

REVENUES

Operating revenues	
Charges for services	\$95,651,260
System development charges	\$8,047,468
Other operating revenues	\$4,873,540
Nonoperating revenues	
Investment earnings	\$260,774
Grants	\$2,644,234
Other nonoperating revenues	\$459,265
Total revenues	\$111,936,541
EXPENSES	
Operating expenses	\$64,365,379
Depreciation and amortization	\$24,711,921
Nonoperating expenses	\$9,133,209
Total expenses	\$98,210,509
Increase in net position before capital contributions	\$13,726,032
Capital contributions	\$11,664,569
Increase in net position	\$25,390,601
Net position, July 1, 2020	\$591,087,341
Net position, June 30, 2021	\$616,477,942

This statement shows how the Authority’s net position has changed from the prior fiscal year. The Authority’s net position increased by \$25.4 million during FY21 due to the following:

- 1) CFPUA paid down \$15.6 million in debt with current year revenues
- 2) Investments in CFPUA’s water and wastewater system funded with current year revenues exceeded depreciation during the year by \$5.9million
- 3) The remaining revenues during the year exceeded operating expenses (other than depreciation) by \$3.9 million largely due to system development charges that exceeded budgeted estimates.

The improvement in the CFPUA’s net position is directly attributable to recent financial policy revisions aimed at funding more of the investment in CFPUA’s water and wastewater system with rate revenues as opposed to debt. Because of these policies, CFPUA has limited the amount debt used to fund capital investments. This means that there is relatively more revenue to fund these investments which improves our financial position. The excess of available revenues over operating expenses will be used as a funding source for capital projects that are planned to be funded with debt. This will save rate payers in the future through reduced interest costs.



Employee Spotlight

Jordan Evans

Senior Project Manager Jordan Evans works daily with engineers and contractors on projects across CFPUA’s service area. Among the many projects to improve and expand water and sewer services overseen by his department, Jordan recently helped manage CFPUA’s Meter Replacement project. This effort brought the team into contact with virtually every CFPUA customer as old water meters were replaced with more efficient models.

“I enjoy the variety of work that comes with being a Project Manager,” he said. “In some ways, it’s a combination of engineering, business, and customer service.”

award. Richardson, which treats groundwater from the Pee Dee and Castle Hayne aquifers, continues to maintain an outstanding level of turbidity removal as well.

September 21: The CFPUA COVID Relief Program, funded by \$1 million allocated from New Hanover County and the City of Wilmington from their American Rescue Plan Act funds, begins accepting appli-

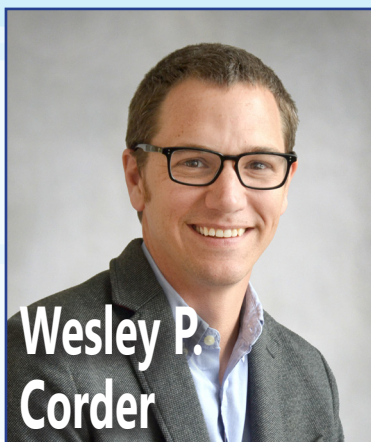
cations from customers who need help with bills that became overdue as a result of the pandemic.

October: CFPUA begins transitioning customers to a monthly bill frequency. Rates and fixed charges are not affected by the change.

October 13: The CFPUA Board approves a measure to exchange granular activated carbon media in seven of 14 existing filters at

Sweeney in early 2022. CFPUA began a program in 2018 to exchange media in the existing filters as an interim measure to provide some reduction in per- and polyfluoroalkyl substances (PFAS) in raw water until eight new GAC contactors begin operation at Sweeney. The new contactors are expected to come online in the first half of 2022. ■

Board Members



**Wesley P.
Corder**

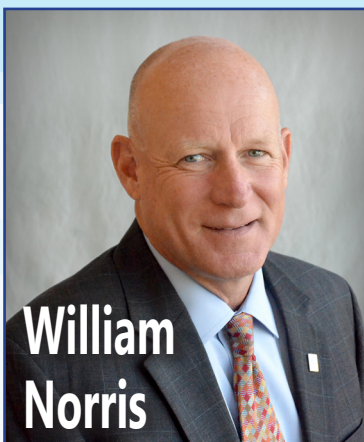
Chairman

Jointly appointed by the City of
Wilmington and
New Hanover County

Seated in 2017

Term ends 2023

Committees: Communications,
Executive & Finance



**William
Norris**

Vice-Chairman

Appointed by the City of
Wilmington

Seated in 2013

Term ends 2024

Committees: Executive &
Finance



**Jennifer
Adams**

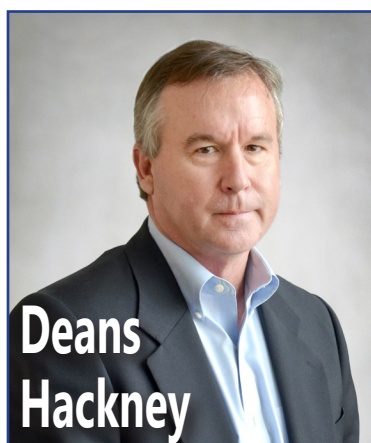
Treasurer

Appointed by New Hanover
County

Seated in 2016

Term ends 2022

Committees: Executive,
Finance, & Sustainability



**Deans
Hackney**

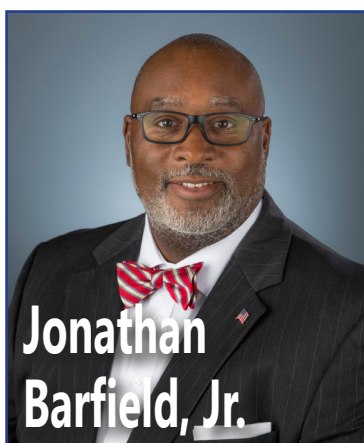
Secretary

Appointed by the City of
Wilmington

Seated in 2018

Term ends 2022

Committees: Executive,
Finance, & Human Resources



**Jonathan
Barfield, Jr.**

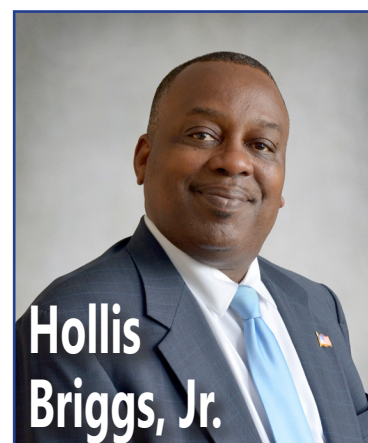
Commissioner

Appointed by New Hanover
County

Seated in 2019

Term ends 2021

Committees:
Communications & Human
Resources



**Hollis
Briggs, Jr.**

Member

Appointed by New Hanover
County

Seated in 2019

Term ends 2022

Committees:
Communications, Human
Resources, & Long Range
Planning



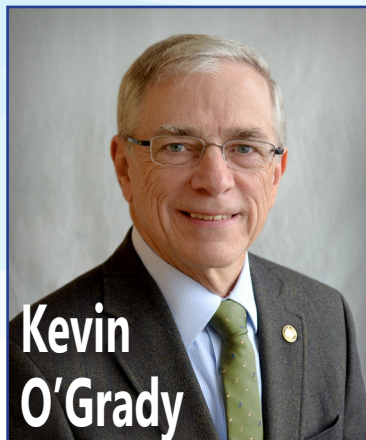
Member

Appointed by the City of
Wilmington

Seated in 2019

Term ends 2023

Committees: Long Range
Planning & Sustainability



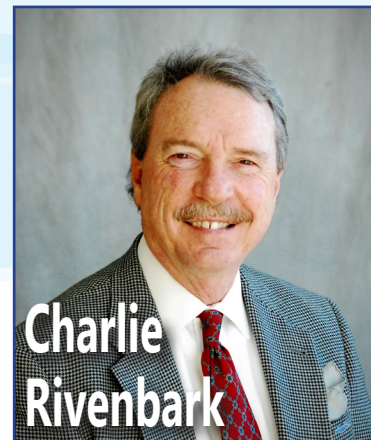
Councilman

Appointed by the City of
Wilmington

Seated in 2014

Term ends 2021

Committees:
Communications & Human
Resources



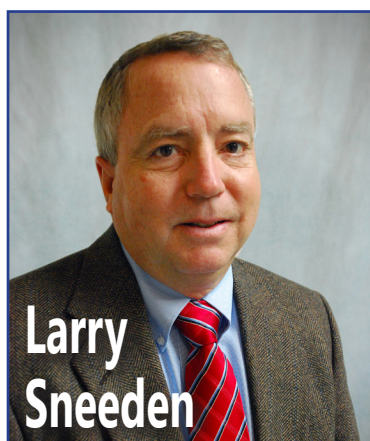
Councilman

Appointed by the City of
Wilmington

Seated in 2010

Term ends 2024

Committees: Long Range
Planning



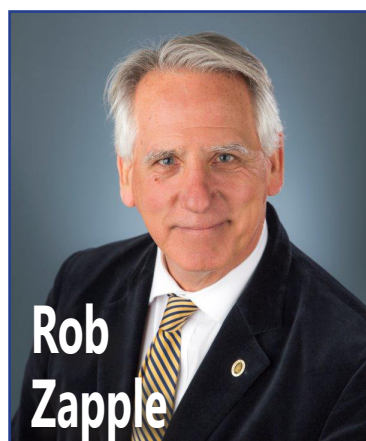
Member

Appointed by New Hanover
County

Seated in 2012

Term ends 2023

Committees: Long Range
Planning & Sustainability



Commissioner

Appointed by New Hanover
County

Seated in 2019

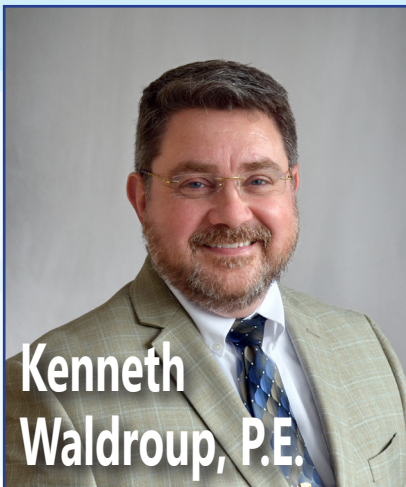
Term ends 2021

Committees: Finance, Long
Range Planning, &
Sustainability



Clerk to the Board

Management Team



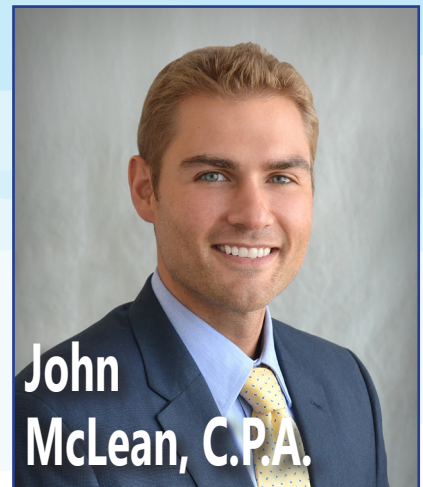
**Kenneth
Waldroup, P.E.**

Executive Director



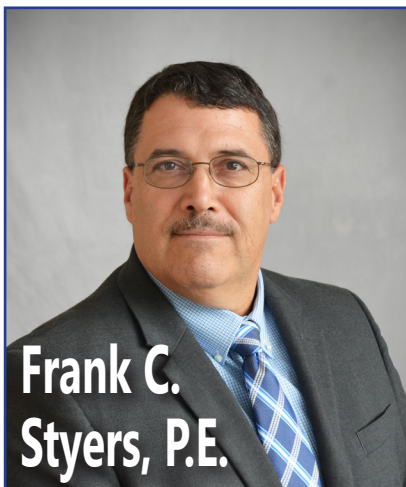
**Beth
Eckert**

**Deputy Executive Director,
Environment and Sustainability**



**John
McLean, C.P.A.**

Chief Financial Officer



**Frank C.
Styers, P.E.**

**Deputy Executive Director,
Linear Assets**



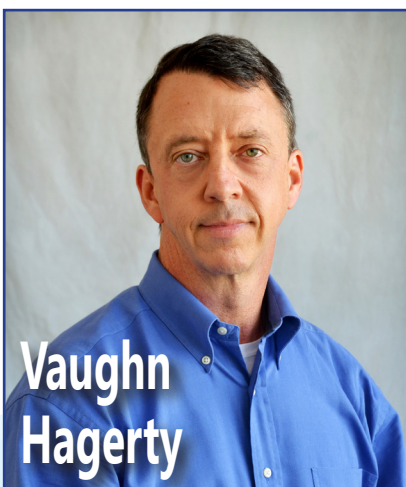
**Carel
Vandermeijden, P.E.**

**Deputy Executive Director,
Treatment/Engineering**



**Cord
Ellison**

Chief Information Officer



**Vaughn
Hagerty**

Director of Communications



**Kristi
Irick**

Director of Customer Service



**Lori
McKoy**

Director of Human Resources

Committee Reports

Communications Committee



The Communications Committee is a standing committee that meets as needed to provide guidance about CFPUA's communications strategies to deliver information to customers and stakeholders.

In 2021, as CFPUA gradually resumed delinquency procedures that had been suspended for much of the COVID-19 pandemic, the Communications Committee reviewed plans for customer outreach on payment plans and financial assistance, including outreach through flyer distribution at local nonprofit and school sites, English and Spanish radio spots, and advertisements on public transportation and billboards. The committee also discussed the continuation of a pilot program for paid community outreach through local television stations and online marketing.

Executive Committee



The Executive Committee, which comprises officers of the Board, met monthly to review Board meeting schedules and agendas, appoint committee members, and receive legal advice. The Executive Committee also reviewed legal issues that affect CFPUA.

The committee consults with other members of the Board who have expertise or interest in certain areas and solicits input from the public. Members oversee and monitor the performance of the Executive Director.

Human Resources Committee



The Human Resources Committee is a standing committee that meets as needed. The committee reviews, advises on, and recommends actions on matters involving CFPUA employees or as designated by the Board.

The Human Resources Committee met periodically during the fiscal year. Items considered at the meetings were a review and approval of the FY2021 pay plan, compensation adjustments, and employee benefits.

Finance Committee



The Authority's Treasurer serves as Finance Committee Chair. During fiscal year 2021, the Committee reviewed and recommended more than 100 agenda items relating to a variety of financial issues including the approval of significant construction and services contracts, the approval of the fiscal year 2022 operating and capital budgets, adoption of the system development charges for fiscal year 2022, and discussions concerning changes to CFPUA's rate structure to enhance equity, affordability, and conservation.

The committee received and discussed the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020, prepared by CFPUA staff. The auditor presented a "clean" opinion on this report, which also received the Government Financial Officers Association's Certificate of Achievement for Excellence in Financial Reporting.

Long Range Planning Committee



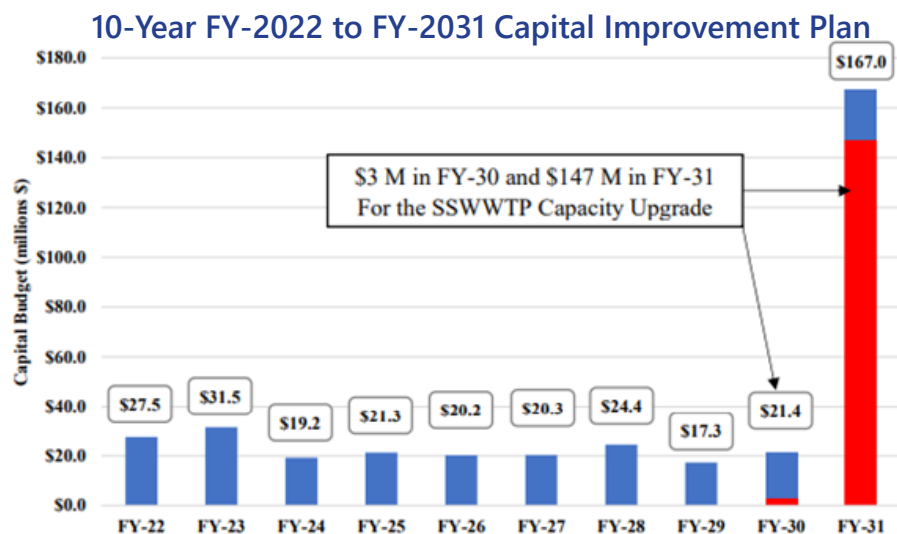
The Long Range Planning Committee generally met monthly during 2021 and reviewed more than 12 action/information items and presentations. The committee's reports included items requiring Board action or review that were reported to the Board during its regular meetings. Significant achievements during this reporting period included the development and approval of the FY2022 Capital Improvement Program and the 10-year Capital Improvement Program for FY2022 through FY2031.

The committee also reviewed and considered several ordinance revisions and policies, including:

- Revisions to the Water Emergency Management Ordinance
- COVID-19 Pandemic Adaptations
- Ordinance Revision for Standalone Irrigation Meters to Pay System Development Charges

In addition, the committee received updates on strategic projects and initiatives, including:

- Sidbury and Greenview Area Preliminary Engineering Report
- Monterey Heights Water System Planning
- Wastewater Capacity Management and Reduction of Infiltration and Inflow
- Wastewater Capacity Management Planning for the Motts Creek Sewer Basin
- Update on the Status of Lock & Dam No. 1
- Find-it Fix-it Gravity Sewer Rehabilitation Program
- Cape Fear River Raw Water Allocation and Supply Overview
- Richardson Water Treatment Plant and Well Field Expansion Update



Sustainability Committee



The Sustainability Committee generally met monthly to review CFPUA's environmental and social sustainability initiatives and make recommendations to the Board.

A key focus for the Committee in 2021 was rate affordability and financial assistance to CFPUA customers during the COVID-19 pandemic. Based on regular updates from staff on customer account delinquencies, the Committee approved changes to delinquency procedures, updated payment plan policy, and reviewed partnerships with other local government entities for the CFPUA COVID Relief Program.

The Committee also reviewed environmental initiatives such as the organization's first Resiliency Report.

Organizational Awards

N.C. Department of Environmental Quality

- Sweeney Water Treatment Plant: N.C. Area Wide Optimization Award, Fourteenth consecutive year

N.C. Department of Labor Achievement in Outstanding Health and Safety

- Administrative Services: Gold, Eleventh consecutive year
- Centralized Maintenance: Gold, Second consecutive year
- Customer Services: Gold
- Customer Services/Meter Services: Gold
- Engineering: Silver
- Environmental Services/Community Compliance: Gold, Twelfth consecutive year
- Environmental Services/Laboratory Services: Gold
- Utility Services/Pump Station Maintenance: Silver, Third consecutive year

- Utility Services/Water Quality & Locate Services: Gold
- Utility Services/Water & Sewer Construction: Gold
- Wastewater Treatment/James A. Loughlin Plant: Gold, Second consecutive year
- Wastewater Treatment/M'Kean Maffitt Plant: Gold, Fourth consecutive year
- Water Treatment/Richardson Plant: Gold, Twelfth consecutive year
- Water Treatment/Sweeney Plant: Gold, Fourth consecutive year

Government Finance Officers Association

- Certificate of Achievement for Excellence in Financial Reporting, Tenth consecutive year
- Distinguished Budget Presentation Award, Seventh consecutive year

Employee Years of Service

5 years

Mark Beal, Centralized Maintenance
Corey Beatty, Collections
Chris Bolton, Finance
Melissa Burton, Customer Service
Chris Fulcher, Water Treatment
Justin Hanes, Engineering
Joshua McLamb, Distribution
John McLean, Finance
Gary Moore, Customer Service - Meters
Carmen Presnell, Customer Service
Ben Silvester, Centralized Maintenance
Randy Turley, Wastewater Treatment
Jaqual Willis, Collections

10 years

Maggie Butler, EMD
Julia Faircloth, Finance
Avery Fishburn, Collections
Ben Kearns, Water Treatment
Tristin Rickabaugh, Wastewater Treatment
William Roy, EMD

15 years

Kyle D. Ennett, Collections
Teresa Marra, Water Treatment
Walter E. Pigford, Collections
Brock Ridout, EMD
Alfred Williams, Collections

20 years

Darryn Bellamy, Wastewater Treatment
Ricky L. Bullard, Collections
Allen Coward, Information Technology
Kevin House, EMD
James E. Kennedy, Collections
Richard Page, Engineering
Jacqueline Valade, Water Treatment

25 years

David L. Selke, Engineering

30 years

Andrew Jones, Distribution



Cape Fear Public Utility Authority
235 Government Center Drive
Wilmington, NC 28403
910-332-6550 | CFPUA.org

