

INFORMATION SHEET

PRESIDING: Commissioner Hughes, Presiding; Chair Mitchell; and Commissioners Brown-Bland, Clodfelter, Duffley, McKissick, and Kemerait

PLACE: Dobbs Building, Raleigh North Carolina

DATE: Friday, November 4, 2022

TIME: 9:01 p.m. – 4:56 p.m.

DOCKET NOS.: W-354, Sub 398

COMPANY: Carolina Water Service

DESCRIPTION: Carolina Water Service, Inc. of North Carolina, 5821 Fairview Road, Suite 401, Charlotte, North Carolina 28209, for Determination of Fair Value of Utility Assets Pursuant to N.C. Gen. Stat. 62-133.1A and Establishing Rate Base for Acquisition of the Carteret County Water System

VOLUME NUMBER: 4

APPEARANCES

(See attached)

WITNESSES

(See attached)

EXHIBITS

*Attachments Include Junis Redirect Exhibit 3, Part 1A, CWSNC Form Application and Exhibits 1B, 2-5A, 5B, 5C, 8, 10, 11, 12, Revised Exs. 5d, 8 and 12

REPORTED BY: Joann Bunze

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PLACE: Dobbs Building, Raleigh, North Carolina

DATE: Friday, November 4, 2022

DOCKET NO.: W-354, Sub 398

TIME: 2:01 p.m. - 4:56 p.m.

BEFORE: Commissioner Jeffrey A. Hughes, Presiding

Chair Charlotte A. Mitchell

Commissioner ToNola D. Brown-Bland

Commissioner Daniel G. Clodfelter

Commissioner Kimberly W. Duffley

Commissioner Floyd B. McKissick, Jr.

Commissioner Karen M. Kemerait

IN THE MATTER OF:

Carolina Water Service, Inc. of North Carolina,

5821 Fairview Road, Suite 401,

Charlotte, North Carolina 28209,

for Determination of Fair Value of Utility Assets

Pursuant to N.C. Gen. Stat. §62-133.1A and

Establishing Rate Base for Acquisition of the

Carteret County Water System

Volume 4

1 A P P E A R A N C E S:

2 FOR CAROLINA WATER SERVICE, INC. OF NORTH CAROLINA:

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4 Sanford Law Office, PLLC

5 721 North Bloodworth Street

6 Raleigh, North Carolina 27604

7
8 David Drooz, Esq.

9 Fox Rothschild, LLP

10 434 Fayetteville Street, Suite 2800

11 Raleigh, North Carolina 27601

12
13 FOR CARTERET COUNTY:

14 Claud R. Wheatly, III

15 710 Cedar Street

16 Beaufort, North Carolina 28516

17
18 FOR THE USING AND CONSUMING PUBLIC:

19 William E.H. Creech, Esq.

20 William E. Grantmyre, Esq.

21 Public Staff - North Carolina Utilities Commission

22 4326 Mail Service Center

23 Raleigh, North Carolina 27699-4300

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**NORTH CAROLINA UTILITIES COMMISSION
APPEARANCE SLIP**

DATE: 10-18-22 DOCKET NO.: W-354, Subs 398 & 399
ATTORNEY NAME and TITLE: Jo Anne Sanford

FIRM NAME: Sanford Law Office
ADDRESS: 721 Bloodworth Street
CITY: Raleigh STATE: NC ZIP CODE: 27604

APPEARANCE ON BEHALF OF: WSNC

APPLICANT: ☒ COMPLAINANT: ☐ INTERVENOR: ☐
PROTESTANT: ☐ RESPONDENT: ☐ DEFENDANT: ☐

Non-confidential transcripts are located on the Commission's website. To view and/or print transcripts, go to <https://www.ncuc.net/>, hover over the Dockets tab, select Docket Search, enter the docket number, and click search, select the highlighted docket number and select Documents for a list of all documents filed.

ONLY fill out this portion if you have signed an NDA to receive **CONFIDENTIAL** transcripts and/or exhibits:

☒ Yes, I have signed the Confidentiality Agreement.

Email: sanford@sanfordlawoffice.com

SIGNATURE: /s/ Jo Anne Sanford

(Signature Required for distribution of **CONFIDENTIAL** information)

NORTH CAROLINA UTILITIES COMMISSION

APPEARANCE SLIP

DATE: 11-3-22 DOCKET NO.: W-354 sub 398

ATTORNEY NAME and TITLE: David Drooz

FIRM NAME: Fox Rothschild

ADDRESS: 434 Fayetteville St

CITY: Raleigh STATE: NC ZIP CODE: _____

APPEARANCE ON BEHALF OF: Carolina Water Service

APPLICANT: / COMPLAINANT: _____ INTERVENOR: _____

PROTESTANT: _____ RESPONDENT: _____ DEFENDANT: _____

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ONLY fill out this portion if you have signed an NDA to receive **CONFIDENTIAL** transcripts and/or exhibits:

☐ Yes, I have signed the Confidentiality Agreement.

Email: ddrooz@foxrothschild.com

SIGNATURE: David Drooz

(Signature Required for distribution of **CONFIDENTIAL** information)

NORTH CAROLINA UTILITIES COMMISSION

APPEARANCE SLIP

DATE: Nov. 3, 2022 DOCKET NO.: W-354, Sub 358
ATTORNEY NAME and TITLE: Claud Wheatly III

FIRM NAME: wheatly law group
ADDRESS: 710 Cedar St
CITY: Beaufort STATE: NC ZIP CODE: 28516

APPEARANCE ON BEHALF OF: Certified Counsel

APPLICANT: ___ COMPLAINANT: ___ INTERVENOR: ☒
PROTESTANT: ___ RESPONDENT: ___ DEFENDANT: ___

Non-confidential transcripts are located on the Commission's website. To view and/or print transcripts, go to <https://www.ncuc.net/>, hover over the Dockets tab, select Docket Search, enter the docket number, and click search, select the highlighted docket number and select Documents for a list of all documents filed.

ONLY fill out this portion if you have signed an NDA to receive **CONFIDENTIAL** transcripts and/or exhibits:

☐ Yes, I have signed the Confidentiality Agreement.

Email: rob(a)wheatlylaw.com

SIGNATURE: [Signature]

(Signature Required for distribution of **CONFIDENTIAL** information)

NORTH CAROLINA UTILITIES COMMISSION
PUBLIC STAFF - APPEARANCE SLIP

DATE: November 3, 2022

DOCKET #: W-354, Sub 398

PUBLIC STAFF ATTORNEYS: William E. H. Creech, William E. Grantmyre

TO REQUEST A **CONFIDENTIAL** TRANSCRIPT, PLEASE PROVIDE YOUR EMAIL ADDRESS BELOW:

ACCOUNTING _____

CONSUMER SERVICES _____

COMMUNICATIONS _____

ENERGY _____

ECONOMICS _____

LEGAL: zeke.creech@psncuc.nc.gov;

William.grantmyre@psncuc.nc.gov;

gina.holt@psncuc.nc.gov

TRANSPORTATION _____

WATER _____

Non-confidential transcripts are located on the Commission's website. To view and/or print, please access <https://ncuc.net>.

COUNSEL/MEMBER(s) REQUESTING A **CONFIDENTIAL** TRANSCRIPT WHO HAS SIGNED A CONFIDENTIALITY AGREEMENT WILL NEED TO SIGN BELOW.

/s/ Gina C. Holt

/s/ William E. Grantmyre

/s/ William E. H. Creech



**CARTERET COUNTY BOARD OF COMMISSIONERS
REGULAR MEETING
COMMISSIONERS' BOARDROOM
OCTOBER 18, 2021
6:00 P.M.**

- | | | |
|-------|---|------------------------------------|
| I. | Meeting Called to Order/Pledge of Allegiance/Invocation | Chairman |
| II. | Conflict of Interest/Cell Phone Statement | Chairman |
| III. | Adoption of Agenda | Board |
| IV. | Consent Agenda | Board |
| | 1. Approval of Minutes | |
| | a. September 20, 2021 | |
| | b. September 27, 2021 | |
| | 2. Tax Releases/Refunds/Collector's Report | |
| | a. Tax Releases Under \$100 | |
| | b. Tax Releases Over \$100 | |
| | c. Tax Refunds Under \$100 | |
| | d. Tax Refunds Over \$100 | |
| | e. Tax Collector's Monthly Report | |
| | f. NCVTS Motor Vehicle Refund Report & Corrected August 2021 Report | |
| | 3. Approval of Occupancy Tax Penalty Waivers | |
| | 4. Approval of Resolution for Shallow Draft Navigation Channel Dredging
And Aquatic Weed Fund Application, Davis Shore Harbor Access
Channel Dredging Project | |
| | 5. Approval to Accept \$35,000 in Supplemental Chaffee Funds from the
State of North Carolina in Support of a One-Time Supplement Payment
to Former Foster Youth & Approval of Corresponding Budget Amendment | |
| | 6. Approval of Water Fund Budget Amendment: \$150,000 | |
| | 7. Approval to Donate a 2005 Damaged Cargo Trailer to the
North River Volunteer Fire Department | |
| | 8. Approval of the Budget Amendment for the Salary Increase for
the Sheriff's Office: \$362,627 | |
| | 9. Approval of Contract & Budget Amendment for the Straits Boat
Ramp Paving Addition: \$56,000 | |
| | 10. Deny Waiver of the 2020-21 Greenbox fees for Ms. Alma Gillikin Guthrie | |
| | 11. Approval of Proclamation Recognizing National Friends of the Libraries
Week, October 17-23, 2021 | |
| V. | Public Comment | |
| VI. | Discussion/Approval of Contract with Carolina Water
for Purchase of County-Owned Water System | Eugene Foxworth
& Claud Wheatly |
| VII. | Manager's Report | Tommy Burns |
| VIII. | Appointments | Commissioners |
| | • Aging Planning Board | |
| | • Fire & EMS Commission | |
| | • Fireman's Relief Fund Board | |

OFFICIAL COPY

Nov 22 2022

- Marine Fisheries Advisory Board
- Western Carteret Interlocal Agency (ILA) Board
- Committee Appointments for Ms. Michele Query, Economic Development Director
 - ✓ Highway 70 Corridor Commission
 - ✓ NC Eastern Alliance
 - ✓ Rural Transportation Coordinating Commission
 - ✓ Carteret County Transportation Committee

IX. Commissioners' Comments

Commissioners

X. Adjournment

IV. CONSENT AGENDA

Motion: Commissioner Comer made a motion to adopt the consent agenda; seconded by Commissioner Cavanaugh. **Motion carried unanimously.**

The Consent Agenda was as follows:

1. Approval of Minutes
 - a. September 20, 2021
 - b. September 27, 2021
2. Tax Releases/Refunds/Collector's Report
 - a. Tax Releases Under \$100

10/01/21 09:01:04

RELEASE LESS THAN 100.00

PAGE 1

Year	Roll Typ	Taxbill Number	Parc Roll	Name Id Number	Name	Total Adjustment
2021	P	142839	P	550633	BARBARA J PARSON	15.00
2021	R	793853	R	17284	JEAN MARIE DAVIS	90.23
2021	R	763394	R	539599	JOSEPH ETUX DONNA HIGHTOWER	.89
2021	R	750697	R	402968	MICHAEL K ETUX BLAINE OAKLEY	15.00
2021	R	770842	R	202327	JAMES H III ETAL STONE POOLE	3.59
2021	P	137061	P	541153	KEVIN BLAKE STYRON	20.56
2021	P	137061	P	541153	KEVIN BLAKE STYRON	20.78
2020	P	123616	P	541153	KEVIN BLAKE STYRON	21.32
2020	P	123616	P	541153	KEVIN BLAKE STYRON	21.72
2021	P	137061	P	541153	KEVIN BLAKE STYRON	1.22
2020	P	109981	P	412004	KEVIN BLAKE STYRON	4.35
2020	P	109981	P	412004	KEVIN BLAKE STYRON	1.26
2020	P	109981	P	412004	KEVIN BLAKE STYRON	24.37
2020	P	109981	P	412004	KEVIN BLAKE STYRON	13.63
2020	P	114778	P	412004	KEVIN BLAKE STYRON	14.70
2020	P	114778	P	412004	KEVIN BLAKE STYRON	1.85
2020	P	123616	P	541153	KEVIN BLAKE STYRON	11.70
2020	P	123616	P	541153	KEVIN BLAKE STYRON	24.35
2021	P	141561	P	546350	RICHARD ETUX LAURA GLADSON	95.40
2021	P	141561	P	546350	RICHARD ETUX LAURA GLADSON	15.00
2021	P	124293	P	337377	JAMES G III ETUX REBA HUCKABEE	89.57
2021	P	140262	P	105813	JOSEPH BENJAMIN PURIFOY	5.23
2021	P	128070	P	517267	ETTORE N DICANDIA II	18.71
2021	P	128070	P	517267	ETTORE N DICANDIA II	3.73
2021	P	142929	P	4443	CHARLES L ETUX LORRA NICHOLSON	21.83
2021	P	139780	P	104321	ROBERT WAYNE CATES	37.78
2021	P	139789	P	545236	DAVID WAYNE HARRINGTON	7.34
2021	P	139789	P	545236	DAVID WAYNE HARRINGTON	6.56
2021	P	128991	P	519266	GREGORY PAUL BOARDMAN	37.00
2021	P	128991	P	519266	GREGORY PAUL BOARDMAN	21.77
2021	P	137711	P	542245	CHARLES O PAYNE	15.00
2021	P	131132	P	419528	ROBIN R ANTHONY	7.10
2021	P	125112	P	419528	ROBIN R ANTHONY	15.00
2021	P	139020	P	534853	FRIENDS OF THE MUSEUM	17.00
2021	P	139020	P	534853	FRIENDS OF THE MUSEUM	29.80
2021	P	139020	P	534853	FRIENDS OF THE MUSEUM	17.00
2021	P	139020	P	534853	FRIENDS OF THE MUSEUM	8.50
2021	P	139020	P	534853	FRIENDS OF THE MUSEUM	42.50
2021	P	139020	P	534853	FRIENDS OF THE MUSEUM	21.25
2021	P	139132	P	544727	FRIENDS OF THE MUSEUM	23.66
2021	P	139132	P	544727	FRIENDS OF THE MUSEUM	50.73
2021	P	139132	P	544727	FRIENDS OF THE MUSEUM	12.01
2021	P	139132	P	544727	FRIENDS OF THE MUSEUM	65.00
2021	P	139132	P	544727	FRIENDS OF THE MUSEUM	65.26
2021	P	139132	P	544727	FRIENDS OF THE MUSEUM	80.19
2021	P	139132	P	544727	FRIENDS OF THE MUSEUM	20.68
2021	P	139132	P	544727	FRIENDS OF THE MUSEUM	17.00
2021	P	140737	P	546035	KENNETH ZIELECK	72.87
2021	P	140737	P	546035	KENNETH ZIELECK	32.80

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Year	Roll Typ	Taxbill Number	Parc Roll	Name Id Number	Name	Total Adjustment
2021	P	140737	P	546035	KENNETH ZIELECK	MOREHEAD CITY 32.81
2021	P	133379	P	511527	STEPHEN WILSON LINTON	NEWPORT 32.17
2021	P	114328	P	523466	JACOB A GIRARD	NEWPORT 82.85
2021	P	130862	P	523466	JACOB A GIRARD	NEWPORT 79.62
2021	P	130862	P	523466	JACOB A GIRARD	NEWPORT 15.00
2020	P	114328	P	523466	JACOB A GIRARD	NEWPORT 15.00
2021	P	133379	P	511527	STEPHEN WILSON LINTON	NEWPORT 3.60
2021	P	133379	P	511527	STEPHEN WILSON LINTON	NEWPORT 3.59
2021	P	136661	P	540309	JAMES ETUX KATHY ALDERMAN	SWANSBORO 12.53
2021	P	136661	P	540309	JAMES ETUX KATHY ALDERMAN	SWANSBORO 15.00
2021	P	130996	P	523835	FRANK COOLEY	NEWPORT 10.08
2021	P	130996	P	523835	FRANK COOLEY	NEWPORT 15.00
2021	P	140261	P	545639	WILLIAM BRATHER III CLINE	MOREHEAD CITY 14.03
2021	P	139976	P	541138	JOHN CHARLES THOMPSON	PINE KNOLL SHORES 11.18
2021	P	139976	P	541138	JOHN CHARLES THOMPSON	PINE KNOLL SHORES 1.32
2021	P	134506	P	50435	WELLS FARGO FINANCIAL LEASING	NEWPORT .36
2021	P	134506	P	50435	WELLS FARGO FINANCIAL LEASING	NEWPORT .36
2021	P	139363	P	544897	MICHAEL DOUGLAS NEWCOMB	HUBERT 8.50
2021	R	768907	R	548416	MARTHA ANNE PASALIS L/T MCNIEL	MOREHEAD CITY 15.00
2021	P	141371	P	547841	JOSE LUIS DE LA CRUZ DIAZ	NEWPORT 16.60
2021	P	141371	P	547841	JOSE LUIS DE LA CRUZ DIAZ	NEWPORT 10.62
2021	P	141371	P	547841	JOSE LUIS DE LA CRUZ DIAZ	NEWPORT 15.00
2021	P	137437	P	541726	TYLER EDWARD QUINN	NEWPORT 4.83
2021	R	753182	P	9404	THOMAS CORMACK SMITH	NEWPORT 91.42
2021	R	753182	P	9404	THOMAS CORMACK SMITH	NEWPORT 14.04
2020	P	125805	P	543340	DANIEL RYAN NEWBY	NEWPORT 16.62
2020	P	125805	P	543340	DANIEL RYAN NEWBY	NEWPORT 15.00
2021	P	761436	R	24822	EDWINA RIGGS FULFORD	NEWPORT 15.00
2021	P	134655	P	54335	JOHN B RICHARDSON	ATLANTIC BEACH 8.61
2021	P	134655	P	54335	JOHN B RICHARDSON	ATLANTIC BEACH 15.00
2021	P	143361	P	55654	ATLANTIC RIDGE TELECASTERS INC	MOREHEAD CITY 1.09
2021	P	135263	P	534592	HARRIS MARINE LLC	EMERALD ISLE 63.02
2021	P	136039	P	536088	DOUGLAS S HARR	HARKERS ISLAND 23.49
2021	P	136039	P	536088	DOUGLAS S HARR	HARKERS ISLAND 61.26
2021	P	136039	P	536088	DOUGLAS S HARR	HARKERS ISLAND .43
2021	R	783577	R	494670	DANIEL SR ETUX BILL L/T HARVEY	BEAUFORT 20.83
2021	P	143086	P	300303	FRANK G ETAL PATRICI TR CRATER	NEWPORT 15.34
2021	P	143086	P	300303	FRANK G ETAL PATRICI TR CRATER	NEWPORT 15.00
2021	P	135263	P	534592	HARRIS MARINE LLC	MOREHEAD CITY 3.30
2021	P	135263	P	534592	HARRIS MARINE LLC	MOREHEAD CITY 7.90
2021	P	135263	P	534592	HARRIS MARINE LLC	MOREHEAD CITY 24.07
2021	P	135263	P	534592	HARRIS MARINE LLC	MOREHEAD CITY 39.09
2021	P	135263	P	534592	HARRIS MARINE LLC	MOREHEAD CITY 4.30
2021	P	135263	P	534592	HARRIS MARINE LLC	MOREHEAD CITY 25.14
2021	P	135263	P	534592	HARRIS MARINE LLC	MOREHEAD CITY .96
2021	P	135263	P	534592	HARRIS MARINE LLC	MOREHEAD CITY 16.49
2021	P	135263	P	534592	HARRIS MARINE LLC	MOREHEAD CITY 4.55

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PAGE 3

Year	Roll Typ	Taxbill Number	Parc Roll	Name Id Number	Name	Total Adjustment
2021	P	135263	P	534592	HARRIS MARINE LLC	MOREHEAD CITY 3.32
2021	P	135263	P	534592	HARRIS MARINE LLC	MOREHEAD CITY 11.87
2021	P	136848	P	540775	SOUTHERN CRESENT LLC	ATLANTIC BEACH 82.50
2021	P	136848	P	540775	SOUTHERN CRESENT LLC	ATLANTIC BEACH 21.12
2021	P	136848	P	540775	SOUTHERN CRESENT LLC	ATLANTIC BEACH 32.36
2021	P	141626	P	548484	DAVID SEBASTIAN	ATLANTIC BEACH 8.38
2021	P	143367	P	54206	HARVELL AND COLLINS PA	ATLANTIC BEACH 15.00
2021	P	143367	P	54206	HARVELL AND COLLINS PA	MOREHEAD CITY 6.67
2021	P	143367	P	54206	HARVELL AND COLLINS PA	MOREHEAD CITY 39.63
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	MOREHEAD CITY 5.65
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH 3.91
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH 4.13
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH 14.56
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH .01
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH .12
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH .15
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH .31
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH .15
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH .11
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH .41
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH .60
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH .18
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH 4.01
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH .36
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH 1.49
2021	P	127553	P	2119	EAST CAROLINA SERVICES INC	ATLANTIC BEACH 1.08
2021	P	140373	P	545729	LARRY DANE HORRELL	ATLANTIC BEACH 33.48
2021	P	140373	P	545729	LARRY DANE HORRELL	SELMA 69.99
2021	P	133786	P	530389	JERRY DOUGLAS STEPHENSON	SELMA 47.25
2021	P	140619	P	545937	LINWOOD RAY STEPPS	NEWPORT 15.00
2021	P	140619	P	545937	LINWOOD RAY STEPPS	NEWPORT 49.84
2021	P	139954	P	545370	ADAM FRED TREADAWAY	NEWPORT 31.40
2021	P	139954	P	545370	ADAM FRED TREADAWAY	GREENVILLE 70.19
2021	P	135206	P	534416	CYNTHIA STEPPS	GREENVILLE 36.93
2021	P	135206	P	534416	CYNTHIA STEPPS	INDIAN BEACH 8.61
2021	R	758355	R	491222	EDWARD EUGENE JR RAINES	INDIAN BEACH 15.00
2021	P	137524	P	541847	LILLIAN ABBOTT	NEWPORT 665.15
2021	P	126150	P	52522	PHOEBE MOELLER	NEWPORT 2.03
2021	P	142497	P	549730	PHOEBE MOELLER	EMERALD ISLE 42.97
2021	P	142497	P	549730	PHOEBE MOELLER	EMERALD ISLE 89.73
2021	P	135336	P	107849	EDWARD VINCENT RUSSELL	NEWPORT 15.00
2021	P	135336	P	107849	EDWARD VINCENT RUSSELL	BEAUFORT 37.53
2021	P	139368	P	341408	WILLIAM FREDERICK HOOPER JR	BEAUFORT 24.50
2021	P	139368	P	341408	WILLIAM FREDERICK HOOPER JR	NEWPORT 46.94
2021	P	139368	P	341408	WILLIAM FREDERICK HOOPER JR	NEWPORT 3.39
2021	P	139416	P	341408	WILLIAM FREDERICK HOOPER JR	NEWPORT 1.02
2021	P	139416	P	341408	WILLIAM FREDERICK HOOPER JR	NEWPORT .45
2021	P	142286	P	549351	JOSHUA CAVINESS	NEWPORT 11.02

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RELEASE LESS THAN 100.00

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Total Adjustment

Year	Roll Type	Taxbill Number	Parc Roll	Name Id Number	Name	Total Adjustment
2021	P	142286	P	549351	JOSHUA CAVINESS	15.00
2021	P	142284	P	515075	ERNIE CARABALLO	20.15
2021	P	134927	P	52852	CHRISTIAN D/B/A WILLIS	.42
2021	P	134927	P	52852	CHRISTIAN D/B/A WILLIS	.57
2021	P	134927	P	52852	CHRISTIAN D/B/A WILLIS	5.43
2021	P	134927	P	52852	CHRISTIAN D/B/A WILLIS	.52
2021	P	134927	P	52852	CHRISTIAN D/B/A WILLIS	.16
2021	P	142293	P	549367	JOSE DOMINGUEZ	19.31
2021	P	134927	P	52852	CHRISTIAN D/B/A WILLIS	.15
2021	P	142293	P	549367	JOSE DOMINGUEZ	15.00
2021	P	134927	P	52852	CHRISTIAN D/B/A WILLIS	27.76
2021	P	134927	P	52852	CHRISTIAN D/B/A WILLIS	37.62
2021	P	134927	P	52852	CHRISTIAN D/B/A WILLIS	21.45
2021	P	134194	P	51823	KENDALL HOUSTON	13.41
2020	P	126577	P	300303	FRANK G ETAL PATRICI TR CRATER	39.02
2019	P	92311	P	300303	FRANK G ETAL PATRICI TR CRATER	41.95
2018	P	215441	P	300303	FRANK G ETAL PATRICI TR CRATER	44.87
2017	P	126529	P	300303	FRANK G ETAL PATRICI TR CRATER	47.80
2016	P	59585	P	300303	FRANK G ETAL PATRICI TR CRATER	8.49
2021	P	142267	P	549317	FRANCISCO L LUTZ	15.00
2021	P	142267	P	549317	FRANCISCO L LUTZ	22.01
2021	P	142283	P	549341	DAVID WOODLINE	15.00
2021	P	142283	P	549341	DAVID WOODLINE	21.59
2021	P	142316	P	549397	NETTIE D STOWERS	15.00
2021	P	142316	P	549397	NETTIE D STOWERS	15.00
2021	P	142285	P	549350	CAROL MINOR	9.72
2021	P	142285	P	549350	CAROL MINOR	15.00
2021	P	142322	P	549403	CATHY FAILLA	15.00
2021	P	142322	P	549403	CATHY FAILLA	42.54
2021	P	142294	P	549375	DIANA HASTINGS	21.93
2021	P	142294	P	549375	DIANA HASTINGS	15.00
2021	P	142302	P	549382	LIUDMYLA GONCHARENKO	11.02
2021	P	142302	P	549382	LIUDMYLA GONCHARENKO	15.00
2021	P	142329	P	549414	MARY E ROSE	46.56
2021	P	142329	P	549414	MARY E ROSE	15.00
2021	P	142306	P	549386	JORDAN BEREAN	11.02
2021	P	142306	P	549386	JORDAN BEREAN	15.00
2021	P	142287	P	549355	PAUL TAYLOR	25.90
2021	P	142287	P	549355	PAUL TAYLOR	15.00
2021	P	142291	P	549365	MARK PATTERSON	13.06
2021	P	142291	P	549365	MARK PATTERSON	15.00
2021	P	142311	P	549391	EDA ROSA OVANDO	11.02
2021	P	142311	P	549391	EDA ROSA OVANDO	15.00
2021	P	142324	P	549407	DANY L SANCHEZ	39.13
2021	P	142324	P	549407	DANY L SANCHEZ	15.00
2021	P	142313	P	549394	TERRY SHIMP	16.77
2021	P	142313	P	549394	TERRY SHIMP	15.00
2021	P	142323	P	549404	ARTEMIO PEREZ	15.09
2021	P	142323	P	549404	ARTEMIO PEREZ	15.00

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Total Adjustment

Year	Roll Type	Taxbill Number	Parc Roll	Name Id Number	Name	Total Adjustment
2021	P	142281	P	549332	FUAD HUSSEIN	11.02
2021	P	142281	P	549332	FUAD HUSSEIN	15.00
2021	P	142272	P	549323	STACY MOZA	11.02
2021	P	142272	P	549323	STACY MOZA	15.00
2019	P	77505	P	517356	MARTHA SUE GOODWIN	45.70
2021	P	142312	P	549392	DAVID JENNINGS	13.06
2021	P	142312	P	549392	DAVID JENNINGS	15.00
2021	P	138314	P	543264	JULIA A GROVER	15.00
2021	P	138314	P	543264	JULIA A GROVER	15.00
2021	P	140712	P	546010	TIMOTHY C JONES	77.03
2021	P	142384	P	499631	WILLIAM DOUGLAS MANESS	19.13
2021	P	141852	P	548789	STEVE LANGHAM	63.95
2021	P	132810	P	528166	ROBERT GUY HUDGINS	32.67
2021	P	132810	P	528166	ROBERT GUY HUDGINS	.28
2021	P	132810	P	528166	ROBERT GUY HUDGINS	.13
2021	P	126365	P	497598	VINCENT LIVELY	14.26
2021	P	126365	P	497598	VINCENT LIVELY	15.00
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	5.50
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	4.05
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	1.97
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	.82
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	6.37
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	.32
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	.51
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	.08
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	13.07
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	1.75
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	2.51
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	7.33
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	1.88
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	2.79
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	6.02
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	6.18
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	1.98
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	5.45
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	1.22
2021	P	125380	P	50810	CARTERET INTERNAL MEDICINE INC	9.62
2021	P	124315	P	482656	JOHN Y THOMAS JR.	6.63
2021	P	124315	P	482656	JOHN Y THOMAS JR.	15.00
2021	P	137041	P	541127	DAVID EDWARD GARNER	50.48
2021	P	137041	P	541127	DAVID EDWARD GARNER	23.58
2021	P	134149	P	531655	ALAN RAY BRANNAN	20.81
2021	P	134149	P	531655	ALAN RAY BRANNAN	14.04
2021	P	124421	P	33258	ROBERT LEON ETUX ARMISTEAD	10.42
2021	P	136336	P	82372	WILLIAM HENRY IV WASHINGTON	69.37
2021	P	136336	P	82372	WILLIAM HENRY IV WASHINGTON	51.65
2021	P	135327	P	534705	CHARLES JAMES ADKINS	5.32
2021	P	143412	P	471343	KITTRELL AUTO PARTS OF BEAUFOR	5.20
2020	P	121081	P	535070	GREGORY THOMAS WARNER	

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Year	Roll Type	Taxbill Number	Parc Roll	Name Id Number	Name	Total Adjustment
2021	P	143413	P	551886	JAMES AVERY SHEPARD	15.00
2021	P	140173	P	545565	PATRIK MICHAEL WOOD	3.30
2021	P	134169	P	521731	CATHY MARIE RUDISILL	74.51
2021	P	139104	P	516629	GLORIA TURNER BLOEM	3.10
2021	P	139104	P	516629	GLORIA TURNER BLOEM	2.54
2021	P	138643	P	543781	DENNIS DELONG	13.60
2021	P	138643	P	543781	DENNIS DELONG	13.58
2021	P	140839	P	546122	RALPH BROOKS NITT	63.50
2021	P	142514	P	549753	JASON ETUX SUSAN WEISS	69.76
2021	P	143429	P	551893	CARLOS DEMETRIUS JR TYSON	15.00
2021	P	138902	P	515580	DAVID WOODRUFF SCULL	11.05
2021	P	142637	P	549880	NORMAN COMPTON	69.29
2021	P	142637	P	549880	NORMAN COMPTON	15.00
2021	P	143450	P	551915	DIANURIS CUPIL CARRASCO	15.00
2021	R	751057	R	349664	HARRY L JR ETUX CARPENTER	65.63
2021	R	751724	R	201759	TRUST BENEFIT DEAN N HARDESTY	89.54
2021	P	142408	P	549587	TERRY HARDISON	15.00
2021	P	138465	P	543523	TERRY HARDISON	55.81
2021	P	138465	P	543523	TERRY HARDISON	7.11
2021	U	797288	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797300	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797302	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797290	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797291	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797292	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797293	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797294	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797295	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797296	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797297	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797298	U	551907	T-MOBILE SOUTH, LLC	.00
2021	U	797299	U	551907	T-MOBILE SOUTH, LLC	.00
2021	P	128162	P	517377	CHARLES RYAN SEGRAVE	30.40
2021	P	128162	P	517377	CHARLES RYAN SEGRAVE	4.62
2021	P	128162	P	517377	CHARLES RYAN SEGRAVE	6.65
2021	P	128162	P	517377	CHARLES RYAN SEGRAVE	1.56
2021	P	140670	P	545973	KAITLYN ELIZABETH GALLAGHER	32.92
2021	P	140670	P	545973	KAITLYN ELIZABETH GALLAGHER	32.92
2021	P	140299	P	529945	WILLIAM ROMAN GALLAGHER	40.53
2021	P	140299	P	529945	WILLIAM ROMAN GALLAGHER	20.92
2021	P	143473	P	545973	KAITLYN ELIZABETH GALLAGHER	15.00
2021	P	142001	P	520018	LANNIE TAYLOR	3.87
2021	P	142594	P	525572	RUSSELL D WALL	32.16
2021	P	142594	P	525572	RUSSELL D WALL	15.00
2021	P	130743	P	49473	JOHN C WYATT	.61

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Year	Roll Type	Taxbill Number	Parc Roll	Name Id Number	Name	Total Adjustment
2021	P	143475	P	551922	SANDRA JEANETTE CAROSIELLO	70.82
2021	P	143475	P	551922	SANDRA JEANETTE CAROSIELLO	15.00
2021	P	135164	P	519757	REINHART W KUNNMANN	23.74
2021	P	135164	P	519757	REINHART W KUNNMANN	8.89
2021	P	141761	P	514972	DANNY L DUPREE	36.03
2021	P	142506	P	549733	MACK RICE	15.00
2021	P	141600	P	548451	BRADLEY SHAEFER	34.68
2021	P	141600	P	548451	BRADLEY SHAEFER	15.00
FINAL TOTALS						5,223.78
TOTAL						

* * * END OF REPORT * * *

b. Tax Releases Over \$100

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Name Id Number	Name	Total Adjustment	Comment
550633	BARBARA J PARSON	143.53	DOUBLE BILLED ALSO ON 0543809
550633	BARBARA J PARSON	157.00	SW ERROR
2149	ROBIN ELLIOTT ETUX DANA C KING	469.08	DOUBLE BILLED ON FN 0541143
244056	DALE ETUX JENNIFER MCCOMBS	157.00	NO HOUSE ON THE PROPERTY
371523	CHARLES MATTHEW GARTEN	346.50	BUILDING HAS HURRICANE DAMAGE
402968	MICHAEL K ETUX ELAINE OAKLEY	157.00	SW ERROR HAS TRASH PICK UP
540490	DON CRAWFORD	200.59	PAYS IN LENOIR CITY
374058	JEFFRE A VAUGHN	148.50	VA EXEMPTION
46707	DOUGLAS RAY BISMUSSEN	198.55	VA EXEMPTION
78378	EDWARD H ETUX KAREN B LASSITER	157.00	TRASH SERVICE / GFL
376147	KENNETH C ETUX PAULA KAUFFMAN	157.00	SW ERROR
412004	KEVIN BLAKE STYRON	165.00	SW ON A BOAT
27408	GUS L JR DAVIS	157.00	TRASH SERVICE / RICHARDS SANITATION
14890	JARVIS MOORE II PINER	157.00	TRASH SERVICE / RICHARDS SANITATION
11006	ALLAN DIERKER	157.00	TRASH SERVICE / GFL
546848	DAVID M ETUX JENNIFER R FORMAN	157.00	TRASH SERVICE / RICHARDS SANITATION
23684	DOUGLAS M FERRELL ETUX TERESA	157.00	TRASH SERVICE / GFL
472528	PHYLLIS LEE MORRIS TRUS GIBSON	157.00	TRASH SERVICE / RICHARDS SANITATION
26348	CAS MICHAEL ETUX PATRICE CADER	157.00	TRASH SERVICE / RICHARDS SANITATION
25046	RAPHAEL J ETUX GUYLENE SCHARF	157.00	TRASH SERVICE / GFL
33822	DAVID J SIMMONS	157.00	TRASH SERVICE / GFL
145690	DOLAS T ETUX CATHY PADGETT	157.00	TRASH SERVICE / GFL
340920	DAVID A ETUX MELISSA JOHNSON	157.00	TRASH SERVICE / GFL
31920	JAMES H JR ETUX SHEILA G DIXON	157.00	TRASH SERVICE / RICHARDS SANITATION
534296	LLOYD ETUX CAROL ELLIS	157.00	SW ERROR HAS TRASH PICK UP
369286	GEORGE J JR ETUX RITA BABICH	157.00	TRASH SERVICE / GFL
201118	HUGH SCOTT CAMERON	168.38	CHANGED VALUE PER BOS
22940	SEAN A ETUX MARNIE LEWIS	157.00	SW ERROR HAS TRASH PICK UP
538790	LEROY ETUX DAWN EISNER	265.00	SW
549119	CHESNUTT & CLEMMONS PA	948.40	PURCHASE PRICE OF THE BUILDING
438684	SCOTT A ETUX BECKIE A BROOKS	157.00	SW ERROR HAS TRASH PICK UP
438684	SCOTT A ETUX BECKIE A BROOKS	157.00	TRASH ON A BOAT SLIP
541385	DAVID L GERHART	564.10	SOLD BOAT NO LONGER IN THE STATE NC
147163	MICHAEL S BARROW	109.85	HOME DESTROYED PER MEH
125021	MICHAEL R ETUX SANDRA CZESCHIN	157.00	TRASH SERVICE / GFL
438007	ETHAN HARMON KLANANSKY	157.00	TRASH SERVICE / GFL
546136	GRAHAM G KING	752.39	BOAT OVER VALUE PER BILL OF SALE
412669	JOSHUA DEAN ETUX DEIDRA ARTHUR	135.85	WRONG TAXPAYER BILLED PER SG
412669	JOSHUA DEAN ETUX DEIDRA ARTHUR	135.64	WRONG TAXPAYER BILLED PER SG
412669	JOSHUA DEAN ETUX DEIDRA ARTHUR	118.22	WRONG TAXPAYER BILLED PER SG
412669	JOSHUA DEAN ETUX DEIDRA ARTHUR	118.22	WRONG TAXPAYER BILLED PER SG
542245	CHARLES O FAYNE	371.08	BILLED IN ERROR SOLD CAMPER IN 2020
800925	SHAWN H ETUX BRANDY D GARRARD	157.00	TRASH SERVICE / WASTE REMOVAL LLC
419528	ROBIN R ANTHONY	283.34	BOAT DOUBLE BILLED ON FN 054977
534853	FRIENDS OF THE MUSEUM	173.81	STATE EXEMPT
123522	CYNTHIA MEYER	157.00	SW ERROR HAS TRASH PICK UP
199116	IRNE ARNOLD ETUX ABIGAIL MASON	157.00	SW ERROR HAS TRASH PICK UP
547642	ROBERT M ETAL MCCLOUGHAN	157.00	SW ERROR HAS TRASH PICK UP
547864	CHRISTOPHER ETUX R BREEDLOVE	157.00	SW ERROR HAS TRASH PICK UP

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Name Id Number	Name	Total Adjustment	Comment
433079	JAMES RICHARD JOHNER	157.00	SW ERROR HAS TRASH PICK UP
433849	CHRISTOPHER ETUX TAMMY WATSON	157.00	TRASH SERVICE / GFL
315704	JOSEPH M ETUX CHRISTINE NOONAN	157.00	TRASH SERVICE / GFL
455859	JASON MICHAEL ETUX DONA GREEN	157.00	SW ERROR HAS TRASH PICK UP
373834	TOBIN II ETUX MICHELLE FINIZIO	157.00	TRASH SERVICE / GFL
388017	J & S CAROLINA PROPERTIES LLC	157.00	TRASH SERVICE / WASTE REMOVAL LLC
46486	MARY J ETAL LINDA CASEY CREECH	157.00	TRASH SERVICE / GFL
399815	RUSTY D ETUX APRIL S TAYLOR	157.00	SW ERROR
549530	CHAD ETUX CRYSTAL FOGLEMAN	157.00	TRASH PICKUP SERVICE
248869	VIVIAN RICHARDSON CREECH	157.00	SW ON MH / P0052815
146268	JOHN D ETUX ALPHARETA DORGAN	157.00	SW ERROR HAS TRASH PICK UP
523835	FRANK COOLEY	265.00	SW ERROR
458351	PATRICK A ETUX BRANDY W BELLO	157.00	TRASH SERVICE / RICHARDS SANITATION
148784	KRISTEN ETUX BRANDON LANE	157.00	TRASH SERVICE / GFL
537953	PATTI M ETAL MILLER MARRARO	157.00	TRASH SERVICE / GFL
941138	JOHN CHARLES THOMPSON	100.62	WRG DISTRICT / NEW P0543941
396311	RICHARD L ETUX VALORIE M JONES	157.00	TRASH SERVICE / GFL
53699	KENNETH ROBERTS	157.00	GOOSE CREEK / TRASH BOX IN THE PARK
46670	BRIAN C ETUX JAMIE MAREK	157.00	SW ERROR HAS TRASH PICK UP
74289	ROBERT WILLIAM DAIN	157.00	TRASH SERVICE / GFL
212720	MICHAEL W ETUX DONNA KEELER	157.00	SW ERROR HAS TRASH PICK UP
412669	JOSHUA DEAN ETUX DEIDRA ARTHUR	135.85	TO REFUND PRIOR TP WHO PAID
27706	CHARLES B BISSETTE	157.00	SW ERROR
463551	ROGER D JR ETUX AMANDA PITTMAN	157.00	TRASH SERVICE / RICHARDS SANITATION
145604	GLEN O ETUX ANGELIA RIGGS	157.00	TRASH SERVICE / GFL
14158	GLEN O RIGGS	157.00	TRASH SERVICE / GFL
362088	BRUCE LEE ETUX SUSAN R MARTIN	157.00	NO HOME ON PROPERTY / SW FEE WAIVED
150229	RANDY T ETUX LUANNE MERRILL	157.00	SW ERROR HAS TRASH PICK UP
19159	RANDY T MERRILL	157.00	SW ERROR
533179	PATRICIA WILLIS FLEAK	157.00	SW ERROR HAS TRASH PICK
195392	TODD S ETUX KATHERINE A GREISS	157.00	SW ERROR HAS TRASH PICK UP
28871	GARY S BISHOP	157.00	SW ERROR HAS TRASH PICK UP
550392	CALVERT R ETUX LETITIA BRYANT	297.00	WRONG DISTRICT
550392	CALVERT R ETUX LETITIA BRYANT	297.00	TO REMOVE
14380	ALICE GRAY WEEKS	157.00	SW ERROR
77440	WILLIAM III ETUX ROBER ROBERTS	157.00	SW ERROR HAS TRASH PICK UP
394393	ERNEST LEE ETUX BRIN CARSON	157.00	SW ERROR HAS TRASH PICK UP
40095	ROBERT L ETUX CONNIE G SMITH	157.00	SW ERROR HAS TRASH PICK UP
374059	JOHNNY R ETUX PATTY R PARSONS	157.00	SW ERROR HAS TRASH PICK UP
23814	RODNEY N GUTHRIE	157.00	SW ERROR HAS TRASH PICK UP
548416	MARTHA ANNE PABALIS L/T MCNIEL	379.45	BILLED IN THE WRONG DISTRICT
278008	RITA JANE RIGGS TAYLOR	157.00	SW ERROR
549794	RAY ETUX CHRIS GARDNER	265.00	SW ERROR HAS TRASH PICK UP
548041	JOSE ETUX ELIZABETH CONTRERAS	157.00	SW ERROR HAS TRASH PICK UP
539821	FLOYD JR ETUX SHERRY M DUFORE	157.00	SW ON A VACANT LOT
462198	MICHAEL D ETUX TIFFANY M WADE	157.00	SW ERROR HAS TRASH PICK UP
378711	MICHELLE K COOPER	157.00	SW ERROR HAS TRASH PICK UP
525986	CHRISTIAN JOSEPH ROSSETTI	157.00	SW ERROR HAS TRASH PICK UP
8928	DALE CLEARWATER	157.00	TRASH SERVICE / RICHARDS SANITATION

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Name Id Number	Name	Total Adjustment	Comment
546596	MARK ETUX SUE BEVERLEY	157.00	SW ERROR PARK HAS TRASH PICK UP
142979	JANET DALE LEWIS L/T HILL	157.00	SW ERROR HAS TRASH PICK UP
30054	DONALD BRYANT	157.00	SW ERROR HAS TRASH PICK UP
544369	WILLIAM E JR ETUX CINDY SASSER	293.63	VA EXEMPTION
546698	ROBERT E ETAL K MICHALKO RHODE	184.50	VA EXEMPTION
225295	THERISA PILGER BUNN	157.00	SW ERROR HAS TRASH PICK UP
32666	GARY ANDREW ETUX GAIL ZAJAC	157.00	SW ERROR HAS TRASH PICK UP
27491	JIM H GLOAN	157.00	SW ERROR HAS TRASH PICK UP
409595	GAIL WILLIS CANNON	157.00	SW ERROR HAS TRASH PICK UP
539545	JASON L ETUX RACHEL N FRIVANCE	157.00	SW ERROR HAS TRASH PICK UP
451683	LATASHA ETUX SHANE MCCAULEY	157.00	SW ERROR HAS TRASH PICK UP
72397	ASHLEY HOLLAND DOZIER	157.00	SW
549091	ROBIN ANTHONY	212.59	SOLD BOAT IN 2020
79452	ROBERT J ETUX KATIE A WALKER	157.00	SW ERROR HAS TRASH PICK UP
537602	DELLA REECE ETAL MADDOX BROOKS	157.00	SW ERROR HAS TRASH PICK UP
537118	BETTY DEEN L/T JOHNSON	157.00	SW HOUSE HAS BEEN VACANT FOR 2 YRS
19225	CHARLES B ETUX DONNETTA BROOKS	157.00	SW ERROR
342614	GARY W ETUX JESSICA G WADE	157.00	SW
448206	LOUIS LATHAM OWENS III	192.05	BOAT IS LOCATED IN CRAVEN CO
24822	EDWINA RIGGS FULFORD	157.00	SW ERROR
540651	EDWINA RIGGS FULFORD	157.00	SW ERROR
512503	JAMES MAXTON LEWIS	157.00	SW ERROR HAS TRASH PICK UP
547995	JAMES ETUX KARI BELMONT	157.00	SW ERROR HAS TRASH PICK UP
58095	ONE HARBOR CHURCH INC	276.72	PARCEL SHOULD HAVE BEEN "E"
58095	ONE HARBOR CHURCH INC	1,261.28	SHOULD HAVE BEEN "E" ROLE TYPE
546434	KATHLEEN PEDDYCORD SCOTT	125.93	OVER VALUED
546434	KATHLEEN PEDDYCORD SCOTT	843.36	BOAT IS DOUBLE BILLED
546434	KATHLEEN PEDDYCORD SCOTT	221.15	BOATS LISTED IN WRONG CATAGORY
537175	PHILIP B ETUX DION P FREELS	157.00	SW
14856	THOMAS AND BLAHA LLC	157.00	SW ERROR HAS TRASH PICK UP
529304	CANNONSGATE PROPERTY LLC	157.00	SW ON A BOAT SLIP
551068	CHARLES WAYNE PITMAN	155.04	SOLD BOAT PER ALVIN
185247	JENNIFER OLIVIA YANKOSKY	118.49	DIST CHANGE FROM 1556 TO 1561
532407	RICHARD DOUGLAS STEWART	157.00	VACANT LAND
19419	LEONA DAVIS HALL	157.00	SW
542401	DONALD L ETUX KATHY SUE YOUNG	157.00	SW DOUBLE BILLED
547660	DAVID F ETUX LINDA G LEE	157.00	SW ERROR HAS TRASH PICK UP
51894	MARY G MYERS	157.00	SW ERROR HAS TRASH PICK UP
106885	PHILLIP ETUX JANIE G HAMSEY	157.00	SW ERROR HAS TRASH PICK UP
163151	JEFFREY T ETUX GEORGIA A SHAW	157.00	SW ERROR HAS TRASH PICK UP
394163	MARVIN ETUX GLENDA GARRETT	157.00	SW
425425	KYLE WILLIAM ETUX SHERTZER	157.00	SW
547738	CATRINE TREFFLETTE JONES	157.00	SW ERROR HAS TRASH PICK UP
392614	GEORGE H JR ETAL BECKWITH	157.00	SW
540467	ELLA RUTH PARKS L/T BOYD	157.00	SW ERROR HAS TRASH PICK UP
367408	CLIFTON ETUX FRANCES L/T NANCE	157.00	SW
546114	RALPH OMERLE AMICK	293.74	BOAT IS IN HATTERAS
546114	RALPH OMERLE AMICK	165.62	BOAT AND MOTOR ARE IN HATTERAS
27453	GARY J KENTER	861.27	VIKING DIDNT DEPREC

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Name Id Number	Name		Total Adjustment	Comment
551706	CLEVE CONTRACTING INC	SWANSBORO	406.64	LATE LISTER
551706	CLEVE CONTRACTING INC	SWANSBORO	1,409.83	CORRECT THE SCHEDULE
184098	JO-ANN ROBINSON SILVIA	GLOUCESTER	157.00	VACANT LOT W/PAVING
37207	WILLA M DICKENS	MOREHEAD CITY	157.00	TRASH SERVICE / RICHARDS SANITATION
545729	LARRY DANE HORRELL	SELMA	530.79	BILLED IN WRONG DISTRICT
14364	STEPHEN R ETUX GOODWIN	BEAUFORT	157.00	SW ERROR HAS TRASH PICK
28740	LARRY L MADDOX	NEWPORT	157.00	SW
23791	BARBARA J BARROWS	MOREHEAD CITY	157.00	SW ERROR HAS TRASH PICK UP
31402	BILLY MACK ETUX BETH WEEKS	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
548896	ROSS A ETUX KATIA L COUNCILMAN	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
542838	MARTIN BOCK		149.68	BOAT WAS LISTED IN ONSLOW CO
547912	GREG ETUX JESSICA COUNCIL		265.00	SW ERROR HAS TRASH PICK UP
461400	JOHN R ETUX SANDRA A WASTERVAL	BEAUFORT	157.00	SW ERROR ON A VACANT LOT
203613	DONALD W ETUX JEANNIE W DRAKE	NEWPORT	157.00	SW
541305	RONALD KEITH BROWN	MOREHEAD CITY	550.80	BOAT VALUE DID NOT REDUCE FROM LAST
530389	JERRY DOUGLAS STEPHENSON		293.75	DOUBLE BILLED ON #0543427
35499	JAMES R KELLEY	MOREHEAD CITY	117.95	MOTOR BLOWN UP AND JUNKED THE BOAT
543868	GARRY JR ETUX MARY WEST		265.00	SW BOARDWALK W
8422	ARTIS B GARNER	NEWPORT	180.38	HOUSE IS UNLIVEABLE PER HURRICANE
546222	ALICIA M BURGESS	NEWPORT	157.00	WRONG DIST
249106	EDWARD W MULLIS	MOREHEAD CITY	157.00	HAS CURBSIDE PICKUP
549730	PHOEBE MOELLER		265.00	SW
13195	CHARLES T ETUX MARY P KIRK	BEAUFORT	157.00	SW ERROR
13195	CHARLES T ETUX MARY P KIRK	BEAUFORT	157.00	SW ERROR
104737	SAMUEL L JR ETUX KATHE RUSSELL	MOREHEAD CITY	157.00	SW
373857	JOEL ETUX BARBARA JERNIGAN	MOREHEAD CITY	157.00	SW
435454	CARA ETVIR ALEX ETAL HAMPTON	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
454681	104 MARSH HARBOUR LLC	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
18653	PAUL M ETAL TRUSTEE MASTIN	MARSHALLBERG	157.00	SW ERROR HAS TRASH PICK UP
468124	VIRGINIA JOAN HENDRICKSON	MOREHEAD CITY	157.00	SW
546751	JONATHAN R ETUX SANDRA RIDLEY	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
539876	BOGUE SOUND PROPERTIES FAM LLC	NEWPORT	157.00	SW ERROR
539876	BOGUE SOUND PROPERTIES FAM LLC	NEWPORT	157.00	SW ERROR
374533	JAMES L ETUX MICHELLE A GRILLI	NEWPORT	157.00	SW ERROR HAS TRASH PICKUP
43858	SHARON PINER QUINN	NEWPORT	157.00	SW
523452	T-MOBILE SOUTH, LLC		157.00	SW
549672	BILLIE ETVIR THOMAS III STOKES	INDIAN BEACH	118.01	NOT ON LIST FOR 2021
56391	WILLIAM BENTON TAYLOR		482.05	SHOULD HAVE HAD A 60% FACTOR
512640	HUU VINH ETUX DANG LE Q NGUYEN	MOREHEAD CITY	157.00	SW ERROR ON A BOAT SLIP
80004	IVAH JOAN URBANKSI	MOREHEAD CITY	157.00	SW ERROR HAS TRASH PICK UP
395595	WARREN ETAL GILLIAM GUTHRIE	MOREHEAD CITY	157.00	SW ERROR HAS TRASH PICK UP
367362	ROBERT A ETUX MARY BARBER	MOREHEAD CITY	157.00	SW ERROR
386106	JANE ABERNATHY HAHN	BEAUFORT	1,286.26	SW ERROR ERROR
27161	S DAVID ETUX DOROTHY F CARR	BEAUFORT	157.00	ELDERLY EXEMPTION
8476	DAVID WAYNE WHITLOW	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
546715	DANIEL J ETUX T. MC LAUGHLIN	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
500151	RACHEL BROOKE ETVIR JR LANGLEY	NEWPORT	157.00	SW
17241	WINFIELD L ETUX CRIST THOMPSON	MOREHEAD CITY	157.00	SW ERROR HAS TRASH PICK UP
9588	JAMES ROBERT ETUX IRENE KELLEY	NEWPORT	157.00	SW
			157.00	SW ERROR HAS TRASH PICK UP

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Name Id Number	Name		Total Adjustment	Comment
9588	JAMES ROBERT ETUX IRENE KELLEY	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
9588	JAMES ROBERT ETUX IRENE KELLEY	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
407537	EIKO NAGAO L/T WOOD	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
9588	JAMES ROBERT ETUX IRENE KELLEY	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
35499	JAMES R KELLEY	MOREHEAD CITY	157.00	SW ERROR HAS TRASH PICK UP
543049	LINDA PARKER	BEAUFORT	268.37	SOLD PER BOS
36541	THOMAS A ETUX LISA S DEININGER	NEWPORT	157.00	SW
532104	DIANE TARBELL ETVIR ART THIES	MOREHEAD CITY	157.00	SW ERROR HAS TRASH PICK UP
97729	DARRYL JR ETUX LAURA BAUCHERT	NEWPORT	157.00	TRASH SERVICE / GFL
529042	EDNA L/T MARIE MATTSON	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
243767	CHARLES D ETUX ALLIS DUBUISSON	BEAUFORT	157.00	SW ERROR HAS TRASH PICK UP
506928	RICHARD A RAPPAPORT	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
544311	RICHARD E SR ETUX L/T DUDLEY	BEAUFORT	157.00	SW ERROR HAS TRASH PICK UP
122712	WARREN ETUX BEVERLY HEATH	BEAUFORT	157.00	SW ERROR HAS TRASH PICK UP
14385	DONNA W ETVIR JACK LEWIS	BEAUFORT	157.00	SW ERROR HAS TRASH PICK UP
148659	AMANDA CELESTE JONES	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
403042	JOHN R III ETUX CROWN	MOREHEAD CITY	157.00	SW ERROR HAS TRASH PICK UP
546201	DANIEL MARTIN DUKE	EMERALD ISLE	576.95	BOAT IS IN VA
146275	FRANCES WILSON L/T BOYD	NEWPORT	157.00	TRASH SERVICE / RICHARDS SANITATION
13765	DAVID M ETUX LOUISE HUGHES	BEAUFORT	157.00	TRASH SERVICE / GFL
151446	WILLIAM C JR ETUX DUBOSE	NEWPORT	157.00	TRASH SERVICE / GFL
24101	GEORGE M ETAL ELVA TR HAYES	MOREHEAD CITY	157.00	SW ERROR HAS TRASH PICK UP
329243	DEREK ETUX ARNETTA WHITE	MOREHEAD CITY	157.00	SW ERROR HAS TRASH PICK UP
331774	HARLOWE PARTNERS LLC		157.00	FARM LAND
127071	COREY ALAN ETUX XU LI JACOBS	GLOUCESTER	157.00	TRASH SERVICE / RICHARDS SANITATION
127071	COREY ALAN ETUX XU LI JACOBS	GLOUCESTER	157.00	NO HOUSE ON LAND / DOCK
403295	KATHYRN R GRIGG	BEAUFORT	157.00	TRASH SERVICE / WASTE REMOVAL LLC
528894	JAMIE DEMENT		170.00	BOAT HAS BEEN SALVAGED
38188	WILLIAM H ETUX DOROTHY SMITH	NEWPORT	157.00	TRASH SERVICE / GFL
30548	KIMBERLY S BLAHA	MARSHALLBERG	157.00	TRASH SERVICE / RICHARDS SANITATION
30548	KIMBERLY S BLAHA	MARSHALLBERG	157.00	RICHARDS SANITATION
230648	HELEN MOORE CASEY	NEWPORT	157.00	TRASH SERVICE / GFL
82372	WILLIAM HENRY IV WASHINGTON		186.92	SOLD BOAT IN 2020 PER BILL OF SALE
30416	MELINDA F NEWSOME	NEWPORT	157.00	TRASH SERVICE / GFL
367384	ANTHONY ETUX ROSEMARY DOCHERTY	NEWPORT	157.00	TRASH SERVICE / GFL
146824	CYNTHIA A WORTHAM	HARKERS ISLAND	157.00	TRASH SERVICE / RICHARDS SANITATION
414449	JOHN ETUX STEPHANIE KRZICH	NEWPORT	157.00	TRASH SERVICE / GFL
440442	MICHAEL FRANCIS KULP	MOREHEAD CITY	157.00	TRASH SERVICE / GFL
452246	FREDERICK M ETUX ANNE JELINEK	STELLA	157.00	TRASH SERVICE / GFL
476611	JOHN JOSEPH ETUX CHRISTY WADE	MOREHEAD CITY	157.00	SW ERROR HAS TRASH PICK UP
525986	CHRISTIAN JOSEPH ROSSETTI	SWANSBORO	198.00	VA EXEMPTION
259044	MARK ALLEN GILLKIN	BEAUFORT	157.00	SW ERROR HAS TRASH PICK UP
551886	JAMES AVERY SHEPARD		216.07	ALREADY BILLED ON 0543432
8422	ARTIS B GARNER	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
356642	DANIEL JR ETUX PAYE HARPER	SMYRNA	157.00	SW ON A VACANT LOT
392092	BARRY D ETUX VANESSA LAWRENCE	HARKERS ISLAND	157.00	SW ERROR HAS TRASH PICK UP
546863	CHRISTOPHER E ETUX M BRYSON	NEWPORT	157.00	SW ERROR HAS TRASH PICK UP
379895	GLORIA T BLOEM	NEWPORT	157.00	SW ERROR
416561	DEREK P DUNN		1,757.87	BOAT OVER VALUED PER BILL OF SALE

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Name Id Number	Name	Total Adjustment	Comment
97729	DARBYLL JR ETUX LAURA BAUCHERT	157.00	SW ERROR TRASH ON A BOAT SLIP
146495	KENNETH R ETUX VIRGINI BAYSDEN	157.00	SW ERROR HAS TRASH PICK UP
549753	JASON ETUX SUSAN WEISS	218.25	DOUBLE BILLED #0543440
549753	JASON ETUX SUSAN WEISS	265.00	SW
541540	MEGAN N LAMBETH	228.22	DIST CHGE TO MHC 0543850
482645	STEVEN W ETUX KATIE L PHIFER	157.00	SW ERROR HAS TRASH PICK UP
200931	JACLYN E ETVIR RONALD STACK	157.00	SW
8886	CHARLES LYNN ETUX TAMMY GARNER	157.00	SW
529175	TIMOTHY ROSS ETUX KELLEY TYSON	157.00	SW
19527	JANICE BROWN ENRIQUEZ	157.00	SW
11820	ALISON TOMLINSON WILLIS	157.00	SW
549761	BARBARA SMITH	265.00	SW
293592	SHARON DAVIS ETVIR ROBER SHARP	157.00	SW ERROR HAS TRASH PICK UP
205208	KORTESHA L GEORGE	157.00	NO ELECTRIC SINCE 4/3/19/STORM DMG
452223	BRENDA E DAIL	157.00	SW ERROR HAS TRASH PICK UP
438582	CARL D ETUX SUSAN E HOBSON	157.00	SW ERROR ON A BOAT SLIP
473668	KASEY C ETUX HEATHER L MILLER	157.00	SW ERROR HAS TRASH PICK UP
482702	NICHOLAS E ETUX SANDRA E TATA	157.00	SW ERROR HAS TRASH PICK UP
321285	MICHAEL JOHN ETUX ANGEL FOLEY	157.00	SW ERROR HAS TRASH PICK UP
33127	WILLIAM J ETUX KATHE VANSCLIVER	157.00	SW ERROR HAS TRASH PICK UP
549880	NORMAN COMPTON	157.00	SW
133455	CHERI L BARBARE	157.00	SW ERROR HAS TRASH PICK UP
78019	DAVID A ETUX AMANDA JONES BELL	157.00	HAS CURBSIDE PICKUP
24011	WILLIAM G JOHNSON SR	157.00	SW ERROR HAS TRASH PICK UP
392977	GREGORY ETUX KAYLAH BREDARIOL	157.00	SW
550698	PAUL R ETUX HOLLY J DUNHAM	157.00	SW ERROR HAS TRASH PICK UP
202372	YOGESH C SHAH	157.00	SW ERROR HAS TRASH PICK UP
424254	ERIC R ETUX MEREDITH SIEGMANN	157.00	SW ERROR HAS TRASH PICK UP
49562	BARBARA COMBS	157.00	SW
469670	JAMES ROBERT JR ETUX AMY LEE	157.00	TRASH SERVICE / GFL
546818	RACHEL LYNN THOMAS	157.00	TRASH SERVICE / GFL
551609	JO ANN R L/T SILVIA	201.31	ELDERLY EXEMPTION
520021	KEVIN JOHN DUFFY	105.89	SOLD BOAT IN 2020 PER ALVIN
180637	MICHAEL ETUX LINDA BYNUM	157.00	SW ERROR PARK HAS PICK UP
305780	CATHERINE HODGES GAINES	157.00	SW ERROR HAS TRASH PICK UP
540045	AUDREY GILLIKIN PARNELL	157.00	HAS TRASH PICK UP
30544	BERNICE M HALES	157.00	SW ERROR HAS TRASH PICK UP
67243	MICHAEL S ETUX LAURA K GOULD	157.00	SW ERROR HAS TRASH PICK UP
478000	VICKIE LINTON TAYLOR	157.00	SW ERROR
201759	TRUST BENEFIT DEAN N HARDESTY	157.00	SW ERROR
419619	MICHAEL ETUX KATHLEEN LAMBERT	157.00	TRASH SERVICE / GFL
77293	ROBERT A ETUX DEBBIE MURRAY	157.00	SW ERROR RELEASED PER SARAH DAVIS
550567	BRYAN L ETUX AMY D MARION	157.00	TRASH SERVICE / RICHARDS SANITATION
418986	ROBERT SHERMAN SPITLER JR	230.28	CHANGED FROM DIST 1351 TO 1558
357887	SHARON CHADWICK WILLIS	157.00	SW ERROR HAS TRASH PICK UP
9056	CHARLES R ETUX DEB TOMLINSON	157.00	SW ERROR HAS TRASH PICK UP
476849	TIMOTHY N ETUX JOY H GILMORE	157.00	SW ERROR HAS TRASH PICK UP
356835	LORNA K ETVIR RODNEY GILBREATH	157.00	SW ERROR HAS TRASH PICK UP
447467	ROD J ETUX LORNA K GILBREATH	157.00	SW ERROR HAS TRASH PICK UP

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Name Id Number	Name	Total Adjustment	Comment
396559	JOHN G ETUX REBECCA GETSINGER	157.00	SW ERROR HAS TRASH PICK UP
551907	T-MOBILE SOUTH, LLC	155.36	RELEASING TO CORRECT UTILITY BILL
550956	KYLE P ETUX HEATHER L HAHN	157.00	HAS CURBSIDE PICKUP
464979	SUSAN FULCHER ETVIR ROBER HILL	157.00	SW ERROR HAS TRASH PICK UP
545973	KAITLYN ELIZABETH GALLAGHER	143.71	CHANGE DIST FROM 1351 TO 13
532627	R & J GARNER LLC	157.00	SW ERROR HAS TRASH PICK UP
7199	RONALD L L/T ETAL VEALS GARNER	157.00	SW ERROR HAS TRASH PICK UP
548020	NOLAN MACKINLEY NEER	157.00	TRASH SERVICE / WASTE REMOVAL LLC
542824	JANICE ETUX EMILIE THORNTON	265.00	PARK HAS TRASH PICK UP
525572	RUSSELL D WALL	157.00	SW ERROR
2459	CHARLES E ETUX DIANE BLANCHARD	157.00	TRASH SERVICE / RICHARDS SANITATION
49473	JOHN C WYATT	219.19	VALUE DIDN'T DEPREC FROM 2020
441150	JEFFREY R ETUX SUSAN B BECKER	157.00	SW ERROR HAS TRASH PICK UP
549830	ANTHONY SMITH	157.00	SW ERROR HAS TRASH PICK UP
404429	JACK ZEN ETUX TINA LOUISE WU	157.00	SW ERROR HAS TRASH PICK UP
29268	MARVIN J BURKE	157.00	SW ERROR HAS TRASH PICK UP
456289	BRYN EARL VOLKMAN	157.00	TRASH SERVICE / GFL
456289	BRYN EARL VOLKMAN	157.00	GARAGE ONLY
545746	JOHNNY DARIN PIERCE	135.09	DIST CHAGE TO #0544031
381376	DARYL D DEIBERT	157.00	SW ERROR HAS TRASH PICK UP
80370	JOHN ETUX MARY DUDERSTADT	157.00	SW ERROR HAS TRASH PICK UP
38868	JULIUS D CORBETT	157.00	SW ERROR HAS TRASH PICK UP
546862	BRITTANY DIXON JANNISE	157.00	TRASH SERVICE / RICHARDS SANITATION
387266	DARRIN D ETUX JESSICA LEVITAN	157.00	SW ERROR HAS TRASH PICK UP
406042	STEPHEN M ETUX MELANIE L SMITH	157.00	SW ERROR HAS TRASH PICK UP
85851	PRENTISS W ETUX SUZ L/T SCOTT	157.00	SW ERROR HAS TRASH PICK UP
392612	WILLIAM D ETUX JANIE CLYMER	157.00	SW ERROR HAS TRASH PICK UP
44826	PEGGY JOYCE MILLS	157.00	SW ERROR HAS TRASH PICK UP
549739	MACK RICE	223.25	CAMPER HAS LICENSE PLATES

FINAL TOTALS
TOTAL

64,248.16

*** END OF REPORT ***

c. Tax Refunds Under \$100

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Refunds to be Issued by Finance Office - \$100.00 and Under

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Remit To:	Address	City	St Zip Code	TransNo Reference	Drawer Date	Drawer	Refund
BANK OF AMERICA OVERPAYMENT CKB 46039568	3001 HACKBERRY ROAD	IRVING	TX 75063	2375834 2019 R 5384.10.26.65	20210921	9	39.11
CAMP TRINITY PARCEL ALREADY PAID	PO BOX 380	SALTER PATH	NC 28575	0 P 0026358	20210915	50	10.87
CARTERET INTERNAL MEDICINE I 112 BROOKE LN BILLED IN ERROR/CLOSED IN 2020		NEWPORT	NC 28570	2375180 2021 P 0014960	20210920	90	79.42
CASEY ELLIOTT, ATTORNEY OVER PAYMENT CKB2494	PO BOX 2301	MOREHEAD CITY	NC 28557	2373245 2021 R 6339.16.73.75	20210910	9	7.90
COATS, GEORGE WALTON JR OVERPAYMENT CK 585464	100 SHORE DR	ATLANTIC BEACH	NC 28512	2370204 2021 P 0540108	20210902	7	9.30
CRATER, FRANK G ETAL PATRICI 107 GOOSE CREEK BLVD DOUBLE BILLED ON REAL ESTATE		NEWPORT	NC 28570	2374765 2020 P 9069904	20210916	90	13.41
CRATER, FRANK G ETAL PATRICI 107 GOOSE CREEK BLVD DOUBLE BILLED ON REAL ESTATE		NEWPORT	NC 28570	2374766 2019 P 9069904	20210916	90	39.02
CRATER, FRANK G ETAL PATRICI 107 GOOSE CREEK BLVD DOUBLE BILLED ON REAL ESTATE		NEWPORT	NC 28570	2374767 2018 P 9069904	20210916	90	41.95
CRATER, FRANK G ETAL PATRICI 107 GOOSE CREEK BLVD DOUBLE BILLED ON REAL ESTATE		NEWPORT	NC 28570	2374768 2017 P 9069904	20210916	90	44.87
CRATER, FRANK G ETAL PATRICI 107 GOOSE CREEK BLVD DOUBLE BILLED ON REAL ESTATE		NEWPORT	NC 28570	2374769 2016 P 9069904	20210916	90	47.80
CRECK, JESSE M JR OVERPAYMENT STURGIS	265 UTOPIA DR	NEWPORT	NC 28570	237502124 2021 R 4337.01.26.54	20210921	75	30.65
DEBRA HALEY ATTORNEY AT LAW 301 COMMERCE AVE STE 102 OVERPAYMENT CK 8194287		MOREHEAD CITY	NC 28557	2372624 2021 R 6338.08.98.57	20210909	24	2.49
DELONG, DENNIS OVERPAYMENT CK 1164	7571 RAMSEY CT	FAYETTEVILLE	NC 28311	2374615 2021 P 0538676	20210927	7	27.18
DUNCAN, ROBINSON F ETUX BARBA 3707 WHITE DR S/N ADJUSTMENT		MOREHEAD CITY	NC 28557	2370224 2021 R 6376.05.19.02	20210901	90	54.00
EMERDT, JESSE S III ETUX AMKE 3618 DARWIN ROAD OVERPAYMENT CKB 995066		DURHAM	NC 277075304	2372756 2021 R 6386.17.10.89	20210909	9	14.00
ELDER, CARSON L ETUX SOKRYUNG 1119 N CRAVEN STREET OVERPAYMENT MARSFAY		NEW BERN	NC 285603245	2371094 2021 R 6389.13.03.30	20210903	50	10.00
GIBLIN, BERNICE OVERPAYMENT MARSFAY	3813 GALANTIS DRIVE	MOREHEAD CITY	NC 28557	2372484 2021 R 6376.14.24.93	20210908	50	10.00
GLENN, JOHN OVERPAYMENT MARSFAY	1540 WEST DAVIS DR.	WURLINGTON	NC 27215	2371090 2021 R 6334.08.08.92	20210903	50	18.00

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Refunds to be Issued by Finance Office - \$100.00 and Under

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Remit To:	Address	City	St Zip Code	TransNo Reference	Drawer Date	Drawer	Refund
GRIGG, JAMES MICHAEL OVERPAYMENT MARSFAY	963 ODFREY POINT RD	BEAUFORT	NC 28516	2375922 2021 P 0841707	20210921	50	39.00
HUGHES, RALLY LORRAINE SCOTT OVERPAYMENT STURGIS	3643 HIGHLAND DRIVE	AYDEN	NC 285133029	2374887 2021 R 6347.01.29.78	20210916	75	43.92
JOHNSON, TERRY ETUX ANGELA PARCEL ALREADY PAID	233 SAINT JOHN CHURCH RD	GOLDSBORO	NC 27534	0 P 0042891	20210908	50	42.61
MARQUES, GEORGE MICHAEL OVERPAYMENT STURGIS	10524 COAST GUARD RD	EMERALD ISLE	NC 285942112	2374200 2021 P 0031915	20210915	75	4.90
MICHAEL LINCOLN P.A OVERPAYMENT CK 52368	PO BOX 4130	EMERALD ISLE	NC 28594	2377162 2021 R 6305.04.62.46	20210929	7	51.00
MORGAN, THOMAS E ETAL TR OVERPAYMENT CK 0000985076	114 BHAYTON HALL	JACKSONVILLE	NC 28540	2374018 2021 R 6304.19.62.95	20210915	7	20.12
MUSCO, PAUL FREDERICK ETAL OVERPAYMENT STURGIS	7015 SOUTH SOUND DRIVE	EMERALD ISLE	NC 28594	2370179 2021 R 6376.03.02.82	20210901	75	30.18
NICHOLSON, CHARLES L ETUX LOR 16708 HEAVYWOOD COURT NO LONGER OWN CONDO		SPOTSYLVANIA	VA 220827689	2370481 2021 P 9067025	20210902	90	21.83
POOLE, JAMES H III ETAL STONE 7633 HWY 64 EAST STE 6100 PROPERTY VALUE CORRECTION		KNIGHTDALE	NC 27545	2370489 2021 R 6375.16.73.94	20210902	90	3.59
PORTERFIELD, STEPHEN P ETUX M 2311 LAKE DRIVE OVERPAYMENT CK 28799059		RALEIGH	NC 27609	2375071 2021 R 6345.18.40.83	20210920	7	78.27
SCOTT, JOHN OVERPAYMENT CK 81002	1080 CHRISTMAS PLACE	GREENSBORO	NC 27410	2372606 2021 P 0043295	20210909	24	1.39
SEBASTIAN, FENCE COMPANY OVERPAYMENT CKB 20261	PO BOX 517	JACKSONVILLE	NC 28541	2371186 2021 R 6385.09.17.00	20210907	9	1.35
SIMPSON, ROBERT J ETUX JUDY G 264 BATTAN STREET OVERPAYMENT STURGIS		NEWPORT	NC 28570	2376059 2021 R 6346.01.48.07	20210922	75	10.62
SVETKEY, LAURA P OVERPAYMENT CKB 808755	113 HIRCHCREST PLACE	CHAPEL HILL	NC 275169810	2376487 2021 R 6373.16.03.03	20210924	9	43.53
TEAM, DUC BOBBY ETUX CUC THI OVERPAYMENT MARSFAY	100 HERON MOON COURT	HAVERLOCK	NC 28532	2374548 2021 R 6375.15.73.45	20210915	50	3.00
TRAVIS, GEORGE E PROPERTY DESTROYED	6115 HWY 17	VANCOVERO	NC 28598	2376506 2021 P 0542973	20210902	90	23.64
WESTCOOR LAND TITLE OVERPAYMENT CK 85272	600 N GERMANTOWN PIKE STE 450	PLYMOUTH MEETING	PA 19462	2370409 2021 R 6348.14.34.01	20210902	7	29.58
WHEATLY LAW GROUP PA OVERPAYMENT CHECK 841644	710 CEDAR ST	BEAUFORT	NC 28516	2373681 2021 R 7306.18.21.90	20210913	24	48.02

10/01/21 09:09:29

Refunds to be Issued by Finance Office - \$100.00 and Under

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Remit To:	Address	City	St Zip Code	TransNo Reference	Drawer Date	Drawer	Refund
*** END OF REPORT ***							FINAL TOTALS TOTAL 1,002.49

c. Tax Refunds Over \$100

10/01/21 09:09:25 Refunds to be Issued by Finance Office - Over \$100.00						PAGE 1
Remit To:	Address	City	St	Zip Code	Reference	Refund
ANNETTE GOODWIN OVERPAYMENT CK#035129	2501 CEDAR ISLAND RD	CEDAR ISLAND	NC	28520	2013 R 7369.03.11.7573000	230.81
BARBARA, CHERI L S/W ADJUSTMENT	301 LOSINGER COURT	NEWPORT	NC	28570	2021 R 6305.03.00.8365000	157.00
BOYD, ELLA RUTH PARKS L/T S/W ADJUSTMENT	272 BAY RUN	NEWPORT	NC	28570	2021 R 6326.04.81.1013000	157.00
CARTERET COUNTY TAX DEPT PROPERTY BILLED TO WRONG OWNER	302 COURTHOUSE SQUARE	BEAUFORT	NC	28516	2021 R 7471.00.67.1777000	118.22
CARTERET COUNTY TAX DEPT PROPERTY BILLED TO WRONG OWNER	302 COURTHOUSE SQUARE	BEAUFORT	NC	28516	2020 R 7471.00.67.1777000	118.22
CARTERET COUNTY TAX DEPT PROPERTY BILLED TO WRONG OWNER	302 COURTHOUSE SQUARE	BEAUFORT	NC	28516	2019 R 7471.00.67.1777000	135.64
CARTERET COUNTY TAX DEPT PROPERTY BILLED TO WRONG OWNER	302 COURTHOUSE SQUARE	BEAUFORT	NC	28516	2018 R 7471.00.67.1777000	135.85
CARTERET COUNTY TAX DEPT PROPERTY BILLED TO WRONG OWNER	302 COURTHOUSE SQUARE	BEAUFORT	NC	28516	2017 R 7471.00.67.1777000	135.85
CROWDER, ROBERT OVERPAYMENT MASSPAY	1374 BLUE HERON DR	NASHVILLE	NC	278569815	2021 P 0542694	141.96
DAY, BENJAMIN G SR ETUX JUD L S/W ADJUSTMENT	175 WALLACE ROAD	BEAUFORT	NC	28516	2021 R 7317.03.20.4822000	157.00
DEBRA WHALEY OVERPAYMENT CK# 104193	301 COMMERCE AVE, STE 102	MOREHEAD CITY	NC	28557	2019 R 7347.03.32.9442000	459.73
DIERKER, ALLEN S/W ADJUSTMENT	403 HARDY RD / TWIN OAKS	NEWPORT	NC	28570	2021 R 6346.04.54.0889000	157.00
FLYNN, RICHARD WALKER PARCEL ALREADY PAID	807 WEST HAVEN BLVD	MOREHEAD CITY	NC	28557	R 6366.11.76.0688000	1,271.37
GAINES, FRANK H ETUX FRANCES OVERPAYMENT CK# 7164	123 CORE DR W	MOREHEAD CITY	NC	285579002	2021 R 6346.16.93.2338000	743.00
GILMORE, TIMOTHY N ETUX JOY H S/W ADJUSTMENT	208 SUMMER LANE	NEWPORT	NC	285705204	2021 R 6305.03.23.8589000	157.00
HARPER, STEPHEN W ETUX ELIZAB VA EXEMPTION	102 CLUB CT	CAPE CARTERET	NC	28584	2021 R 5384.11.57.4471000	293.63

10/01/21 09:09:25 Refunds to be Issued by Finance Office - Over \$100.00						PAGE 2
Remit To:	Address	City	St	Zip Code	Reference	Refund
HARRIS MARINE LLC DOUBLE BILLED ON P0049000	5313 HIGH ST	MOREHEAD CITY	NC	28557	2021 P 0530759	164.93
HOLT, TERRY W ETUX EDITH S/W ADJUSTMENT	3517 COUNTRY CLUB RD	MOREHEAD CITY	NC	28557	2021 R 6376.10.27.9047000	157.00
HUGHES, CHARLES W III ETUX WA S/W ADJUSTMENT	4675 BEN DAIL ROAD	LA GRANGE	NC	285518038	2021 R 6305.04.62.9677000	157.00
JERNIGAN, JOEL ETUX BARBARA OVERPAYMENT CK 8722	802 RUSTIC LN	MOREHEAD CITY	NC	28557	2021 R 6376.11.77.1121000	157.00
JESSEY, KAREN A ETAL ARMSTRONG OVERPAYMENT STURGIS	3058 SOUTH DALLAS WAY	DENVER	CO	80210	2021 R 5385.17.20.0748000	421.89
JULIE A PARKER, ATTORNEY OVERPAYMENT CK# 13531	8754 REED DRIVE UNIT 14	EMERALD ISLE	NC	28594	2021 R 6305.02.96.6820000	157.00
MCNILLAN, ARTHUR S JR PARCEL ALREADY PD BY MORTGAGE	624 MCNILLAN LANE	GREENVILLE	NC	27834	R 6334.09.16.4844302	1,290.32
MILAM, CHARLES LEONARD S/W ADJUSTMENT TOWN OF CED PHT	108 STONYBROOK DR	LEXINGTON	NC	27295	P 0014218	705.80
MOESLIN, FRANCIS R S/W ADJUSTMENT	2106 JOSLYN DR	MOREHEAD CITY	NC	28557	2021 R 6387.13.24.0065000	157.00
MULLIS, EDWARD W ETUX BROOKSY S/W ADJUSTMENT	206 CAKEFREE LN	MOREHEAD CITY	NC	28557	2021 R 6356.10.36.4349000	157.00
OLD REPUBLIC TITLE OVERPAYMENT CK# 1524059	530 S MAIN ST, SUITE 1061	AKRON	OH	44311	2021 R 6386.09.05.7427000	134.51
PARK LANE FINANCE SOLUTIONS OVERPAYMENT CK# 007824	PO BOX 5186	CHARLOTTESVILLE	VA	22905	2021 P 0543809	315.53
PARKER, TODD A ETUX CINDY D OVERPAYMENT CK 2176	176 RADFORD LANE	NEWPORT	NC	285708022	2021 R 5395.03.42.0695000	157.00
POUEAR, MIKE PROPERTY SOLD OVERPAY DEBTSTOFF	117 TUCKER CREEK LN	HAVELOCK	NC	28532	P 0052001	140.74
RITCHIE, PAUL ETUX CAROLYN OVERPAYMENT MASSPAY	2411 STATION ROAD	KIDDELTOWN	MD	21769	2021 P 0022025	233.02
SHEPARD, JIM & KIM OVERPAYMENT CK 2142724	1020 TOPLAND CT	MORRISVILLE	NC	27560	2021 P 0543432	144.71

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Refunds to be Issued by Finance Office - Over \$100.00

PAGE 3

Remit To:	Address	City	St	Zip Code	Reference	Refund
SINCLAIR BROADCAST GROUP, INC OVERPAYMENT CK# 76553635	10706 BEAVER DAM RD	COCKEYSVILLE	MD	21030	2021 R 6356.05.28.2724000	157.00
TAYLOR, WILLIAM BENTON OVERPAYMENT STURGIS	PO BOX 51202	DURHAM	NC	27717	2021 R 7335.15.63.8399000	157.00
WATSON LEGAL, PLLC OVERPAYMENT CK#19865	200 CAPE FEAR CIRCLE, SUITE	SNEADS FERRY	NC	28460	2021 R 5376.03.44.2339000	304.80
WEST, GARRY JR ETUX MARY S/W ADJUSTMENT	PO BOX 59	ALBEMARLE	NC	28002	2021 P 0538819	265.00
WHEATLY LAW GROUP PA OVERPAYMENT CK 41737	710 CEDAR ST	BEAUFORT	NC	28516	2021 R 7306.18.41.1321000	251.74
WHITE & ALLEN, PA OVERPAYMENT CK#9137	304 N 35TH STREET	MOREHEAD CITY	NC	28557	2021 R 7346.19.72.0487000	157.00
21ST MORTGAGE CORP OVERPAYMENT CK# 1687912	PO BOX 477	KNOXVILLE	TN	37901	2021 R 6377.01.39.9428000	212.00

FINAL TOTALS
TOTAL 10,723.47

*** END OF REPORT ***

d. Tax Collector's Monthly Report

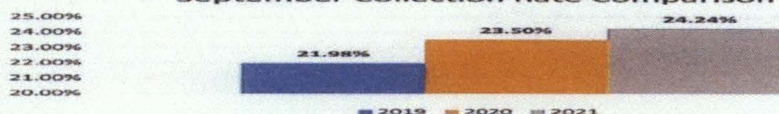
Tax Office Monthly Commissioners Report October 2021

2021 Tax Levy Details:

Total Levy: 77,256,405.32

Total Collected: 18,024,888.49

Total Uncollected: 58,806,910.85

September Collection Rate Comparison**10 Year Tax Levy Details (2011-2020):**

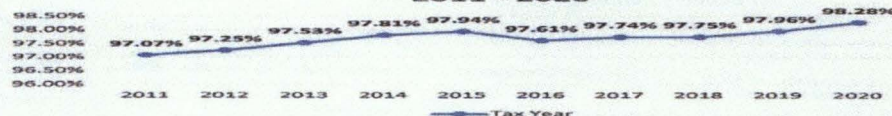
Total Collected: \$539,359,895.06

Total Uncollected: \$64,551,929.32

Refund Total: \$11,725.96

NCVTS Refunds: \$3,567.69

Release Total: \$69,471.94 (266 solid waste fees released in September)

2021 Collection Goal: 98.50%**Total Annual Tax Collection Rate
2011 - 2020****Tax Office Updates and Announcements:**

- Public Utility bills have been mailed
- Real Estate has begun entering 2024 reappraisal data into new CAMA software system
- Tax Office currently has 3 vacant position to fill which has been challenging due to the competitive job market
- Field appraisers are moving to Bogue Banks for 2024 reappraisal data collection for the off season
- Tax Office supervisors and management had a two day retreat to discuss the fourth quarter plans, upcoming 2022 plans, a plan to move the tax office forward in a more efficient and effective manner and ways to capitalize on tax staff strengths
- Tax Office management created a restructure plan for the office that is currently pending further review
- Tax collection staff are staying busy collecting 2021 tax revenues
- Tax listing staff is preparing for the upcoming 2022 listing period. The current plan is to list all 2022 personal property into the new software.

ACS TAX COLLECTION SYSTEM
10/01/2021 09:09:54

BOC MONTHLY REPORT

CARTERET COUNTY
TC650R

PAGE 4

Typ Bill Year Property Number

Dist Twn Sch Special Districts
Code 1 2 3 4 5 6 7 8 9

User Codes

Deferred Defer MV
Flag Inelig Batch

* * * * Totals for FINAL TOTALS

of Properties Processed 755,416

	Total	TAX	Spec Asmt	Deferred	CB Deferred	Interest	Fees
Original Balances	608,941,565.65	563,064,547.56	37,986,826.00	3,980,066.16	.00	3,570,101.96	340,023.97
Total Adjustments	5,029,741.27	1,971,102.30	1,239,109.22	1,768,487.22	.00	.00	51,042.53
Total Collections	539,359,895.06	504,216,512.39	32,062,182.83	72,538.87	.00	2,755,383.14	253,277.83
Unpaid Balances	64,551,929.32	56,876,932.87	4,685,533.95	2,139,040.07	.00	814,718.82	35,703.61

e. NCVTS Motor Vehicle Refund Report & Corrected August 2021 Report

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North Carolina Vehicle Tax System															
NCVTS Pending Refund report															
Report Date 10/1/2021 1:18:39 PM															
Refund \$214.99															
CHADWICK, KAREN SHUMAN	CHADWICK, KAREN SHUMAN	CHADWICK, WILLIAM ANTHONY	12403 HARDCOURT DR	RALEIGH, NC 27613	Proration	0026233059	NWR7191	Refund Generated due to proration on Bill #0026233059-2020-2020-0000-00	Tag Surrender	09/27/2021	9010	Tax	(\$3.85)	\$0.00	(\$3.85)
											27	Tax	(\$0.93)	\$0.00	(\$0.93)
											17	Tax	(\$0.82)	\$0.00	(\$0.82)
															Refund \$5.60
CLARK, DENIS MARK	CLARK, DENIS MARK		126 JUNEBUG LN	BEAUFORT, NC 28516	Proration	0002274547	THJ080	Refund Generated due to proration on Bill #0002274547-2020-2020-0000-00	Tag Surrender	09/16/2021	9010	Tax	(\$10.39)	\$0.00	(\$10.39)
											1159	Tax	(\$14.49)	\$0.00	(\$14.49)
											46	Tax	(\$1.89)	\$0.00	(\$1.89)
															Refund \$26.77
CLARK, DENIS MARK	CLARK, DENIS MARK		126 JUNEBUG LN	BEAUFORT, NC 28516	Proration	0000810467	THL9157	Refund Generated due to proration on Bill #0000810467-2020-2020-0000-00	Tag Surrender	09/16/2021	9010	Tax	(\$1.52)	\$0.00	(\$1.52)
											1159	Tax	(\$2.11)	\$0.00	(\$2.11)
											46	Tax	(\$0.27)	\$0.00	(\$0.27)
															Refund \$3.90
COLLINS, REBECCA JEAN	COLLINS, REBECCA JEAN	BRIGHT, ODIN MCCOY	324 PETTIFORD RD	SWANSBORO, NC 28584	Proration	0052137496	THM2269	Refund Generated due to proration on Bill #0052137496-2021-2021-0000-00	Tag Surrender	09/02/2021	9010	Tax	(\$5.88)	\$0.00	(\$5.88)
											1523	Tax	(\$0.97)	\$0.00	(\$0.97)
											37	Tax	(\$1.07)	\$0.00	(\$1.07)
											19	Tax	(\$0.89)	\$0.00	(\$0.89)
															Refund \$8.79
CORRARO, JOSEPH PHILLIP	CORRARO, JOSEPH PHILLIP		131 GOOSE CREEK LOOP RD	NEWPORT, NC 28570	Proration	0019648252	CD68965	Refund Generated due to proration on Bill #0019648252-2020-2020-0000-00	Tag Surrender	09/10/2021	9010	Tax	(\$33.08)	\$0.00	(\$33.08)
											37	Tax	(\$6.52)	\$0.00	(\$6.52)
											19	Tax	(\$5.02)	\$0.00	(\$5.02)
															Refund \$44.12
COSTA, DAVID LOUIS	COSTA, DAVID LOUIS		133 SAND CASTLE DR	EMERALD ISLE, NC 28594	Proration	0048286843	P9K8210	Refund Generated due to proration on Bill #0048286843-2020-2020-0000-00	Tag Surrender	09/09/2021	9010	Tax	(\$18.08)	\$0.00	(\$18.08)
											1556	Tax	(\$3.49)	\$0.00	(\$3.49)
															Refund \$21.57
CRUMPLER, THOMAS NELSON	CRUMPLER, THOMAS NELSON	CRUMPLER, VIOLET MARIE	105 TRANQUILITY CT	BEAUFORT, NC 28516	Proration	0018786958	JE34840	Refund Generated due to proration on Bill #0018786958-2020-2020-0000-00	Tag Surrender	09/13/2021	9010	Tax	(\$11.26)	\$0.00	(\$11.26)
											27	Tax	(\$2.73)	\$0.00	(\$2.73)
											17	Tax	(\$2.39)	\$0.00	(\$2.39)
															Refund \$16.38
DAVENPORT, DONNA SARRATT	DAVENPORT, DONNA SARRATT		145 POND DR	ATLANTIC BEACH, NC 28512	Proration	0060625253	PKP6439	Refund Generated due to proration on Bill #0060625253-2020-2020-0000-00	Tag Surrender	09/27/2021	9010	Tax	(\$81.08)	\$0.00	(\$81.08)
											1352	Tax	(\$44.23)	\$0.00	(\$44.23)

North Carolina Vehicle Tax System									
NCVTS Pending Refund report									
Report Date 10/1/2021 1:18:39 PM									
2020-0000-00									
DEAVERS, JOSHUA ALLEN	DEAVERS, JOSHUA ALLEN	206 ECHO RIDGE RD	SWANBORO, NC 28584	Proration	0042281561	1227VM	Refund Generated due to proration on Bill #0042281561-2020-2020-0000-00	Vehicle Sold	09/17/2021
								9010	Tax (\$5.42) \$0.00 (\$5.42)
								40	Tax (\$1.64) \$0.00 (\$1.64)
								19	Tax (\$0.82) \$0.00 (\$0.82)
								Refund \$7.88	
ERLING, TEJI LEE	ERLING, TEJI LEE	107 BRYAN ST	EMERALD ISLE, NC 28594	Proration	0060707394	CK99988	Refund Generated due to proration on Bill #0060707394-2020-2020-0000-00	Vehicle Sold	08/08/2021
								9010	Tax (\$15.72) \$0.00 (\$15.72)
								1556	Tax (\$7.38) \$0.00 (\$7.38)
								Refund \$23.10	
FENCES UNLIMITED LLC	FENCES UNLIMITED LLC	PO BOX 2	GARNER, NC 27529	Proration	0032377442	PDB2412	Refund Generated due to proration on Bill #0032377442-2020-2020-0000-00	Tag Surrender	09/27/2021
								9010	Tax (\$68.65) \$0.00 (\$68.65)
								1352	Tax (\$37.45) \$0.00 (\$37.45)
								Refund \$106.10	
FERRICHER, LUKE CASIMIR	FERRICHER, LUKE CASIMIR	408 LEE AVE	EMERALD ISLE, NC 28594	Adjustment < \$100	0060938560	73286	Refund Generated due to adjustment on Bill #0060938560-2020-2020-0000-00	Military	09/14/2021
								9010	Tax (\$3.30) \$0.19 (\$3.49)
								1460	Tax (\$3.95) \$0.23 (\$4.18)
								Refund \$7.87	
FITZGERALD, SCOTT MCKINNEY	FITZGERALD, SCOTT MCKINNEY	10367 TRAIL RIDGE DR	FT WORTH, TX 76126	Proration	0059692448	JBX2792	Refund Generated due to proration on Bill #0059692448-2020-2020-0000-00	Tag Surrender	09/09/2021
								9010	Tax (\$10.82) \$0.00 (\$10.82)
								1460	Tax (\$12.95) \$0.00 (\$12.95)
								Refund \$23.77	
GILLIKIN, LARRY WAYNE	GILLIKIN, LARRY WAYNE	255 JOSEPHINE LN	BEAUFORT, NC 28516	Proration	0052952900	TAT1489	Refund Generated due to proration on Bill #0052952900-2020-2020-0000-00	Tag Surrender	09/16/2021
								9010	Tax (\$46.88) \$0.00 (\$46.88)
								27	Tax (\$11.36) \$0.00 (\$11.36)
								17	Tax (\$9.95) \$0.00 (\$9.95)
								Refund \$68.19	
GONZALEZ, CONNIE LITTLETON	GONZALEZ, CONNIE LITTLETON	2065 HIGHWAY 24	NEWPORT, NC 28570	Proration	0059428910	TEV7251	Refund Generated due to proration on Bill #0059428910-2020-2020-0000-00	Tag Surrender	09/08/2021
								9010	Tax (\$10.64) \$0.00 (\$10.64)
								31	Tax (\$1.29) \$0.00 (\$1.29)
								48	Tax (\$1.29) \$0.00 (\$1.29)
								Refund \$13.22	
HAMPTON, FRED HENRY	HAMPTON, FRED HENRY	3710 COUNTRY CLUB RD	MOREHEAD CITY, NC 28557	Proration	0045159761	FJH3068	Refund Generated due to proration on Bill #0045159761-2020-2020-0000-00	Tag Surrender	09/10/2021
								9010	Tax (\$11.42) \$0.59 (\$12.00)
								30	Tax (\$1.90) \$0.00 (\$1.90)
								50	Tax (\$0.69) \$0.00 (\$0.69)
								Refund \$14.71	
HANNER, GARY STEVEN	HANNER, GARY STEVEN	473 NORRIS LANDING RD	SWANBORO, NC 28584	Proration	0052970399	RAP6780	Refund Generated due to proration on Bill #0052970399-2020-2020-0000-00	Tag Surrender	09/10/2021
								9010	Tax (\$5.54) \$0.27 (\$5.81)
								1523	Tax (\$0.92) \$0.05 (\$0.97)

North Carolina Vehicle Tax System									
NCVTS Pending Refund report									
Report Date 10/1/2021 1:18:39 PM									
2020-0000-00									
								37	Tax (\$1.01) \$0.00 (\$1.06)
								19	Tax (\$0.84) \$0.00 (\$0.88)
								Refund \$8.72	
HANNER, LAURA LEE	HANNER, LAURA LEE	473 NORRIS LANDING RD	SWANBORO, NC 28584	Proration	0050143446	CL77959	Refund Generated due to proration on Bill #0050143446-2020-2020-0000-00	Tag Surrender	09/10/2021
								9010	Tax (\$0.55) \$0.00 (\$0.55)
								1523	Tax (\$0.09) \$0.00 (\$0.09)
								37	Tax (\$0.10) \$0.00 (\$0.10)
								19	Tax (\$0.08) \$0.00 (\$0.08)
								Refund \$0.82	
HINES, WILLIAM MACARTHUR	HINES, WILLIAM MACARTHUR	106 LEONDA DR	BEAUFORT, NC 28516	Adjustment < \$100	0061529736	TPJ9634	Refund Generated due to adjustment on Bill #0061529736-2020-2020-0000-00	Over Assessment	09/24/2021
								9010	Tax (\$17.51) \$0.00 (\$17.51)
								1159	Tax (\$24.40) \$0.00 (\$24.40)
								46	Tax (\$3.18) \$0.00 (\$3.18)
								Refund \$45.09	
HODGES, JOSEPH FRANCIS	HODGES, JOSEPH FRANCIS	628 SEA GATE DR	NEWPORT, NC 28570	Proration	0027052866	JE55448	Refund Generated due to proration on Bill #0027052866-2020-2020-0000-00	Tag Surrender	09/22/2021
								9010	Tax (\$7.67) \$0.00 (\$7.67)
								29	Tax (\$1.75) \$0.00 (\$1.75)
								39	Tax (\$1.86) \$0.00 (\$1.86)
								Refund \$11.28	
HOYLE, EDWARD ALVIN JR	HOYLE, EDWARD ALVIN JR	205 BELLE AIR ST	BEAUFORT, NC 28516	Proration	0050004093	SYK9515	Refund Generated due to proration on Bill #0050004093-2020-2020-0000-00	Tag Surrender	09/16/2021
								9010	Tax (\$3.38) \$0.00 (\$3.38)
								1159	Tax (\$4.71) \$0.00 (\$4.71)
								46	Tax (\$0.61) \$0.00 (\$0.61)
								Refund \$8.70	
LAKE, TIMOTHY EDWARD	LAKE, TIMOTHY EDWARD	110 SILVER CREEK DR	SWANBORO, NC 28584	Adjustment < \$100	0048264278	CJ18433	Refund Generated due to adjustment on Bill #0048264278-2020-2020-0000-00	Over Assessment	09/02/2021
								9010	Tax (\$62.51) \$0.00 (\$62.51)
								37	Tax (\$11.36) \$0.00 (\$11.36)
								19	Tax (\$9.47) \$0.00 (\$9.47)
								Refund \$83.34	
LANEY, JAMES CRAIG	LANEY, JAMES CRAIG	413 WOODED ACRES DR	NEWPORT, NC 28570	Adjustment > \$100	0062888347	EMX9667	Refund Generated due to adjustment on Bill #0062888347-2020-2020-0000-00	Situs error	09/16/2021
								9010	Tax \$0.00 \$0.00 \$0.00
								1460	Tax (\$203.05) \$0.00 (\$203.05)
								1523	Tax \$28.27 \$0.00 \$28.27
								37	Tax \$30.84 \$0.00 \$30.84
								19	Tax \$25.70 \$0.00 \$25.70
								Refund \$118.24	
LERER, CHANAN	LERER, CHANAN	109 MARSH LN	CEDAR POINT, NC 28524	Adjustment < \$100	0060478193	759076	Refund Generated due to adjustment on Bill	Military	09/24/2021
								9010	Tax (\$23.03) \$0.00 (\$23.03)

North Carolina Vehicle Tax System									
NCVTS Pending Refund report									
Report Date 10/1/2021 1:18:39 PM									
1561	Tax	(\$8.20)	\$0.00	(\$8.20)					
37	Tax	(\$4.19)	\$0.00	(\$4.19)					
19	Tax	(\$3.49)	\$0.00	(\$3.49)					
	Refund			\$38.91					
LERER, RINAT SARAH	LERER, RINAT SARAH	106 MARSH ISLAND DR	CEDAR POINT, NC 28584	Adjustment < \$100	0060618104	RAW1537	Refund Generated due to adjustment on Bill #0060618104-2020-2020-0000-00	Military	09/24/2021
9010	Tax	(\$45.98)	\$0.00	(\$45.98)					
1561	Tax	(\$16.38)	\$0.00	(\$16.38)					
37	Tax	(\$8.36)	\$0.00	(\$8.36)					
19	Tax	(\$6.97)	\$0.00	(\$6.97)					
	Refund			\$77.59					
LERER, RINAT SARAH	LERER, RINAT SARAH	109 MARSH ISLAND DR	CEDAR POINT, NC 28584	Adjustment < \$100	0060618103	RAW1538	Refund Generated due to adjustment on Bill #0060618103-2020-2020-0000-00	Military	09/24/2021
9010	Tax	(\$39.73)	\$0.00	(\$39.73)					
1561	Tax	(\$14.14)	\$0.00	(\$14.14)					
37	Tax	(\$7.23)	\$0.00	(\$7.23)					
19	Tax	(\$6.02)	\$0.00	(\$6.02)					
	Refund			\$67.12					
LEWIS, OTIS EARL	LEWIS, OTIS EARL	121 CHARLIE LEWIS LN	BEAUFORT, NC 28515	Adjustment < \$100	0061377032	SVF4758	Refund Generated due to adjustment on Bill #0061377032-2020-2020-0000-00	Over Assessment	09/03/2021
9010	Tax	(\$14.85)	\$0.00	(\$14.85)					
42	Tax	(\$3.15)	\$0.00	(\$3.15)					
46	Tax	(\$2.70)	\$0.00	(\$2.70)					
	Refund			\$20.70					
LITTLETON, JULIE BELL	LITTLETON, JULIE BELL	247 RIVER OAKS DR	STELLA, NC 28582	Proration	0056541452	JN4010	Refund Generated due to proration on Bill #0056541452-2020-2020-0000-00	Tag Surrender	09/10/2021
9010	Tax	(\$90.46)	\$0.00	(\$90.46)					
40	Tax	(\$27.41)	\$0.00	(\$27.41)					
19	Tax	(\$13.71)	\$0.00	(\$13.71)					
	Refund			\$131.58					
LOPEZ SANCHEZ, DANY	LOPEZ SANCHEZ, DANY	515 TOM MAIN RD	LOT 115 NEWPORT, NC 28570	Proration	0061432371	THL8373	Refund Generated due to proration on Bill #0061432371-2020-2020-0000-00	Tag Surrender	09/03/2021
9010	Tax	(\$1.98)	\$0.00	(\$1.98)					
35	Tax	(\$0.60)	\$0.00	(\$0.60)					
	Refund			\$2.58					
MASON, HOWARD WESLEY	MASON, HOWARD WESLEY	501 LITTLE DEEP CREEK RD	NEWPORT, NC 28570	Proration	0043363203	FDS7180	Refund Generated due to proration on Bill #0043363203-2020-2020-0000-00	Tag Surrender	09/15/2021
9010	Tax	(\$49.55)	\$0.00	(\$49.55)					
35	Tax	(\$15.01)	\$0.00	(\$15.01)					
	Refund			\$64.56					
MAYNARD, CONNIE MIZELLE	MAYNARD, CONNIE MIZELLE	2612 LAKEVIEW DR	RALEIGH, NC 27609	Proration	0059390142	VWY8648	Refund Generated due to proration on Bill #0059390142-2020-2020-0000-00	Tag Surrender	09/22/2021
9010	Tax	(\$12.01)	\$0.00	(\$12.01)					
1159	Tax	(\$16.73)	\$0.00	(\$16.73)					
46	Tax	(\$2.18)	\$0.00	(\$2.18)					

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									Refund \$30.52
MCGOWAN, LAWRENCE STEWART	MCGOWAN, LAWRENCE STEWART	PO BOX 106	ATLANTIC BEACH, NC 28512	Proration	0050774793	CL82785	Refund Generated due to proration on Bill #0050774793-2020-2020-0000-00	Tag Surrender	09/27/2021
9010	Tax	(\$10.71)	\$0.00	(\$10.71)					
1352	Tax	(\$5.84)	\$0.00	(\$5.84)					
	Refund			\$16.55					
MCINTYRE, SUSAN HOWERTON	MCINTYRE, SUSAN HOWERTON	110 WOODBRIDGE DR	MOREHEAD CITY, NC 28557	Proration	0047209795	FHK9509	Refund Generated due to proration on Bill #0047209795-2020-2020-0000-00	Vehicle Sold	09/21/2021
9010	Tax	(\$42.84)	\$0.00	(\$42.84)					
32	Tax	(\$8.77)	\$0.00	(\$8.77)					
	Refund			\$51.61					
MCPHERSON, ROBERT RONALD	MCPHERSON, ROBERT RONALD	221 MOONLIGHT DR	ATLANTIC BEACH, NC 28512	Adjustment < \$100	0062872805	CN51137	Refund Generated due to adjustment on Bill #0062872805-2021-2021-0000-00	Over Assessment	09/16/2021
9010	Tax	(\$13.66)	\$0.00	(\$13.66)					
1352	Tax	(\$8.28)	\$0.00	(\$8.28)					
	Refund			\$21.94					
MILLS, GLENN MATTHEW JR	MILLS, GLENN MATTHEW JR	133 WILLOWOOD RD	NEWPORT, NC 28570	Adjustment < \$100	0057116909	RAW1653	Refund Generated due to adjustment on Bill #0057116909-2020-2020-0000-00	Military	09/28/2021
9010	Tax	(\$70.06)	\$0.00	(\$70.06)					
1351	Tax	(\$80.67)	\$0.00	(\$80.67)					
	Refund			\$150.73					
MILLS, GLENN MATTHEW JR	MILLS, GLENN MATTHEW JR	133 WILLOWOOD RD APT 311	NEWPORT, NC 28570	Adjustment < \$100	0058519383	CM76847	Refund Generated due to adjustment on Bill #0058519383-2020-2020-0000-00	Military	09/29/2021
9010	Tax	(\$0.99)	\$0.00	(\$0.99)					
1351	Tax	(\$1.14)	\$0.00	(\$1.14)					
	Refund			\$2.13					
MINGES, KAY BRANTON	MINGES, KAY BRANTON	PO BOX 2803	GREENVILLE, NC 27836	Adjustment < \$100	0062718442	EM24471	Refund Generated due to adjustment on Bill #0062718442-2020-2020-0000-00	Situs error	09/01/2021
9010	Tax	\$0.00	\$0.00	\$0.00					
1353	Tax	\$160.36	\$0.00	\$160.36					
1460	Tax	(\$306.01)	\$0.00	(\$306.01)					
94	Tax	\$11.62	\$0.00	\$11.62					
	Refund			\$134.03					
MOORE, JOHN THOMAS JR	MOORE, JOHN THOMAS JR	3122 BRIDGES ST	MOREHEAD CITY, NC 28557	Proration	0051254489	JDT8475	Refund Generated due to proration on Bill #0051254489-2020-2020-0000-00	Vehicle Sold	09/14/2021
9010	Tax	(\$7.61)	\$0.00	(\$7.61)					
1351	Tax	(\$8.78)	\$0.00	(\$8.78)					
	Refund			\$16.37					
NORRIS, GEORGE THOMAS JR	NORRIS, GEORGE THOMAS JR	1030 BELANGIA RD	HAVELOCK, NC 28532	Adjustment < \$100	0062936532	KF2807	Refund Generated due to adjustment on Bill #0062936532-2020-2020-0000-00	Situs error	09/21/2021
9010	Tax	\$0.00	\$0.00	\$0.00					
1352	Tax	\$42.21	\$0.00	\$42.21					
1460	Tax	(\$92.63)	\$0.00	(\$92.63)					
	Refund			\$50.42					
OVERBY, LAUREN SWEET	OVERBY, LAUREN SWEET	154 ANDREW CIR	PELETIER, NC 28584	Adjustment < \$100	0062877550	HBH4444	Refund Generated due to adjustment on Bill #0062877550-2021-2021-0000-00	Situs error	09/16/2021
9010	Tax	\$0.00	\$0.00	\$0.00					
1460	Tax	(\$154.62)	\$0.00	(\$154.62)					
1523	Tax	\$19.33	\$0.00	\$19.33					

AUGUST 2021

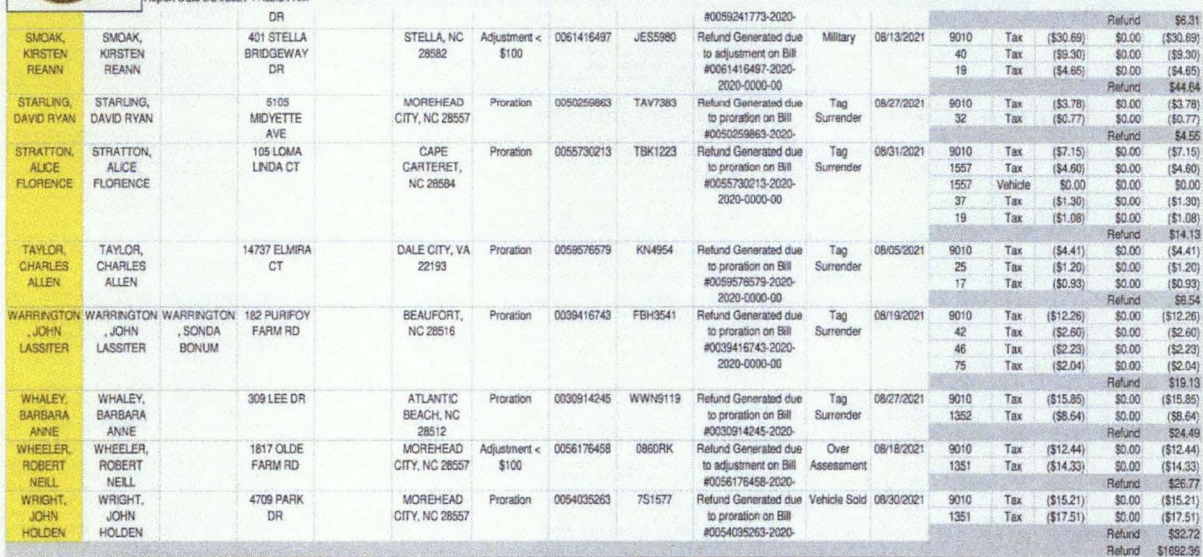
North Carolina Vehicle Tax System

NCVTS Pending Refund report

Report Date 9/24/2021 11:02:34 AM

Payer Name	Primary Owner	Secondary Owner	Address 1	Address 2	Address 3	Refund Type	Bill #	Plate Number	Refund Description	Refund Reason	Onset Date	Tax Jurisdiction	Change	Interest	Total
BEASLEY, JENNIFER ANNE	BEASLEY, JENNIFER ANNE		1801 CLUB HOUSE DR		MOREHEAD CITY, NC 28557	Proration	0053777707	HDV4838	Refund Generated due to proration on Bill #0053777707-2020-0000-00	Tag Surrender	08/26/2021	9010 Tax	(\$32.77)	\$0.00	(\$32.77)
BROOKS, MICHAEL SCOTT	BROOKS, MICHAEL SCOTT		126 WILD MAGNOLIA DR		BEAUFORT, NC 28516	Proration	0051727375	JY7220	Refund Generated due to proration on Bill #0051727375-2020-0000-00	Tag Surrender	08/24/2021	9010 Tax	(\$7.22)	\$0.00	(\$7.22)
												42 Tax	(\$1.53)	\$0.00	(\$1.53)
												46 Tax	(\$1.31)	\$0.00	(\$1.31)
												75 Tax	(\$1.20)	\$0.00	(\$1.20)
BUCK, DANIEL LEE JR	BUCK, DANIEL LEE JR		370 OLD SWANBORO RD		NEWPORT, NC 28570	Adjustment <	0057823806	YF2004	Refund Generated due to adjustment on Bill #0057823806-2020-0000-00	Over Assessment	08/06/2021	9010 Tax	(\$25.46)	\$0.00	(\$25.46)
												31 Tax	(\$3.08)	\$0.00	(\$3.08)
												48 Tax	(\$3.08)	\$0.00	(\$3.08)
CANNON, JOSEPH EARL JR	CANNON, JOSEPH EARL JR		3604 COUNTRY CLUB RD		MOREHEAD CITY, NC 28557	Adjustment <	0053559154	CK35120	Refund Generated due to adjustment on Bill #0053559154-2020-0000-00	Over Assessment	08/30/2021	9010 Tax	(\$17.79)	(\$1.16)	(\$18.95)
												30 Tax	(\$2.66)	(\$0.19)	(\$3.15)
												50 Tax	(\$1.08)	(\$0.07)	(\$1.15)
DANIELS, JOHN JOSEPH II	DANIELS, JOHN JOSEPH II		4911 MIDYETTE AVE		MOREHEAD CITY, NC 28557	Adjustment <	0062060683	CN31043	Refund Generated due to adjustment on Bill #0062060683-2021-0000-00	Over Assessment	09/30/2021	9010 Tax	(\$14.11)	\$0.00	(\$14.11)
												1351 Tax	(\$16.24)	\$0.00	(\$16.24)
DAVIS, RONALD RAY	DAVIS, RONALD RAY	DAVIS, RAMONA CRUTCHFIELD	112 PERWINKLE DR		EMERALD ISLE, NC 28594	Proration	0050885092	JBX2742	Refund Generated due to proration on Bill #0050885092-2020-0000-00	Tag Surrender	08/02/2021	9010 Tax	(\$14.20)	\$0.00	(\$14.20)
												1556 Tax	(\$6.67)	\$0.00	(\$6.67)
DEMICHELE, JOHN R	DEMICHELE, JOHN R		2366 HWY 58		SWANBORO, NC 28584	Adjustment <	0053137898	7360M	Refund Generated due to adjustment on Bill #0053137898-2020-0000-00	Site error	06/30/2021	9010 Tax	\$0.00	\$0.00	\$0.00
												1596 Tax	(\$15.16)	\$0.00	(\$15.16)
												40 Tax	\$9.78	\$0.00	\$9.78
												19 Tax	\$4.89	\$0.00	\$4.89
												95 Tax	(\$3.91)	\$0.00	(\$3.91)
DUDLEY, JAMES HERBERT FORD, JEFFERY DOUGLAS	DUDLEY, JAMES HERBERT FORD, JEFFERY DOUGLAS		1533 FLANAGANS LN		VIROGNA BEACH, VA 23458	Proration	0046055710	CL26763	Refund Generated due to proration on Bill #0046055710-2020-0000-00	Tag Surrender	08/16/2021	9010 Tax	(\$60.73)	\$0.00	(\$60.73)
												35 Tax	(\$18.40)	\$0.00	(\$18.40)
												9010 Tax	(\$8.05)	\$0.00	(\$8.05)
												1159 Tax	(\$11.22)	\$0.00	(\$11.22)
												46 Tax	(\$1.46)	\$0.00	(\$1.46)
GHAZAL, JEAN NAHRI EL	GHAZAL, JEAN NAHRI EL		218 UTOPIA DR		NEWPORT, NC 28570	Adjustment <	0053121708	XXZ3724	Refund Generated due to adjustment on Bill #0053121708-2020-0000-00	Over Assessment	08/19/2021	9010 Tax	(\$6.00)	\$0.00	(\$6.00)
												32 Tax	(\$1.23)	\$0.00	(\$1.23)
GOSSI, ROBERT JAY	GOSSI, ROBERT JAY		228 INDEPENDENCE BLVD		NEWPORT, NC 28570	Adjustment <	0057777737	TED3900	Refund Generated due to adjustment on Bill #0057777737-2020-0000-00	Military	06/30/2021	9010 Tax	(\$2.74)	\$0.00	(\$2.74)
												1460 Tax	(\$3.26)	\$0.00	(\$3.26)
GODWIN, PETER NOAH	GODWIN, PETER NOAH		253 WHITE OAK BLUFF		STELLA, NC 28582	Proration	0062164638	RCE6367	Refund Generated due to proration on Bill	Tag Surrender	08/19/2021	9010 Tax	(\$14.01)	\$0.00	(\$14.01)
												40 Tax	(\$4.24)	\$0.00	(\$4.24)

North Carolina Vehicle Tax System															
NCVTS Pending Refund report															
Report Date 9/24/2021 11:02:34 AM															
		RD					#0062164638-2021-2021-0000-00				19	Tax	(\$2.13)	\$0.00	(\$2.13)
GRiffin, RONNIE VANN	GRiffin, RONNIE VANN	102 TRAVIS DR	BEAUFORT, NC 28516	Proration	0008493217	B880866	Refund Generated due to proration on Bill #0008493217-2020-2020-0000-00	Tag Surrender	08/05/2021		9010	Tax	(\$1.60)	\$0.00	(\$1.60)
											42	Tax	(\$0.34)	\$0.00	(\$0.34)
											46	Tax	(\$0.29)	\$0.00	(\$0.29)
											75	Tax	(\$0.27)	\$0.00	(\$0.27)
														Refund	\$2.90
GULFOYLE, KEVIN JOHN	GULFOYLE, KEVIN JOHN	145 ASHMORE CT	TYRONE, GA 30290	Proration	0047443263	CL25008	Refund Generated due to proration on Bill #0047443263-2020-2020-0000-00	Tag Surrender	08/13/2021		9010	Tax	(\$63.28)	\$0.00	(\$63.28)
											1556	Tax	(\$29.72)	\$0.00	(\$29.72)
														Refund	\$93.00
HARDEN, WILLIAM HENRY JR	HARDEN, WILLIAM HENRY JR	116 BUR OAKS BLVD	NEWPORT, NC 28570	Proration	0001084542	YPW3278	Refund Generated due to proration on Bill #0001084542-2020-2020-0000-00	Tag Surrender	08/20/2021		9010	Tax	(\$12.07)	\$0.00	(\$12.07)
HEDGECOCK, URIEL RENA	HEDGECOCK, URIEL RENA	134 WOODRIDGE DR	MOREHEAD CITY, NC 28557	Proration	0046888815	JL5872	Refund Generated due to proration on Bill #0046888815-2020-2020-0000-00	Tag Surrender	08/31/2021		9010	Tax	(\$16.74)	\$0.00	(\$16.74)
											1351	Tax	(\$19.28)	\$0.00	(\$19.28)
														Refund	\$3.02
HENRY, ASHLEY PHILLIPS	HENRY, ASHLEY PHILLIPS	1805 CLUB HOUSE DR	MOREHEAD CITY, NC 28557	Proration	0052919253	RAH2336	Refund Generated due to proration on Bill #0052919253-2020-2020-0000-00	Tag Surrender	08/19/2021		9010	Tax	(\$11.42)	\$0.00	(\$11.42)
											1351	Tax	(\$13.15)	\$0.00	(\$13.15)
														Refund	\$24.57
ISENHOUR, ROBERT RUFUS JR	ISENHOUR, ROBERT RUFUS JR	313 CHANNEL DR	EMERALD ISLE, NC 28594	Proration	0001086823	BOZB406	Refund Generated due to proration on Bill #0001086823-2020-2020-0000-00	Tag Surrender	08/17/2021		9010	Tax	(\$6.84)	\$0.00	(\$6.84)
											1556	Tax	(\$3.21)	\$0.00	(\$3.21)
														Refund	\$10.05
KIMZEY, DOMINIC FRANCIS	KIMZEY, DOMINIC FRANCIS	123 LITTLE BAY DR	SWANBORO, NC 28584	Adjustment < \$100	0062357036	THM5534	Refund Generated due to adjustment on Bill #0062357036-2021-2021-0000-00	Military	08/09/2021		9010	Tax	(\$17.72)	\$0.00	(\$17.72)
											1561	Tax	(\$7.92)	\$0.00	(\$7.92)
											37	Tax	(\$3.22)	\$0.00	(\$3.22)
											19	Tax	(\$2.69)	\$0.00	(\$2.69)
														Refund	\$31.55
KLAINER, PETER SCOTT	KLAINER, PETER SCOTT	337 BAY RUN	NEWPORT, NC 28570	Proration	0059588856	RSW4789	Refund Generated due to proration on Bill #0059588856-2020-2020-0000-00	Tag Surrender	08/18/2021		9010	Tax	(\$43.29)	\$0.00	(\$43.29)
											31	Tax	(\$5.24)	\$0.00	(\$5.24)
											48	Tax	(\$5.24)	\$0.00	(\$5.24)
														Refund	\$53.71
KLAINER, PETER SCOTT	KLAINER, PETER SCOTT	337 BAY RUN	NEWPORT, NC 28570	Proration	0061005268	RCP9418	Refund Generated due to proration on Bill #0061005268-2020-2020-0000-00	Tag Surrender	08/19/2021		9010	Tax	(\$21.17)	\$0.00	(\$21.17)
											31	Tax	(\$2.57)	\$0.00	(\$2.57)
											48	Tax	(\$2.57)	\$0.00	(\$2.57)
														Refund	\$26.31
KNOWLES, SARAH	KNOWLES, SARAH	213 MAINFIELD PKWY	MOREHEAD CITY, NC 28557	Proration	0058882689	HMY6343	Refund Generated due to proration on Bill #0058882689-2020-2020-0000-00	Tag Surrender	08/12/2021		9010	Tax	(\$29.61)	\$0.00	(\$29.61)
											1351	Tax	(\$34.10)	\$0.00	(\$34.10)
														Refund	\$63.71
LEUTHAUSER, LARRY CLIFFORD	LEUTHAUSER, LARRY CLIFFORD	107 LOMA LINDA CT	CAPE CARRET, NC 28584	Proration	0001089304	BV97155	Refund Generated due to proration on Bill #0001089304-2019-2019-0000-00	Tag Surrender	08/20/2021		9010	Tax	(\$0.26)	\$0.00	(\$0.26)
											1557	Tax	(\$0.18)	\$0.00	(\$0.18)
											1957	Vehicle	\$0.00	\$0.00	\$0.00
											37	Tax	(\$0.05)	\$0.00	(\$0.05)
											19	Tax	(\$0.04)	\$0.00	(\$0.04)
														Refund	\$0.53
LEUTHAUSER, LEUTHAUSER,	LEUTHAUSER, LEUTHAUSER,	107 LOMA	CAPE	Proration	0001043050	BKL6551	Refund Generated due	Tag	08/20/2021		9010	Tax	(\$2.74)	\$0.00	(\$2.74)



3. Approval of Occupancy Tax Penalty Waivers

CARTERET COUNTY FINANCE

Denise H. Meshaw, CPA
Assistant County Manager
Finance Department



Tel: (252) 728-8410
Fax: (252) 728-8424
deem@carteretcountync.gov
www.carteretcountync.gov

To: Board of Commissioners
From: Dee Meshaw, Assistant County Manager Finance
Date: October 18, 2021
Subject: Occupancy Tax Penalty Waiver

For your consideration is a request to waive several occupancy tax late paying and late filing penalties. Bluewater has requested \$59,163.34 in penalties be waived. Bluewater has been timely on payments and has not requested a waiver since 2019. Kenneth Davis has respectfully requested \$55.50 in late penalties be waived for his property located at 301 Commerce Way Unit 334. Mr. Davis was unaware that he needed to report monthly occupancy to Carteret County and has paid his tax in full. Kyle Ellis has requested \$169.78 in late penalties be waived for his property located at 9917 Shipwreck Court. This was Mr. Ellis' first time reporting occupancy tax and was unaware of the process on how to remit payment. Valery Kepley has requested \$61.00 in late penalties be waived for her property located at 2501 W Fort Macon Road 104B. Ms. Kepley was unaware that AIRBNB was not remitting taxes on her behalf. Ms. Kepley has paid her occupancy tax in full. Under the provisions of N.C.G.S. 153-A-155 (e) and 105-237, the Board of Commissioners has discretion to waive penalties.

4. Approval of Resolution for Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund Application, Davis Shore Harbor Access Channel Dredging Project

Shore Protection Manager

Greg L. Rudolph
Tel: (252) 222.5835
Fax: (252) 222.5826
grudolph@carteretcountync.gov



Memorandum

To: Carteret County Board of Commissioners (CBOC)
From: Greg "rudi" Rudolph
Date: August 17, 2020
Re: **Davis Shore Harbor Access Channel Dredging Project**
- Approval of Resolution for Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund Application

The CBOC is respectfully requested to consider and approve the attached *Resolution* associated for a dredging event planned at the **Davis Shore Harbor Access Channel** - particularly at the mouth of the harbor where the channel(s) meet Core Sound. This resolution will be submitted as part of a grant package to access the State's Shallow Draft Navigation Channel Dredging & Aquatic Weed Fund, which provides for a "2 State dollar to each 1 non-State dollar" reimbursement formula.

The Davis Shore Harbor Access Channel is located on/near HWY 70 in Down East Davis and actually includes two linear channels that both trend east-west paralleling North and South Harbor Drives (see attached site map). The Harbor provides easy access to the surrounding waterways and shorelines for commercial, recreational fisherman, small vessel charter guests, and even those interested in paddling/eco-tourism. But perhaps most importantly, the Harbor provides direct access to Core Sound and is serviced by several mooring areas, docks, and piers; and can be considered as an epitome of a Down East working waterfront with multiple fish houses, machine shops, boat lifts, and other repair boat services lining the shoreline. Unfortunately and as noted above, the mouth of Harbor Channel (at the confluence of the Harbor Channel itself and Core Sound) is severely shoaled and is constraining the commercial fishing fleet and individual boaters from accessing the Harbor to only certain astronomical and/or wind tides.

To these ends, we are estimating to dredge/dispose a total of ~900 cubic yards of material via bucket and barge - truck haul to restore a nominal depth of -5 feet MLLW at the mouth of the Harbor (see attached site map depicting the dredge box). The County's contractor will be responsible for identifying a suitable upland disposal area for dredge spoils and will work with us (County) as part of securing a CMA General Permit for the project. Our anticipated cost of the project is \$84,000 and should solely be considered as our grant budget to provide an upper limit type of number to work with. Thus by employing the "2 State dollar for 1 non-State dollar" formula associated with the Shallow Draft Fund; we're estimating the \$84,000 total project cost should equate to a \$56,000 State Shallowdraft Fund reimbursement and a \$28,000 non-State (County) cost. In all likelihood, staff estimates we will likely be closer to a \$60,000 total cost but again, we're providing a "be safe" number for grant application purposes.

The County's Waterways Management Committee supports and recommends we move forward with the project; and if the Shallowdraft Grant is awarded, we will proceed with the bid solicitation/award process. The final dredging contract will require your approval and we will again come back to the CBOC once an awardable bid(s) is received - likely in early December 2021. We look forward to this project that will help the Down East community of Davis and please don't hesitate to call or email if you have any questions leading up to your October 18th meeting.

Board of Commissioners
Ed Wheatly, Chair
Mark Mansfield, Vice-Chair
Bob Cavanaugh
Chris Chadwick
Robin Comer
Jimmy Farrington
Chuck Shinn



County Manager
Tommy R. Burns
tommy.burns@carteretcountync.gov
Clerk to the Board
Rachel B. Hammer
rachel.hammer@carteretcountync.gov

**RESOLUTION
CARTERET COUNTY BOARD OF COMMISSIONERS**

**TO ACQUIRE A GRANT FROM THE NORTH CAROLINA SHALLOW DRAFT NAVIGATION
CHANNEL DREDGING & AQUATIC WEED FUND
TO SUPPORT DREDGING OF THE DAVIS SHORE HARBOR ACCESS CHANNEL**

WHEREAS, the Davis Shore Harbor Access Channel is located on/near HWY 70 in Down East Davis thereby providing easy access to the surrounding waterways and shorelines for commercial and recreational fishermen, small vessel charter guests, and those interested in paddling/eco-tourism; and,

WHEREAS, the Davis Shore Harbor Access Channel importantly provides direct access to Core Sound and is serviced by several mooring areas, docks, and piers; and,

WHEREAS, the subject project area is an epitome of a Down East working waterfront with multiple fish houses, machine shops, boat lifts, and other repair boat services lining the shoreline; and,

WHEREAS, the mouth of Harbor Channel (at the confluence of the Harbor Channel itself and Core Sound) is severely shoaled and is constraining the commercial fishing fleet and individual boaters from accessing the Harbor to only certain astronomical and/or wind tides; and,

WHEREAS, specifically the shoaling hot spot identified for the subject project is located at the confluence of the "north and south" Davis Shore Harbor Access Channels and Core Sound; and,

WHEREAS, the Carteret County Board of Commissioners value the economic, recreational, and environmental benefits of the County's waterways and their continued maintenance; and,

WHEREAS, the Carteret County Board of Commissioners also seek to be proactive with respect to the waterways and are open to initiatives that benefit the County by improving waterways, promote efficiency of dredging and disposal practices, and enable the County to leverage State funding; and,

WHEREAS, the Davis Shore Harbor Access Channel is considered as a regional resource and shoaling conditions in this waterway have reached a critical point, and thus the County has identified the Davis Shore Harbor Access Channel as a primary navigation improvement initiative; and,

Carteret County Courthouse • 302 Courthouse Square • Beaufort, NC 28516-1898
www.carteretcountync.gov

WHEREAS, the County's proposed project includes the dredging and disposal of ~900 cubic yards of material via bucket and barge – truck haul to restore a nominal depth of -5 feet MLLW along at the mouth of the Harbor; and,

WHEREAS, the County's contractor will be responsible for identifying a suitable upland disposal area for dredge spoils and will work with the County as part of securing a CAMA General Permit for the project.

NOW, THEREFORE, BE IT RESOLVED,

1) The Board of Commissioners requests the State of North Carolina to provide financial assistance in the form of a \$56,000 reimbursement grant to Carteret County for the dredging and disposal of approximately 900 cubic yards from the Davis Shore Harbor Access Channel, which is estimated to total \$84,000, and therefore equates to a "2 State dollars for 1 non-State dollar" cost schedule consistent with guidance provided for the State's Shallow Draft Navigation Channel Dredging & Aquatic Weed Fund; and

2) The County understands the responsibilities associated with accepting State reimbursements and shall as practical;

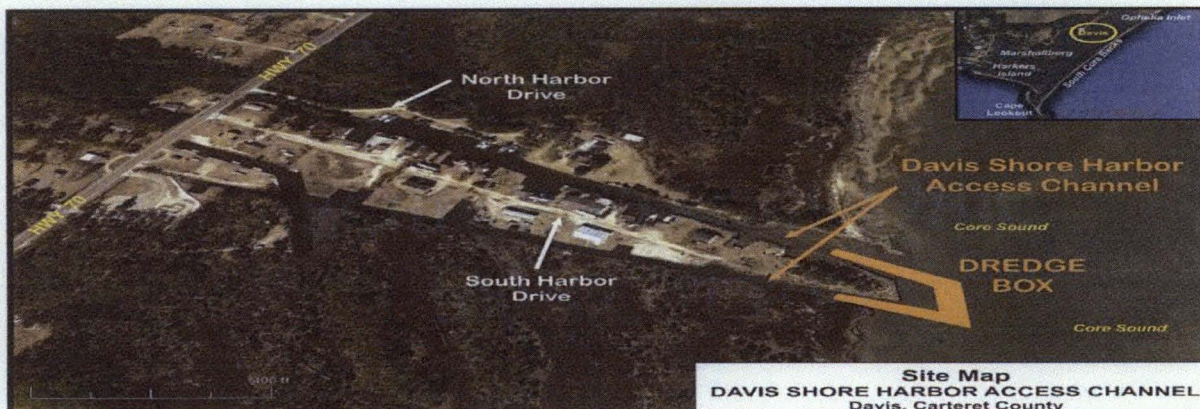
1. Assume full obligation for payment of the balance of project costs.
2. Obtain all necessary State and Federal environmental permits.
3. Comply with all applicable laws governing the award of contracts and the expenditure of public funds by local governments.
4. Supervise construction of the project to assure compliance with permit conditions and to assure safe and proper construction in accordance with approved plans and specifications.
5. Obtain appropriate easements, rights-of-way or suitable spoil disposal areas that may be necessary for the construction and operation of the project without cost or obligation to the State.
6. Assure that the project is open for use by the public on an equal basis with limited restrictions (if on public property).
7. Hold the State harmless for any damages that may result from the construction, operation, and maintenance of the project.
8. Accept responsibility for operation and long-term maintenance of the completed project.

ADOPTED, this the ____th day of October 2021.

Ed Wheatly, Chairman,
Carteret County
Board of Commissioners

Attest:

Rachel Hammer, Clerk to the Board



5. Approval to Accept \$35,000 in Supplemental Chaffee Funds from the State of North Carolina in Support of a One-Time Supplement Payment to Former Foster Youth & Approval of Corresponding Budget Amendment

CARTERET COUNTY DEPARTMENT OF HUMAN SERVICES

Cindy P. Holman
Consolidated Human Services Director
cindy.holman@carteretcountync.gov



Jessica G. Adams
DSS Director
Consolidated Human Services Deputy Director
jessica.adams@carteretcountync.gov

Nina M. Oliver, MS
Health Director
Consolidated Human Services Deputy Director
nina.oliver@carteretcountync.gov

To: Carteret County Board of Commissioners

From: Jessica Adams
DSS Director

Date: September 28th, 2021

Subject: Supplemental Chaffee Funds (LINKS)

The Department of Social Services would like to accept an additional allocation of funds amounting to \$35,000.00 from the State of North Carolina with the explicit purpose of providing one-time supplemental payments to former foster youth that aged out of care from our Department. Funding derives from a 100% Federal grant with no county matching requirement.

We request the Board's approval to accept this additional allocation of revenue and addition to our expenditure budget for these funds. Should you have any questions, please contact me. Copy of the budget amendment and letter from the State are attached.

Carteret County

AS400

Budget Amendment

Fiscal Year 2021-2022

Department: Social Services

Date: 9/28/2021

Justification: Social Services is requesting to accept Supplemental Chaffee funds (LINKS). These funds have been allocated by the State of North Carolina to provide a one-time supplemental to foster youth that aged out of Foster Care from our agency.

Fund	Description	Account Number	Increase
General Fund	Revenues		
	CO WELFARE ADMIN INTERIM	110.50.3531.300	35,000
	Total Increase in Revenues		<u>35,000</u>
General Fund	Expenditures		
	Independent Living (LINKS)	110.50.5350.68108	35,000
	Total Increase Expenditures		<u>35,000</u>

Approval Chairman, Board of Commissioners _____

Date:



NC DEPARTMENT OF
HEALTH AND
HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
SUSAN OSBORNE • Assistant Secretary for County Operations for
Human Services

September 17, 2021

DEAR COUNTY DIRECTORS OF SOCIAL SERVICES

ATTENTION: DIRECTORS, CHILD WELFARE PROGRAM ADMINISTRATORS, MANAGERS,
SUPERVISORS, AND SOCIAL WORKERS

SUBJECT: Time-Limited Flexibility for use of Supplemental Chafee (LINKS) Funding

REQUIRED ACTION: ☒ Immediate

The Consolidated Appropriations Act (Public Law 116-260) enacted on December 27, 2020, provides supplemental appropriations for the John H. Chafee Foster Care Program for Successful Transition to Adulthood and allows flexibility on the spending of those funds that expires on September 30, 2021.

Young adults who are or were in foster care have been in foster care have experienced job loss and other impacts of the pandemic and many of them have not benefited from prior COVID relief efforts, including stimulus checks. On September 10, 2021 NC DHHS, NC DSS sent a Dear County Director letter instructing counties to provide one-time unrestricted payments to this population of very vulnerable young adults.

All young adults who are at least 18 years old and are not yet 27 and were in foster care at age 14 or older are eligible. Assessment of financial need is not required, and no county match is required.

The amounts of one-time unrestricted payments per eligible young adult which may be made under this program are as follows:

- Eligible young adults 18-20--\$2,500.00
- Eligible young adults 21-26--\$5,000.00

Required Steps

As funding for these young adults expires September 30, 2021, specific steps must be followed to ensure funds are obligated and counties are reimbursed timely. County departments of social services must complete the following steps:

1. Conduct diligent efforts to identify, locate, and reach out to eligible young adults. Diligent efforts to conduct outreach means those efforts that are reasonably likely to identify, locate, and inform young adults of these payments for which they are eligible.
2. Create a financial obligation (check requisition, purchase request, etc.) for each eligible young adult located who will be receiving the one-time unrestricted payment by September 30th, 2021. This does not require counties to cut a check by September 30th, only to create the obligation.

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF SOCIAL SERVICES

LOCATION: 820 S. Boylan Avenue, McBryde Building, Raleigh, NC 27603
MAILING ADDRESS: 2409 Mail Service Center, Raleigh, NC 27699-2409
www.ncdhhs.gov • TEL: 919-527-6390 • FAX: 919-733-3052

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

3. Complete the attached DSS-5217a Request for Payment of Time-Limited Supplemental LINKS Funds.
4. Submit completed DSS-5217a and copies of each check requisition via email to linksreimbursement@dhhs.nc.gov by September 30, 2021. These can be submitted at any time, they should not need to be held.

After the request forms are received NC DSS will submit to the DHHS Controller's Office for payment to counties. Counties will receive these payments through Electronic Funds Transfer (EFT). There is no 1571 reporting requirement for these funds.

These funds are capped, 100 percent federal funds with no county match required. Attached is a spreadsheet showing budgeted funds, per county. Counties will be reimbursed only up to their per-county budget amount. As counties are reviewing their situation, please communicate budget needs via the LINKS email so we may evaluate total funds availability and attempt to redirect funds as time allows.

If you have any questions, please contact LeAnn McKoy, Foster Care 18-21 Coordinator at leann.mckoy@dhhs.nc.gov or by phone at (919) 527-6375 or Shirley Williams, Special Programs Manager at shirley.williams@dhhs.nc.gov or by phone at (919) 527-6404. You may also contact your Regional Child Welfare Consultant.

Sincerely,

Carla McNeill

Carla McNeill, MSW
Section Chief for Permanency Planning
Division of Social Services, Child Welfare
North Carolina Department of Health and Human
Services

Cc: Susan Osborne, Assistant Secretary for County Operations
Richard Stegenga, Deputy Director, Business Operations
Lisa Tucker Cauley, Senior Director of Child, Family and Adult Services
Teresa Strom, Section Chief for County Operations
Kathy Stone, Section Chief for Child Protective Services and Prevention
Linda Walte, Section Chief for Licensing and Regulatory

Attachments:

- DSS-5217a Request for Payment of Time-Limited Supplemental LINKS Funds

CWS-37-2021

6. Approval of Water Fund Budget Amendment: \$150,000

CARTERET COUNTY FINANCE

Denise H. Meshaw, CPA
Assistant County Manager
Finance Department



Tel: (252) 728-8410
Fax: (252) 728-0133
deem@carteretcountync.gov
www.carteretcountync.gov

To: Board of Commissioners
From: Dee Meshaw, Assistant County Manager
Date: October 18, 2021
Subject: Water Fund Budget Amendment

Attached for your consideration is a budget amendment that decreases water user revenue and increases transfer from the Water District Special Revenue Fund \$150,000. The budget amendment is needed due to the 25% decrease in water user rates approved by the Board of Commissioners during the September 2021 meeting. Approval of the attached budget amendment is recommended.

Carteret County

Budget Amendment

Fiscal Year 2021-2022

Department: Water Fund

Date: 10/18/21

Justification: To adjust budget for 25% decrease in water rates and revenues

Fund	Description	Account Number	Increase	Decrease
Water Fund	Revenues			
	Water User Revenue	600.91.3711.510		150,000
	Transfer In Water SRF	600.98.3980.980	150,000	
	Total Increase in Revenues		<u>150,000</u>	<u>150,000</u>
Water SRF	Revenue			
	Appropriated Fund Balance	261.91.3990.990	<u>150,000</u>	
	Total Increase in Revenues		<u>150,000</u>	
	Expenditures			
	Transfer to Water Fund	261.98.9800.90600	<u>150,000</u>	
	Total Increase in Expenditures		<u>150,000</u>	

Chair Board of Commissioners _____

Date: _____

7. Approval to Donate a 2005 Damaged Cargo Trailer to the North River Volunteer Fire Department

COUNTY OF CARTERET
DEPARTMENT OF EMERGENCY SERVICES

Stephen Rea
Emergency Services Director



Office 252-222-5841
Mobile 252-241-1630
stephen.rea@carteretcountync.gov

To: Carteret County Commissioners
From: Stephen Rea
Date: Thursday September 23, 2021
Subj: Transfer 2005 Cargo Trailer to North River Vol. Fire Department

Carteret County Emergency Services turned in a 2005 Cargo Trailer that was damaged by water. The trailer was taken to the county garage.

The trailer is described as follows.

1. Model AFEX6105A
2. VIN # 5NHUFEU16GU317477
3. 11 feet, 9 inches long
4. 5 feet, 8 inches wide

The trailer is beyond economical repair. It has been surveyed by the Carteret County Maintenance Garage Staff.

The North River Volunteer Fire Department has asked Carteret County Emergency Services if they may have the trailer.

The request is for Carteret County to donate the trailer to the North River Volunteer Fire Department.

Thank you for your consideration of this request.



8. Approval of the Budget Amendment for the Salary Increase for the Sheriff's Office: \$362,627

Carteret County

Budget Amendment

Fiscal Year 2021-2022

Department: Sheriff's Office

Date: 9/20/2021

Justification: Request appropriation of Sheriff's Office restricted revenues to increase salaries.

Fund	Description	Account Number	Increase
General Fund	Revenues		
	Fund Balance - CW reserve	110.10.3431.451	309,146
	Appropriated Fund Balance	110.00.3990.990	53,481
	Total Increase in Revenues		362,627
General Fund	Expenditures		
	Criminal Salaries	110.10.4310.12100	172,009
	FICA Expense	110.10.4310.18100	1,286
	Retirement Contribution	110.10.4310.18200	
	401K Plan	110.10.4310.18700	8,799
	Civil Salaries	110.10.4312.12100	33,358
	FICA Expense	110.10.4312.18100	
	Retirement Contribution	110.10.4312.18200	
	401K Plan	110.10.4312.18700	1,717
	Detention Salaries	110.10.4314.12100	132,004
	FICA Expense	110.10.4314.18100	6,511
	Retirement Contribution	110.10.4314.18200	217
	401K Plan	110.10.4314.18700	6,726
	Total Increase Expenditures		362,627

Approval Chairman, Board of Commissioners _____

Date:

9. Approval of Contract & Budget Amendment for the Straits Boat Ramp Paving
Addition: \$56,000



**S.T. Wooten Corp. Proposal to Carteret Co.-Straits Landing
Additional Parking**

S.T. Wooten Corporation

P.O. Box 13097

New Bern, NC 28561

Contact: Tyler Watkins

Phone: 252-637-4294

Fax: 252-637-1834

Quote To: Carteret Co.
Attn: Gene Foxworth

Phone: 252-723-2165

Email: eugene.foxworth@carteretcountync.gov

Job Name: Straits Landing BAA--Additional Parking

Date: 10/4/2021

Estimate #: 21034TWPARK

Revision Date:

Quantities Based on Original NCWRC Plans.

Additional Quantities WILL BE BILLED @ Unit Price.

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
10	Mobilization	1.00	LS	3,800.00	3,800.00
20	Surveying/Layout	1.00	LS	250.00	250.00
50	Grading	1.00	LS	18,500.00	18,500.00
80	12" X 12" Concrete Ribbon Curb	186.00	LF	18.50	3,441.00
90	8 oz. Non-Woven Fabric for pervious parking bays	410.00	SY	2.15	881.50
100	8" #57 washed stone for pervious parking bays	180.00	TONS	55.75	10,035.00
110	Permeable Grid Pavers	3,692.00	SF	4.05	14,952.60
120	#78 Washed Stone for Permeable Grid Pavers	45.00	TONS	60.60	2,727.00
130	Pavement Markings	1.00	LS	500.00	500.00
140	Parking Bumper Installation	1.00	LS	1,000.00	1,000.00
GRAND TOTAL					56,087.10

NOTES:

1. Project owner shall provide S.T. Wooten Corporation with NC Lien information (LIENSNC.com) for this project. Permits, fee's, bonds, layout, surveying and testing not included.
2. Anything not specifically included above is excluded.
3. We include one mobilization. Additional Mobilizations will be \$3000 EA.
4. All work to be performed according to NCDOT specifications.
5. S.T. Wooten will not be responsible for standing water in areas that are designed with less than a 2% fall.
6. Bond is not included in proposal.
7. This pricing is based upon utilizing the original NCWRC (For Bid) plans. It is reflective of fulfilling the portion of the contract removed (8 parking spaces in the northern portion of the permeable parking spaces) by the NCWRC upon award to S.T. Wooten Corporation. ANY Additional areas or change in scope from these plans will need pricing evaluation.

Upon completion of work, S. T. Wooten Corporation shall not be responsible for damages caused by others.

Payment will be due upon presentation of billing/invoice.

Late Payment Interest. With respect to the unpaid amount of any invoice not paid in full within thirty (30) days of receipt, a finance charge of 1.5% per month (this is an annual rate of 18%), or if less, at the highest rate allowed by applicable law, shall be charged and accrue until the invoice is paid in full.

Page 1 of 2

Attorneys' Fees and Costs. If S.T. Wooten Corporation takes any action at law or in equity (including arbitration) to enforce the terms of this agreement or to collect past due amounts, it shall be entitled to collect reasonable attorneys' fees, not exceeding a sum equal to fifteen percent (15%) of the outstanding balance owed if relating to a collection action, plus all other reasonable expenses incurred in exercising any of its rights and remedies upon default. These attorney fees and costs shall be in addition to any other relief to which S.T. Wooten Corporation may be entitled to at law or in equity.

S.T. Wooten will not be responsible for standing water in areas that are designed with less than 2% fall.

This quote is based on the use of standard proctor density testing as described in ASTM D698.

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alternation or deviation from above specifications involving extra cost will be executed upon written change orders, and will become an extra charge over and above the estimate. All agreements to be modified due to strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance.

We thank you for the opportunity of submitting this quotation. Should it meet with your approval, please sign on the acceptance line and return the complete proposal to us. We will execute and return a copy for your files. Our proposal remains firm for thirty days.

Sincerely,

Tyler Watkins
Project Manager
S.T. Wooten Corporation

Carteret County

Budget Amendment

Fiscal Year 2021-22

Department Parks Maintenance

Date: 10/18/2021

Justification: Appropriate funding for Straits paving improvements

Fund	Description	Account Number	Increase
General Fund	Revenues		
	Appropriated Fund Balance	110.00.3990.990	56,000
	Total Increase in Revenues		56,000
	Expenditures		
	Capital Improvements	110.80.6125.59000	56,000
	Total Increase in Expenditures		56,000

Approval Chairman, Board of Commissioners _____

Date: _____

10. Deny Waiver of the 2020-21 Greenbox fees for Alma Gillikin Guthrie

Sarah T. Davis
Tax Administrator

MEMORANDUM


TO: Board of Commissioners
FROM: Sarah Davis, Tax Administrator
SUBJECT: GreenBox Fee Waiver (2020 – 2021)
DATE: September 20, 2021

Ms. Alma Gillikin Guthrie is requesting a waiver of the GreenBox fee for tax years 2020-2021. The taxpayer has stated she lives alone and does not generate enough trash to utilize the greenbox site or to have curbside pickup.

The tax office has treated Ms. Guthrie like all other taxpayers who have made this same request.

I recommend the Board deny this request for a waiver of the 2020-2021 Greenbox fees.

11. Approval of Proclamation Recognizing National Friends of the Libraries Week, October 17-23, 2021

Board of Commissioners Ed Wheatly, Chair Mark Mansfield, Vice-Chair Bob Cavanaugh Chris Chadwick Robin Comer Jimmy Farrington Chuck Shinn		County Manager Tommy R. Burns Clerk to the Board Rachel B. Hammer
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**PROCLAMATION
RECOGNIZING NATIONAL FRIENDS OF THE LIBRARIES WEEK
OCTOBER 17 - 23, 2021**

WHEREAS, Friends of the Carteret County Public Library System raise money that enables our library to provide the resources for additional programming, much needed equipment, support for children's summer reading, training and development for staff, and special events throughout the year; and

WHEREAS, the work of the Friends highlights on an on-going basis the fact that our library is the cornerstone of the community providing opportunities for all to engage in the joy of life-long learning and connect with the thoughts and ideas of others from ages past to the present; and

WHEREAS, the Friends understand the critical importance of well-funded libraries and advocate to ensure that our library gets the resources it needs to provide a wide variety of services to all ages including access to print and electronic materials, along with expert assistance in research, readers' advisory, and children's services; and

WHEREAS, the Friends' gift of their time and commitment to the library sets an example for all in how positive civic engagement leads to the betterment of our community; and their support of our system encourages further participation by all citizens in our community.

NOW THEREFORE BE IT RESOVED that the Carteret County Board of Commissioners proclaims October 17-23, 2021, as Friends of Libraries Week in Carteret County, and urges everyone to join their local Friends of the Library group, and we thank them for all they do to make our library and community better.

ADOPTED this the 18th day of October 2021.

Ed Wheatly, Chairman

Attest:

Rachel Hammer, Clerk to the Board

V. PUBLIC COMMENT

Bob Petrovic, 511 Island Drive, Beaufort. Mr. Petrovic shared that at the Board meetings, there are statements made; you only have monologue and never dialogue. There are a couple of themes running throughout the questions. These are transparency, and the willingness to discuss the management, administration, and sale of the County water system. Please remember we are speaking on behalf of County residents. We do not consider ourselves experts on the subject, simply messengers for the public. We have provided the Commissioners with written copies of the questions we have tonight. Just prior to coming tonight, I noticed the contract for the purchase of the water system you will vote on tonight, does not contain Exhibit O, rates, as listed in the document. Was this an oversight, or not important? Has each Commissioner disclosed all monetary interests in and any and all benefits you or your family have received or will receive from Carolina Water Service? Residents using the County's water system are left with a lot of unknowns. It adversely affects our homes and financial well-being. In addition, questions persist as to what happens to the purchase contract if not acceptable. Has it been reviewed by the Commissioners and the County staff? Water customers deserves to

know what structure and process any new owner-operator will be using to assure the sustainability of a quality water system. What is problematic, is the absence of public information; not only about the details of the purchase, but a full explanation of why the system is not financially workable. Why are the Commissioners not willing to have public information meetings that have been requested by the residents? Why were there multiple meetings held about bids without any public input? That completes my section of the residents' questions for tonight. It will be followed by two other residents that will finish these questions. Thank you.

Lisa Camp, 108 Cupid Drive, Beaufort. I'm talking about the water and asking more questions. What information has been exchanged in the multiple meetings between our County Manager, Assistant County Manager, County Attorney, and the two private companies placing bids; are there minutes available for these meetings? Are there public records that can verify the timeline of discussion between Carolina Water System and Carteret County officials? Why was the presentation, discussion, and vote on February 15th to accept bids for the water system only three minutes? Why were there only Commissioner questions about the process of bids and sale and not the impacts? Are any minutes kept of the Commissioners' meetings that do not take place in front of the public? Why hasn't the Board looked into how the water system has been run and improved it? Following annual losses, were audits of the water system conducted? What actions were taken following the audits? Where can we find detailed financial data and budgets for the water department? Rates were raised 95% to avoid being considered a financially distressed water system, and without much thought later, reduced 25%. Did that cause the system to be distressed again? Knowing that the State offers training on the operation of distressed water systems, have any Commissioners or County employees taken advantage of the training; if not, why not? Why didn't the Board accept their constituents offering of aid to help bring the water system to financial health? Has the County applied for any grants pertaining to the water system other than that for the study that told them to give it away? The news reports that USDA is investing \$12.5M to make various improvements to West Carteret's water system; why not us? Why were we told that Commissioners would not read emails and that the only way to communicate was through personal attendance at meetings; then, they used the 118 emails protesting the increase in water rates as justification for the sale? How many emails did you receive asking you not to sell the system; did you count them, or did they not count? Thank you.

Vivian Wells, 182 Old Whitley Road, Beaufort. The following are my questions the citizens have for the Commissioners. Why did the Commissioners tell a constituent he had not one contact from a person who supported the sale except for Carolina Water System? A Commissioner said the decision to sale is a no brainer; he said, "we aren't really in the water business; we have just got a little pod over here that's got a water set-up and one of the complaints with the water system I'm seeing, is that we are in this situation because it's been mismanaged. That is absolutely not so; we are in this situation because this water system wasn't set-up to win to start with." Please define what *set-up*

to win means, especially if it means for profit? Are we in the arresting criminals business, the transportation business, the book business, the road construction business, the airplane business, or the hospital business? An excuse for selling the water system given was, "we don't want the liability." There are many other County entities with much higher liabilities; the hospital, schools, airport, and yet, you have not contracted them out to avoid the liability, why? Since some Commissioners said that less than 2% of the County use the water, they voted to accept the offer; what are the percentage of citizens that use CCATS, libraries, and the airport in Beaufort? We were told that the contract was rescinded because Carolina Water Systems miscalculated the dollar figures. Please explain how that detail resolved itself on its own? Why were votes on the acceptance of the upset bid pushed off several times due to no contract, and then a vote passed without a contract in place? Why did the Commissioners say that a contract would be made public before a vote, and still vote to accept the upset bid? Do they even care what impact this is going to have on those people on the system, or is easing their burden of management their only consideration? Do the Commissioners have a systematic plan for the money from the sale; what is it? Due diligence is a buzz phrase that has been used often discussing the water system sale; explain what it actually means and if it was applied during these negotiations or rate structuring. How is selling our County's public water system helpful and beneficial for all the people of the area, and how will this benefit our County growth in any way that is helpful to or beneficial for the people? Finally, please do your honest due diligence and do what is fair and right for all the people in Carteret County; after all, this is why you were elected in the first place. Thank you.

Jim Merrell, 2225 NC Highway 101, Beaufort. My subject matter tonight is the recent change to the County recycling program that went into effect with the new contract on September 16, 2021. Just a recap, recycling was dropped at nine convenient sites, and consolidated at three other sites, Otway, Hibbs Road, and West Fire Tower Road, Highway 58. While these three sites are still convenient to most of the County, this plan has disproportionately affected the area north of Beaufort on Highway 101 and from North River to South River, as most residents in this area are not going to go 10 to 15 miles out of their way to recycle. They will do it if it's convenient, but the new contract has made it inconvenient. Most of the folks I have heard from in this area, are just now going to put their recyclables in the trash; they are not going to take the time or the effort to go out of their way to do it. So, this has effectively eliminated recycling in these areas. This is a growing area with a number of subdivisions, but we seem to be getting the short end of the stick again. It was announced that this new plan saved \$125K due to a decreased market for recycled goods. I understand this issue. The problem I have, is that the green box fee on the tax bill was reduced from \$165 in 2020 to \$157 this year, in the bills that just went out. So, a simple question is, if the fee was kept the same amount, would this have paid for the extra cost? I have asked this question several times to County management, but have never yet to receive an answer. I do appreciate that the road to the 101 site was paved back in August; but, the natural inclination due to the timing of things for most folks in that area, is to wonder if you spent thousands of dollars to pave

the road, and then you don't have enough money for recycling. I know that is probably not the way it actually happened, but that is the appearance. In response to some of my inquiries to County management, they informed me that recycle home pick-up could be contracted for about \$18 per month with a private firm; this is partially true. In order to get the recycle pick-up, you have to pay \$32/month for trash pick-up. So, the whole cost is about \$51. Most folks can't afford that. I do offer a possible solution; in Onslow and Pamlico Counties, they have a one day per week recycle mobile cart service at their more remote sites. I would like to suggest this as an alternative for the primarily effected sites of Highway 101, South River, and Mill Creek. Apparently, this was not considered in the contract negotiations, and I would respectfully ask that the County management see how much this would cost. Thank you.

Commissioner Comer asked that Mr. Merrell get his information to the Clerk.

VI. DISCUSSION/APPROVAL OF CONTRACT WITH CAROLINA WATER FOR PURCHASE OF COUNTY-OWNED WATER SYSTEM

Mr. Gene Foxworth stated after last month's meeting and the vote to accept the bid for the sale, he and the County Attorney met with Carolina Water System about the process going forward and the contract that is part of your agenda tonight. Obviously, you have had a chance to look at that. Once the asset purchase agreement is executed, Carolina Water will make applications to the North Carolina Utilities Commission for the sale to go through. They will have to have three appraisals for them to find fair market value; one by us, one by Carolina Water, and one by the North Carolina Utilities Commission. This really had two parts to it, one is the engineering side; the other is the appraisal of assets. There are only a handful of appraisers that can complete this. After that, we anticipate that it is going to take between nine-twelve months to finish the process. I will be glad to answer any questions Commissioners may have, or if I have left anything out, Attorney Wheatly can respond.

County Attorney Wheatly stated that the contract itself has been negotiated for approximately three to four months, and what we have before you is the final product, and there are numerous exhibits to be attached, and hope we can move forward with the process; Mr. Foxworth stated nine to twelve months, it could be longer than that; it would have to be scheduled before the Utilities Commission. The Utilities Commission is going to have to look at the system and make a decision based on representations made by Carolina Water. Rates and things like that, will be considered at that time also. It's a pretty involved contract, and basically, the system is operational and appears to have very little issues with no major work to be done to the system, and it should continue to operate for many years. They want to do their due diligence and check all this out, so, it is going to be appraised – engineering-wise and value-wise. Other than that, it is quite voluminous, but it is what it is.

Commissioner Comer stated someone asked about the exhibits; I have been involved with a couple of private contracts very similar to this and typically what happens is, you put a contract together with the understanding of what the contract represents and the exhibits are to be obtained, and once they are obtained, that somewhat finalizes the contract at that point and you move forward beyond contract in to closure. A closing date will tentatively be the end of 2022, but with a chance to extend. The contract looks typical to me. There is a lot in it; there is a lot of work.

Commissioner Shinn stated that the attorney just made the comment that the system is in good shape; it's not in need of any significant repair or replacement parts, other than just general, typical maintenance as would be expected if everything is up and running, an asked for clarification. Mr. Foxworth responded that the system is in good shape.

Chairman Wheatly called for a motion.

Motion: Commissioner Comer made a motion to approve the contract with Carolina Water System for the sale of the County-owned water system; seconded by Commissioner Farrington. Chairman Wheatly, Commissioner Comer, Commissioner Farrington, and Commissioner Mansfield voted aye. Commissioner Cavanaugh and Commissioner Shinn voted nay. **Motion carried four to two.**

Due to the size of this document, it is being incorporated into these minutes by reference. A full copy will be retained in the County Manager's Office.

~~VII. —~~MANAGER'S REPORT (Item removed as amended)

VIII. APPOINTMENTS

Aging Planning Board

Commissioner Cavanaugh shared that Mr. Victor Heinrich the Chairperson, recommended the appointment of Ms. Amy Locke, and that he supports that recommendation; unanimously approved.

Fire & EMS Commission

Commissioner Cavanaugh asked to table the appointment.

Fireman's Relief Fund Board

Commissioner Comer recommended the reappointment for two more years of Mr. Ralph DeSteunder; unanimously approved. Commissioner Farrington suggested that the appointment for the Otway Fire Department be tabled until Commissioner Chadwick's return.

Marine Fisheries Advisory Board

Commissioner Comer recommended reappointment of Mr. Dean Smith; unanimously approved.

Western Carteret Interlocal Agency (ILA) Board

Commissioner Comer recommended the appointment of Mr. Chip Killmeier for the vacant position; unanimously approved.

Committee Appointments for Ms. Michele Querry

Commissioner Comer recommended the following appointments for Ms. Querry to replace the retired Mr. Don Kirkman; unanimously approved.

- Highway 70 Corridor
- NC Eastern Alliance
- Rural Transportation Coordinating Commission
- Carteret County Transportation Committee

IX. COMMISSIONERS' COMMENTS

Commissioner Shinn stated that he appreciated everyone's time tonight and showing up to join us for another evening. I appreciate all of the thoughts and consideration that was given for the water contract. I respect the decisions of all my fellow Commissioners, and I also respect and appreciate the comments from the citizens that spoke this evening. Certainly, all of your questions and comments will be given due consideration from all, but certainly from me.

Commissioner Cavanaugh shared that the thing that came to my mind during the public comments, was that a lot of those questions should have been asked before the decision was made not after the decision. I think public record shows I have been opposed to selling the water system, but we had a lot of comments opposed to selling the system prior to the time when we raised the rate by 95% to get rid of the district tax and to allow the system to pay for itself. We never heard any comment to sell the system until after we raised the rate. Once we raised the rate, then it was just a tidal wave of complaints about choosing between paying the water bill or paying for their medication. I was really discouraged by that. Where were all of these people during the discussions early on; they never spoke up until it hit them in the pocketbook. I understand that the folks here prior to the decision being made to raise the rate, clearly said we are willing to pay more money; they understood it was going to cost more. That is the basis of why we moved forward and raised the rate, got rid of the water tax; it took us out of being a distressed water system, essentially. I thought the problem was solved. Things didn't work out that way. Again, I think a lot of the questions that were asked tonight should have been asked prior to the price being agreed upon and prior to the contract being drafted up. Some

very good questions there, but essentially it's too late. We can answer questions in hindsight, but its not going to change the outcome.

One other thing I wanted to talk about was some people have noticed I'm wearing a black ribbon with an American flag lapel pin. I wear it every day on any article of clothing. The ribbon is called the American Lives Matter Ribbon. To explain the ribbon, the black ribbon signifies grief and mourning. It's mourning for the thirteen service personnel that were lost during the botched Afghan withdrawal. We lost eleven men and two young women. I think the oldest person that died there was 31 years old; everyone else was in their early 20's. So, we mourn for the fallen and we grieve for the abandoned. The flag represents American lives and American values. So, the two together makes it the American Lives Matter Ribbon. When you get a ribbon, it comes with a card that has three talking points that explains what the ribbon is for. One of the talking points on the card is by wearing the ribbon, we are not going to allow that atrocity to be buried by the media. I'm a retired Marine, and it just sickens me to the core, the way that whole Afghan withdrawal was handled and those lives were sacrificed. It was one of the greatest debacles of U.S. military history. The second talking point on the card is, we are not going to allow this story go away. The third talking point is, and I got this inspiration from listening to Sheriff Bob Clark who said, we have to fight fire with fire, Republicans, Conservatives, Patriots – we sit and listen to the news and we get heartburn and indigestion and get mad at the TV, and then we wait until election day. The Liberals and Democrats, they don't, they get out in the streets and they protest; I think they are still rioting in Portland – a year and a half later. He said (Sheriff Clark) that I am not saying get out in the street and rape, rob and loot; he said, but you can get out in the street – a half a dozen or a couple of dozen; you have to a large gathering in order to get the attention of the public. Since we cannot be in the streets protesting every day because we work and have responsibilities, we can wear the ribbon every day; it keeps the story alive; it keeps those fallen service personnel – keeps their names front and center. In about a year from now, there is going to be a big rally in Raleigh, probably at the fairgrounds. The ribbons are an attempt to raise money to pay for that venue, and things that go along with putting together a big event. You can get the ribbons at the Morehead City Cigar Shops, several of the gun shops, and as time goes by, more and more people will be offering them. I hope you are willing to participate in this endeavor. I hope you don't forget the Marines, sailors, and soldiers that were lost. I hope you hold elected officials, and even appointed officials, accountable for this absolute debacle.

Commissioner Comer stated that we can look over these questions and see if we can get some answers to some of these, but most of these questions have been answered a couple of times. We received a lot of emails; I may not have answered every one of them. I did personally sit down with some folks that were spearheading and getting information gathered to not sell the system. We sat down with them personally. Our understanding was that they had talked with everybody and everybody understood what was going on. We had public information meetings here where there was interaction with us and the

public. The manager went over everything in detail to explain 90% of this stuff. Some of this stuff is odd questions; like how much money are the Commissioners making off of this. I don't know where a question like that comes from; it's a silly question. There has been opportunity to ask these questions; this has been going on for six to eight months, and they have come and spoke every time; they have had comments; we have had open forum; we have had closed forum; we have had five or six Commissioners sit down with them. I can go through and probably answer most of these with "already done." There was plenty of time, and I haven't seen the faces of those that showed up tonight to talk. The implication was that they were representing the people behind them, but when the rates went up, we found out that a lot of these people did not know anything about it. We will look over these and try to get some answers to them.

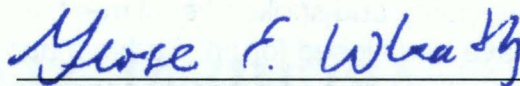
Commissioner Farrington stated that there will be a meeting in November, but he wanted to mention that Greg Rudolph ("Rudi"), our Shore Protection Officer, as noted in the paper, is resigning. I serve on the Beach Commission; he has done a lot for Carteret County. There is no doubt about that. He has built the Beach Commission along with some others. I'm really proud of all the things he has done. We are going to miss him.


Commissioner Mansfield stated that he would defer my comments to next month.

Chairman Wheatly stated that he had listened intently to the questions that were brought forth tonight, and I wish we could be everything to everybody every time, but we can't. This thing has been going on for quite a while about the water company. I have danced all around it and I really looked at every aspect of it. I learned more about a water company than I ever thought I would. I know that people are very passionate about the water company, but to me, it came down to two paths. One was, what did I think was the best business path for the entire County and what I thought was best politically correct. I chose to answer that question by voting to sell the water company because in my mind, without a doubt, it's the best thing to do for the entire County. Where I made my mistake when this thing initially started, I had told people that I really wanted to try to keep the water company. But as we started peeling that onion, it became obvious to me that we really couldn't keep the water company and for me to be doing my job as a good steward as a Commissioner. That's why I did what I did, and I'm sorry that it's not acceptable to some people, but that's what I was elected for to do the best that I could and to do what I thought was right. As far as any financial gain to me or any one of these Commissioners up here, that is just absurd. There is no financial gain in any of this for us or for anybody. I am sorry, sometimes when people get angry, they lash out, and some of those things like that are said and once they are said, it's really hard to take them back. There is no financial gain for any of us up here. What we did, we did for the betterment of the entire County. I stand by my vote.

X. ADJOURNMENT

Motion: Commissioner Comer made a motion to adjourn; seconded by Commissioner Cavanaugh. **Motion carried unanimously.**


Ed Wheatly, Chairman


Rachel Hammer, Clerk

SANFORD LAW OFFICE, PLLC
Jo Anne Sanford, Attorney at Law

July 26, 2022

Ms. A. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

Via Electronic Delivery

Re: Election by Carolina Water Service, Inc. of North Carolina to
Establish Rate Base for Carteret County Water System Under Fair
Value Methodology Authorized by N.C.G.S. § 62-133.1A
NCUC Docket No. W-354, Sub 398

Dear Ms. Dunston:

Attached for filing please find Carolina Water Service, Inc. of North Carolina's ("CWSNC" or "Company") Application to establish rate base for the Carteret County Water System, filed pursuant to N.C.G.S. § 62-133.1A and Commission Rule R7-41.

The application brings a case of first impression to the Commission, and it consists of three primary parts: a narrative Application, the testimony of CWSNC State President Donald H. Denton III, and the NCUC Form Application FV1. The latter contains a number of exhibits, including appraisals submitted by three utilities valuation experts, all qualified by experience to perform these valuations and all registered with and recognized by the NCUC pursuant to N.C.G.S. § 62-133.1A(b)(1).

By companion filing to be made within the next two weeks, CWSNC will file an application for a Certificate of Public Convenience and Necessity in Docket No. W-354 Sub 399, requesting authority to serve the territory currently served by Carteret County Water System, should the application in this Sub 398 docket be approved and the closing take place.

As always, we thank you and your staff for your assistance; please feel free to contact me if there are questions or if additional information is required.

sanford@sanfordlawoffice.com

P.O. Box 28085, Raleigh NC 27611-8085

919.210.4900

Electronically Submitted

/s/Jo Anne Sanford

North Carolina State Bar No. 6831

Attorney for Carolina Water Service, Inc. of
North Carolina, Inc.

- c: Lucy Edmondson, Chief Counsel, Public Staff
Gina Holt, Manager, Legal Division, Natural Gas, Water, Sewer,
Telephone, & Transportation Sections, Public Staff
Charles Junis, Director of Water, Sewer, and Telephone Division, Public
Staff
John Little, Staff Attorney, Public Staff

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-354, SUB 398

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Election by Carolina Water Service, Inc. of)	APPLICATION BY CAROLINA
North Carolina to Establish Rate Base for)	WATER SERVICE, INC. OF
Carteret County Water System Under Fair)	NORTH CAROLINA TO
Value Methodology Authorized by)	DETERMINE RATE BASE
N.C.G.S. § 62-133.1A)	VALUE UPON ACQUISITION
)	OF CARTERET COUNTY
)	WATER SYSTEM

NOW COMES Carolina Water Service, Inc. of North Carolina (“CWSNC” or “Company”), by and through counsel and pursuant to the provisions of N.C.G.S. § 62-133.1A and North Carolina Utilities Commission (“Commission” or “NCUC”) Rule R7-41 and elects a “fair value” determination of rate base with respect to its pending acquisition of the Carteret County water system. CWSNC requests Commission approval of the “fair value” determination contained herein, and of the subsequent calculation of rate base value of these assets that is derived by use of the “fair value” mechanism, authorized under N.C.G.S. § 62-133.1A. In support of this request---which is a case of first impression under this statute in North Carolina---the Company says the following:

STATUTORY AUTHORIZATION AND RULES

- (1) N.C.G.S. § 62-133.1A, titled “fair value determination of government-owned water and wastewater systems,” was adopted as Session Law 2018-51 and became law in June 2018.

(See Attachment 1)

- (2) The statute was designed to facilitate the transfer of water and wastewater systems which are owned by governmental providers, to ownership and operation by regulated public utilities, in the event there are willing public utilities who wish to purchase and willing local governmental utilities who wish to sell. The valuation of assets for the purpose of determining the rate base in these types of transactions has historically been an impediment to the market. This is because the “original cost” valuation is generally dramatically below the price required to purchase the asset. Thus, the regulated utility would be tied to a rate base which essentially equaled the original cost, without regard to how much it had paid. N.C.G.S. § 62-133.1A establishes a fair system for addressing the valuation issue, under the oversight of the Commission and with the active participation of the Public Staff.

- (3) As directed by the statute at subsection (f), the Commission adopted rules to implement the section; they are NCUC Rules R7-41 (water) and R10-28 (sewer).

(See Attachment 2 for convenience re. R7-41.)

- (4) The Commission's Fair Value Form Application (FV1), established in December 2020 and captioned Application for Determination of Fair Value of Utility Assets Pursuant to N.C.G.S. § 62-133.1A, is in the Appendices to Rules R7-41 and R10-28. A completed version of it is included in this Application and is referred to as the "Commission Fair Value Form Application."

PARTIES AND CONTRACT TO PURCHASE

- (5) CWSNC is a water (and wastewater) public utility, as defined by N.C.G.S. § 62-3(23)a.2, and the Carteret County Water System is a "Local Government Utility" under Rule R7-41(b)(1), because it is owned by the County. Thus, Carteret County is a qualifying seller under the "fair value" mechanism set forth in N.C.G.S. § 62-133.1A.
- (6) CWSNC and Carteret County have entered into an agreement to, respectively, purchase and sell the existing County water system. The purchase contract, dated October 18, 2021, is attached as Exhibits 6(a) and 6(b) to the Commission Fair Value Form Application.
- (7) Pursuant to N.C.G.S. § 62-133.1A, CWSNC herein elects to establish rate base by using the "fair value" of the utility property instead of original cost, in the acquisition of this existing water system, currently owned by Carteret County.

DETERMINATION OF FAIR VALUE

- (8) Appraisals. This Application presents support for the “fair value” of the Carteret County water system, based upon three separate appraisals conducted by accredited, impartial valuation experts chosen from a list established by the Commission, as required by N.C.G.S. § 62-133.1A(b)(1).
- One appraiser, Hartman Consultants, LLC, represents CWSNC, the public utility acquiring the system.
 - The second appraiser, Gannett Fleming, represents Carteret County, the governmental utility selling the system.
 - The third appraiser, NewGen Strategies & Solutions, represents the Public Staff.
 - N.C.G.S. § 62-133.1A(b)(1)b requires that each appraiser shall determine “fair value” in compliance with the uniform standards of professional appraisal practice, employing cost, market, and income approaches to assessment of value. CWSNC hereby submits the valuations of these three appraisers, as required by the statute and the rule. All three of these valuation experts are recognized as Utility Valuation Experts under N.C.G.S. § 62-133.1A(b) and Commission Rule R7-41(c)
- (9) Engineering Assessment. CWSNC and Carteret County, as the acquiring public utility and selling governmental utility, jointly retained a licensed engineer to conduct an assessment of the tangible assets of the system to

be acquired. The engineering firm is Draper Aden Associates, and the assessment is dated December 2021, revised March 2022. The assessment was used by the three appraisers in determining fair value, and the engineer's report is found in Exhibits 5(a), 5(b), and 5(c) to the Commission Fair Value Form Application, which is part of this filing. See *N.C.G.S. § 62-133.1A(b)(2)*.

- (10) Reasonable Fees. CWSNC seeks to include in the cost of the County system the reasonable fees paid to valuation experts and to the engineering firm, as well as reasonable transaction and closing costs incurred by it in the acquisition. These fees---known and estimated---are provided in Attachment 3 to this Application. See *N.C.G.S. § 62-133.1A(b)(3)*. CWSNC requests permission to update the estimates at the time of the hearing, and to further update for all known and measurable expenses at the time in which rates are established for this system in the Company's next general rate case.

DETERMINATION OF RATE BASE

- (11) CWSNC seeks a determination of rate base to be reflected in its next general rate case for ratemaking purposes, after the pending rate case application currently under consideration in Docket No. W-354 Sub 400. The rate base requested is the lesser of the purchase price negotiated

between the parties to the sale (\$9,500,000), or the “fair value”, plus the fees and costs authorized in N.C.G.S. § 62-133.1A(b)(3).¹

**REQUIRED ELEMENTS OF APPLICATION,
PER N.C.G.S. § 62-133.1A(c)**

The core filing requirements for this Application are contained in and attached to the Commission Fair Value Form Application (Attachment B) as Exhibits to that form. They are enumerated in N.C.G.S. § 62-133.1A(c) and include:

- (1) copies of the valuations performed by the three appraisers;
- (2) description of any deficiencies identified by the engineering assessment, and a five-year plan for infrastructure investment;
- (3) projected rate impact on the seller’s customers for the next five years;
- (4) averaging of the appraisers’ valuation, which shall constitute fair value under the statute;
- (5) the assessment of tangible assets performed by the licensed professional engineer;
- (6) the contract of sale;
- (7) the estimated reasonable valuation fees and transaction and closing costs incurred by the acquiring public utility (which CWSNC requests to update to the close of hearing); and

¹ The Company requests that the fees and expenses be updated for actuals and then-current estimates as of the close of hearing.

(8) a tariff, including rates equal to the rates of the selling utility, which will be the rates charged to the customers upon and after acquisition by CWSNC (unless otherwise ordered by the Commission for good cause shown).

Additionally, consistent with the terms of the Commission Fair Value Form Application, CWSNC submits the testimony of Donald H. Denton III, the Company's North Carolina State President. This testimony provides a narrative explanation of the object and purposes sought by the Application and describes how the public interest is served by the proposed acquisition. This testimony is verified as required by the Rules and is a part of this filing, designated as Attachment A.

WHEREUPON CWSNC hereby requests that the Commission approve this Application for determination of fair value and thence of the rate base value for CWSNC of the Carteret County assets which the Company seeks to acquire.

Respectfully submitted this 25th day of July, 2022.

Electronically Submitted
/s/ Jo Anne Sanford

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Raleigh, North Carolina 27611-8085
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Email: sanford@sanfordlawoffice.com
North Carolina State Bar No. 6831

**ATTORNEY FOR CAROLINA WATER
SERVICE, INC. OF NORTH
CAROLINA**

§ 62-133.1A. Fair value determination of government-owned water and wastewater systems.

(a) Election. – A water or wastewater public utility, as defined by G.S. 62-3(23)a.2., may elect to establish rate base by using the fair value of the utility property instead of original cost when acquiring an existing water or wastewater system owned by a municipality or county or an authority or district established under Chapter 162A of the General Statutes.

(b) Determination of Fair Value. –

(1) The fair value of a system to be acquired shall be based on three separate appraisals conducted by accredited, impartial valuation experts chosen from a list to be established by the Commission. The following shall apply to the valuation:

- a. One appraiser shall represent the public utility acquiring the system, another appraiser shall represent the utility selling the system, and another appraiser shall represent the Public Staff of the Commission.
- b. Each appraiser shall determine fair value in compliance with the uniform standards of professional appraisal practice, employing cost, market, and income approaches to assessment of value.
- c. Fair value, for ratemaking purposes under G.S. 62-133, shall be the average of the three appraisals provided for by this subsection.
- d. The original source of funding for all or any portions of the water and sewer assets being acquired is not relevant to an evaluation of fair value.

(2) The acquiring public utility and selling utility shall jointly retain a licensed engineer to conduct an assessment of the tangible assets of the system to be acquired, and the assessment shall be used by the three appraisers in determining fair value.

(3) Reasonable fees, as determined by the Commission, paid to utility valuation experts, may be included in the cost of the acquired system, in addition to reasonable transaction and closing costs incurred by the acquiring public utility.

(4) The rate base value of the acquired system, which shall be reflected in the acquiring public utility's next general rate case for ratemaking purposes, shall be the lesser of the purchase price negotiated between the parties to the sale or the fair value plus the fees and costs authorized in subdivision (3) of this subsection.

(5) The normal rules of depreciation shall begin to apply against the rate base value upon purchase of the system by the acquiring public utility.

(c) An application to the Commission for a determination of the rate base value of the system to be acquired shall contain all of the following:

- (1) Copies of the valuations performed by the appraisers, as provided in subdivision (1) of subsection (b) of this section.
- (2) Any deficiencies identified by the engineering assessment conducted pursuant to subdivision (2) of subsection (b) of this section and a five-year plan for prudent and necessary infrastructure improvements by the acquiring entity.
- (3) Projected rate impact for the selling entity's customers for the next five years.
- (4) The averaging of the appraisers' valuations, which shall constitute fair value for purposes of this section.
- (5) The assessment of tangible assets performed by a licensed professional engineer, as provided in subdivision (2) of subsection (b) of this section.
- (6) The contract of sale.

- (7) The estimated valuation fees and transaction and closing costs incurred by the acquiring public utility.
- (8) A tariff, including rates equal to the rates of the selling utility. The selling utility's rates shall be the rates charged to the customers of the acquiring public utility until the acquiring public utility's next general rate case, unless otherwise ordered by the Commission for good cause shown.

(d) Final Order. – If the application meets all the requirements of subsection (c) of this section, the Commission shall issue its final order approving or denying the application within six months of the date on which the application was filed. An order approving an application shall determine the rate base value of the acquired property for ratemaking purposes in a manner consistent with the provisions of this section.

(e) Commission's Authority. – The Commission shall retain its authority under Chapter 62 of the General Statutes to set rates for the acquired system in future rate cases, and shall have the discretion to classify the acquired system as a separate entity for ratemaking purposes, consistent with the public interest. If the Commission finds that the average of the appraisals will not result in a reasonable fair value, the Commission may adjust the fair value as it deems appropriate and in the public interest.

(f) The Commission shall adopt rules to implement this section. (2018-51, s. 2; 2021-23, s. 25.)

R7-41 PROCEDURE FOR DETERMINING FAIR VALUE AND ESTABLISHING RATE BASE FOR ACQUISITIONS OF GOVERNMENT-OWNED WATER SYSTEMS

(a) Scope of Rule.—This Rule provides the procedural and filing requirements for the determination of the value of utility property for ratemaking purposes applicable when a utility acquires an existing water system owned by a municipality or county, or an authority or district established under Chapter 162A of the General Statutes, and the utility makes an election pursuant to G.S. 62-133.1A(a) to establish its rate base associated with the acquisition by using the fair value of the acquired property instead of original cost.

(b) Definitions.

- (1) "Local Government Utility" means an existing water system owned by a municipality, county, or an authority or district established under Chapter 162A of the General Statutes.
- (2) "Rate Division" means a separate rate schedule of a water utility for one or more established customer service areas.
- (3) "Utility Valuation Expert" means a person qualified as an expert in the appraisal of utility plant whose proficiency is demonstrated and established pursuant to subsection (c) of this Rule.
- (4) "Professional Engineer" means a person who has been duly licensed by the North Carolina State Board of Examiners for Engineers and Surveyors established by Chapter 89C of the General Statutes, including those persons who may be licensed by comity or endorsement.
- (5) "Asset Purchase Agreement" means a contract for the sale of an existing water system between a water utility, as buyer, and a Local Government Utility, as seller, which is to be valued for purposes of rate base. The Asset Purchase Agreement shall reflect the price negotiated between the Public Utility purchaser and the Local Government Utility.

(c) Establishment of List of Utility Valuation Experts.—The Commission shall establish a generic proceeding in Docket No. W-100, Sub 60A for the purpose of creating and maintaining a list of accredited, impartial Utility Valuation Experts as required pursuant to G.S. 62-133.1A(b). A person seeking to become a Utility Valuation Expert shall apply to the Commission by furnishing the following:

- (1) a demonstration of the person's education and experience specific to providing valuations and appraisals of utility plant, as differentiated from other types of appraisals, such as for real estate;
- (2) a written attestation that a Utility Valuation Expert owes a fiduciary duty to provide a thorough, objective, and fair valuation;
- (3) a demonstration of financial and technical fitness, such as through production of professional licenses, technical certifications, and names of current or past clients with a description of dates and types of services provided;
- (4) a demonstration of adequate utility valuation and appraisal experience to support the Commission's decision to consider these persons or entities as experts in this field;
- (5) a statement that the Utility Valuation Expert will make use of the assessment of the tangible assets of the system to be acquired, which assessment shall be from a Professional Engineer jointly retained by the utility and the Local Government Utility and make use of the Water and Wastewater Fair Value Engineering Assessment Form included in the Appendix to this Chapter as a template for the engineer's assessment;
- (6) a statement that the Utility Valuation Expert will comply with the requirements of G.S. 62-133.1A in conducting their appraisal, including that the Utility Valuation Expert shall appraise the subject property in compliance with the uniform standards of professional appraisal practice, employing cost, market, and income approaches to assessment of value; and
- (7) any other information as required by the Commission.

(d) Application for Election to Establish Rate Base Using Fair Value.—A water utility may elect to establish rate base using the fair value of the utility property acquired from a Local Government Utility by filing with the Commission an application pursuant to G.S. 62-133.1A and this Rule. The form of the application shall be as provided in the Appendix to this Chapter. In addition to providing the information required pursuant to G.S. 62-133.1A in the completed application form, the application shall contain a narrative explanation of the object and purposes desired by the application and how the public interest is served by the acquisition, along with any other information required by the Commission. The application shall be accompanied by the testimony of the acquiring utility's president or another person employed by the utility who is personally familiar with the contents thereof and who verifies that the contents of the application are true and accurate.

(e) Procedure upon receipt of Application.—Contemporaneous with the filing of an application with the Commission pursuant to G.S. 62-133.1A and this Rule, the utility shall serve a copy of the application on the Public Staff. The Public Staff shall review the application and no later than ten days after the application is filed, the Public

Staff shall file with the Commission and serve upon the applicant a recommendation regarding whether the application is complete or identify any deficiencies noted. If the Commission determines that the application is incomplete as submitted, the utility will be required to file the omitted information.

Once the Commission determines that the application is complete, the Commission will promptly issue an order establishing procedural deadlines and discovery guidelines and requiring the utility to provide notice of the pending application to the customers of the Local Government Utility. If the Commission receives significant written complaints against the application, then the Commission will issue a further order setting the application for hearing. The Commission will endeavor to schedule the hearings to be held within three months of the filing of the application to facilitate issuance of a final order within six months of the filing of a completed application as directed pursuant to G.S. 62-133.1A(d).

(f) Rate Division Assignment.—Pursuant to G.S. 62-133.1A(c)(8), service to customers in the service area of the Local Government Utility shall be under a tariff that includes rates equal to the rates of the selling utility until the utility's next general rate case, unless otherwise ordered by the Commission for good cause shown. An application filed pursuant to G.S. 62-133.1A and this Rule shall include a proposed tariff that reflects such rates and a statement as to whether the utility intends to propose in its next general rate case that the service area of the Local Government Utility be integrated into an existing Rate Division of the acquiring utility or be established as a new Rate Division. A determination as to whether the service area of the Local Government Utility should be integrated into an existing Rate Division or established as a new Rate Division shall be preserved for the Commission's consideration in the utility's next general rate case.

(g) Final Order on Application.—Consistent with the direction provided in G.S. 62-133.1A(d), the Commission will endeavor to issue a final order on the application filed pursuant to G.S. 62-133.1A and this Rule within six months of the filing of a completed application. The Commission's final order will resolve all substantive issues and, if the Commission determines that the Application should be approved, the Commission will specifically determine the rate base value of the acquired property for rate-making purposes in a manner consistent with G.S. 62-133.1A and the provisions of this Rule, as follows:

- (1) Determination of Rate Base.—The rate base value of the acquired system shall be the lesser of the purchase price reflected in the Asset Purchase Agreement or the average of the three appraisals as required pursuant to G.S. 62-133.1A (b)(1), unless the Commission specifically finds that the average of the appraisals will not result in a reasonable fair value, in which case the Commission may adjust the fair value pursuant to G.S. 62-133.1A(e) as it deems appropriate and in the public interest;
- (2) Certain Costs Eligible to be Included in Rate Base Value.—Consistent with G.S. 62-133.1A(b), the Commission will allow the inclusion of the costs of the engineering assessment, transaction and closing costs incurred by the utility, and fees paid to Utility Valuation Experts, including fees paid by the acquiring utility to a Utility Valuation Expert that represents the Public Staff, in the rate base value of the acquired system upon a finding that those costs were reasonably and prudently incurred;
- (3) Depreciation.—The Commission will require the utility to apply the normal rules of depreciation against the rate base value from the date of the purchase of the system; and
- (4) Tariffs.—The Commission will approve the establishment of a new tariff for the provision of water service to customers in the acquired service territory, which shall also determine whether the acquired service territory will be treated as a separate Rate Division.

(h) Burden of Proof.—The utility shall have the burden of proof regarding all aspects of the proceeding on an application filed pursuant to G.S. 62-133.1A and this Rule, and for demonstrating that the acquisition of the Local Government Utility is in the public interest.

(i) Payment of Fees for Public Staff Utility Valuation Expert.—The acquiring utility shall pay the fees of the Utility Valuation Expert that represents the Public Staff whether the Commission approves the application, denies the application, or if the acquiring utility withdraws the application.

(NCUC Docket No. W-100, Sub 60, 12/30/2020.)

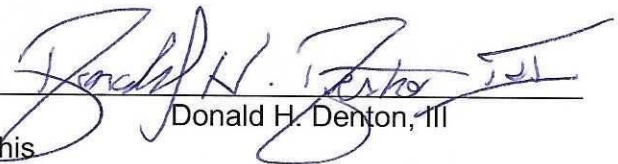
CWSNC Fair Value Application
W-354, Sub 398
Attachment 3

Carteret County Water System Acquisition Expenses

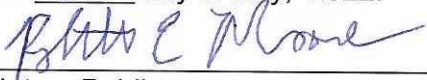
Supplier	Service	Cost + Estimates
Hartman Consultants	CWSNC Valuation	\$38,000.00
John Tanum, Attorney at Law	Title / Easement Verifications	\$5,100.00
Mill Creek Environmental	Phase 1 Environmental Study	\$10,675.00
Poyner Spruill	Real Estate Legal Consultation	\$1,416.30
Sanford Law Office, PLLC	Legal	\$30,567.50
Stroud Engineering	Surveys	\$24,719.90
NewGen Strategies & Solutions	NC Public Staff Valuation	\$29,467.72
Carteret County	1/2 Engineering Assesment	TBD

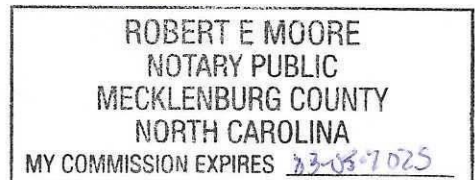
VERIFICATION

Donald H. Denton, III, being duly sworn, deposes and says: that he is the State President of Carolina Water Service, Inc. of North Carolina; that he is familiar with the facts set out by CWSNC in its **APPLICATION TO DETERMINE RATE BASE VALUE UPON ACQUISITION OF CARTERET COUNTY WATER SYSTEM** in Docket No. W-354 Sub 398; that he has read the foregoing Application and knows the contents thereof; and that the same is true of his knowledge except as to those matters stated therein on information and belief, and as to those he believes them to be true.


Donald H. Denton, III

Sworn to and subscribed before me this
the 25 day of July, 2022.


Notary Public



My Commission Expires: 03-05-2025

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing **APPLICATION FOR DETERMINATION OF RATE BASE VALUE OF THE CARTERET COUNTY WATER SYSTEM, VIA THE FAIR VALUE METHODOLOGY AUTHORIZED BY N.C.G.S. § 62-133.1A**, filed by Carolina Water Service, Inc. of North Carolina in Docket No. W-354, Sub 398, has been served on the Public Staff, North Carolina Utilities Commission, by hand-delivery or electronic transmission to Lucy Edmondson, Chief Counsel.

This the 26th day of July, 2022.

**Attorney for Carolina Water Service,
Inc. of North Carolina**

**Electronically Submitted
/s/ Jo Anne Sanford**

Sanford Law Office, PLLC

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NewGen Strategies & Solutions

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/A



NOT 22/2022

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REPORT

FAIR VALUE APPRAISAL OF THE WATER SYSTEM IN CARTERET COUNTY

JULY 7, 2022



Prepared for:
Public Staff - North Carolina Utilities Commission
430 North Salisbury Street
Raleigh, NC 27603-5918

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EXECUTIVE SUMMARY

Presented herein is an appraisal report (Report) for the Fair Value estimate undertaken by NewGen Strategies and Solutions, LLC of the Carteret County Water System. This appraisal has been conducted for The Public Staff – N.C. Utilities Commission. This Report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Standards Board of the Appraisal Foundation.

Summary of Value Indicators

	Value Indicators
Cost Approach	
OCLD	\$ 5,750,000
RCNLD *	\$ 13,032,000
Sales Comparison Approach	Not relied upon
Income Approach	
DCF	\$ 7,332,000
Fair Market Value	\$ 7,332,000

* Excludes adjustment for economic obsolescence

Note: Table values may not equal exhibit values due to rounding to the nearest \$1,000

Based on our analyses as discussed herein, NewGen Strategies and Solutions, LLC is of the opinion that the Fair Value estimate of the Carteret County Water system as of January 1, 2022 is approximately \$7,332,000.

We appreciate the opportunity to assist The Public Staff – N.C. Utilities Commission in this engagement. If you have any questions concerning this report, please contact me at mlane@newgenstrategies.net.

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Section 1

PREMISE OF THE APPRAISAL

The Public Staff – N.C. Utilities Commission (Public Staff or Client) retained NewGen Strategies and Solutions, LLC (NewGen) to perform an independent appraisal to determine the Fair Value (FV) of the Water System of Carteret County (the System or Subject Property).

In undertaking the study and analyses required to provide an opinion with respect to the FV of the System, NewGen relied on generally accepted valuation methods and procedures. This appraisal report was prepared in conformance with the 2020-2021 Edition of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation (extended through December 31, 2022).

Date of Valuation

The FV of the Subject Properties was estimated as of January 1, 2022.

Date of Appraisal Report

The date of this appraisal report is July 7, 2022.

Purpose and Intended Use of Appraisal

The purpose of the appraisal is to determine the FV of the System in accordance with the applicable laws, statutes and USPAP. The appraisal is intended to be used by the Public Staff in its decision-making processes related to the FV of the System in accordance with §62-133.1A of the North Carolina General Statutes and Rule R7-41 of the North Carolina Public Utilities Rules.

Definition of Fair Value

The definition of FV used in this appraisal report is as follows:

The price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts.¹

Property Interests Appraised

This appraisal evaluates the properties with no restrictions, indebtedness, or other encumbrances. A description of the System can be found in Section 3 of this report.

¹ Fair Value as defined in Treasury Regulation §1.170A-1(c)(2)

Section 1

Highest and Best Use

Highest and best use is defined as, "the most reasonably probable and legal use of a property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."² In our opinion, the highest and best use of the System is its current use, to provide water service.

Scope of Services

At the request of the Client, NewGen performed an independent appraisal to determine the FV of the System as of January 1, 2022. In undertaking the studies and analyses required to provide an opinion with respect to the FV of the System, NewGen has relied on generally accepted valuation methods and procedures in accordance with USPAP. In performing the appraisal, NewGen considered all three generally accepted approaches to valuation (i.e., cost, income, and sales comparison) and their degree of applicability in estimating the value of the System in accordance with §62-133.1A of the North Carolina General Statutes. The results of NewGen's analyses and indicators of value developed are described in Section 4 of this appraisal report.

As part of the services provided, NewGen performed an on-site field review of the System in connection with the appraisal.

Research Undertaken

NewGen's opinions, set forth herein, are based on information provided by the Client, the engineering report for the System prepared by Draper Aden Associates (provided in Exhibit 3), other information generally available to NewGen, and studies and analyses undertaken by NewGen, all of which are basic to and in support of NewGen's opinion regarding the FV of the System. The studies and analyses undertaken in preparation of the opinions contained herein have been performed in accordance with USPAP as promulgated by the Appraisal Standards Board of the Appraisal Foundation. These studies and analyses included a site visit to the System and investigations and review of certain documents relating to the System.

NewGen Strategies and Solutions

NewGen Strategies and Solutions, LLC is a management and economic consulting firm specializing in serving the utility industry and market. We provide financial, valuation, strategy, expert witness, stakeholder and sustainability consulting services to water, wastewater, solid waste, and energy clients across the country. Our expertise includes litigation support in state and federal regulatory proceedings, valuation of utility property, business and financial planning, and strategic planning.

NewGen has provided appraisal reports for a wide range of sizes and types of utility property. Based on this experience, the NewGen team is well qualified to appraise utility property and prepare appraisal reports. Specifically, the appraisers and other personnel working on this assignment have the knowledge and experience to complete the assignment competently.

² American Society of Appraisers, *Valuing Machinery and Equipment*, page 570.

Section 2

ASSUMPTIONS, CONSIDERATIONS AND LIMITING CONDITIONS

In the preparation of this report, NewGen has made certain assumptions and used certain considerations with respect to conditions which may exist or events which may occur in the future. While we believe these considerations and assumptions to be reasonable based upon conditions known to us as of the date of this report, they are dependent upon future events and actual conditions may differ from those assumed.

While we believe the use of such information and assumptions to be reasonable for the purposes of this report, we offer no other assurances with respect thereto, and some assumptions may vary significantly due to unanticipated events and circumstances. To the extent actual future conditions differ from those assumed herein or from the assumptions provided by others, the actual results may vary from those estimated.

The conclusion and opinions found in this report are made expressly subject to the following conditions and stipulations:

- The most likely purchaser of the System is assumed to be an investor-owned utility (IOU) capable of demonstrating the acquisition of the local government utility is in the public interest so that they may establish rate base using fair value as described in §62-133.1A of the North Carolina General Statutes.
- Extraordinary Assumptions³
 - The purchaser of the System can and would maintain or extend the useful life of the existing System through rehabilitation and good maintenance practices. NewGen assumes that with the right operating regime, maintenance plan, rehabilitation investments, and retirement and replacement of assets that have exceeded their useful service lives, the existing System can continue in service without significant service interruption or costly emergency repair.
 - NewGen used the Draper Aden Associates engineer report to allocate the book value of the System into different asset categories based on their weight relative to the overall system provided by the engineer's report. The book value of the System as of June 30, 2021 was provided by Carteret County in their Water System Audit FY21. NewGen applied an additional half year of depreciation to calculate the book value of the System as of January 1, 2022. This is described in greater detail later in the report.
- No soil analyses or geological studies were ordered or made in conjunction with this report, nor were any investigations of oil, gas, coal, or other subsurface mineral and use rights or conditions.
- No responsibility is assumed by NewGen for matters that are legal in nature, nor does NewGen render any opinion as to the title, land and/or land rights, which are assumed to be good and marketable. No opinion is intended to be expressed for matters that would require specialized investigation or knowledge beyond that normally used by an appraiser engaged in valuing the type of System described in this report.

³ Extraordinary assumptions, in the context of this analysis, are statements that are believed to be true but, if found to be false, could alter the opinions or conclusions of value. (USPAP Definitions)

Section 2

- NewGen made no determination as to the validity, enforceability, or interpretation of any law, contract, rule, or regulation applicable to the System or its operation. However, for the purposes of this report, NewGen assumed that all such laws, contracts, rules, and regulations will be fully enforceable in accordance with their terms as NewGen understands them and that the operators of the System will operate the System in accordance with all applicable laws, contracts, rules, and regulations. NewGen assumed that the System conforms to all applicable zoning and use regulations and restrictions.
- We assume there are no hidden conditions that would make the System more or less valuable.
- NewGen assumed the purchaser of the system would maintain the Verizon Annual Land Rental agreement, resulting in \$26,400 of non-rate revenue escalated annually at 2 percent.
- All existing liens and encumbrances have been disregarded and the value of the System was appraised as though free and clear and under responsible ownership.
- Mr. Mike Lane, Partner at NewGen, performed a limited field review of the System on April 29, 2022. Mr. Lane was accompanied by representatives from the Public Staff. Based on Mr. Lane's observations of the visible equipment, and discussions with the Public Staff, the System's assets seem in average condition for plants of comparable type and age.
- NewGen assumes the System has been, and will continue to be, operated in a reasonable and prudent manner consistent with industry practice.
- Substances contained in building structures such as asbestos, chemicals, toxins, wastes, or other potentially hazardous materials could, if present, adversely affect the value of the System. Unless otherwise stated in this report the appraiser did not consider the existence of hazardous substances, which may or may not be present at the System, in the development of the conclusion regarding FV. The stated value estimates are predicated on the assumption that there is no material at the System that would cause such a loss in value and, as such, are likely to represent the highest reasonable value of the System.
- Certain data and assumptions have been provided by third parties, including, but not limited to, historical costs, active connection counts, historical production volumes, plant balances, and replacement cost values for the System. NewGen reserves the right to adjust the results in this report as may be required by changes to these third-party assumptions.
- NewGen relied on data in Draper Aden Associates Engineering Assessment – Update to Present Value of Water System report, dated March 2022 and the Carteret County Water System Audit FY21, to develop indicators of value under the cost approach and to estimate future capital expenditures under the income approach.
- NewGen has not been made aware of any private easements owned by the System. Easements are assumed to be in the public right of way and not owned by the System. NewGen assumed the County has all easements necessary for the System to operate and, therefore, assigned no value to easements in this appraisal.
- NewGen estimated the value of the System irrespective of the source of capital used to construct the System (e.g., assumes no special treatment for contributed capital), consistent with the provisions in §62-133.1A of the North Carolina General Statutes.
- For the purpose of developing an opinion of the value of the System, NewGen assumed income taxes based on a Federal corporate income tax rate of 21 percent, which is the marginal Federal corporate

Assumptions, Considerations and Limiting Conditions

tax rate in effect at the date of valuation and a State corporate income tax rate of 2.5 percent, which is the marginal North Carolina corporate tax rate in effect at the date of valuation.

- NewGen applied a .55% state property tax rate to assessed property values to calculate taxes other than income tax.
- Under the income approach, the discount rate used to calculate the net present value of the projected cash flow stream is equal to the weighted average cost of capital for a typical purchaser of the System, rather than any actual financing associated with the System. For the purposes of this appraisal report, NewGen assumed the typical purchaser for the System would be a taxable entity, with a capital structure similar to that of an IOU. NewGen assumed that the capital structure of a typical purchaser will remain constant throughout the study period and will be made up of 48.9 percent debt and 51.1 percent equity (as shown in Exhibit 2, Tables D and G).
- The cost of debt used to develop the discount rate is assumed to be 4.29 percent based on an analysis of recent corporate bond interest rates (as shown in Exhibit 2, Tables D and G).
- It was assumed that a typical purchaser of the System would seek a return on capital similar to that of an IOU. For the analysis included in this report, NewGen assumed the return on equity to be used in the calculation of the discount factors to be 12.0 percent for the System (as shown in Exhibit 2, Tables C and F, respectively).
- The discount rate used in the appraisal report to determine the net present value of cash flow streams is based on the average of the Weighted Average Cost of Capital (WACC) developed using the Capital Asset Pricing Model (CAPM) using CRSP and Kroll risk premia approaches. The WACC developed using the CRSP risk premia is 7.8 percent. The WACC developed using the Kroll risk premia is 7.7 percent. The average of the two approaches, resulting in a WACC of 7.8 percent, was used in the analysis. Both the Kroll and CRSP risk and size premia are generally accepted approaches to estimating the cost of equity for IOUs that are not actively traded on a public exchange. NewGen did not find evidence to indicate that either of the cost of equity approaches should be rejected. The calculation of the discount rate is shown in Exhibit 2.
- NewGen recognizes that the current COVID-19 pandemic has resulted in unprecedented economic impacts and associated risks for companies that operate in certain sectors. This risk has an impact on the general interest rate environment. NewGen assumes that water utilities are not as susceptible to economic risk as some other industries, such as airlines or restaurants. For example, even if uncollectible accounts become elevated, there are mechanisms available to a regulated IOU to mitigate the financial harm of such circumstances. Thus, NewGen assumed it was reasonable not to make an additional adjustment to the risk premia for COVID in the WACC calculation.
- NewGen assumed a reasonable long-term inflation rate for the Subject Property to be 5.9 percent in 2022, 3.0 percent in 2023, 2.3 percent in 2024, and 2.1 percent for the rest of the study period based on the long-range consensus forecast of the Chained Gross Domestic Product as published in the December 10, 2021, issue of the *Blue Chip Economic Indicators* (Volume 37, Number 4). This long-range forecast is supported in a more recent report by *Blue Chip Economic Indicators* published in the March 11, 2022 report (Volume 47, No. 3).

Section 2

- NewGen assumed that the January 2021 connection counts escalated by one year of growth, for the System, provided by Draper Aden Associates, are an accurate representation of the total number of active connections across the System. NewGen escalated the active connection count annually by 1.13 percent⁴. This assumption is supported by the Capital Improvements DR Response Exhibit 4. This results in approximately 149 additional connections on the System at the end of the study period.
- NewGen relied on reported industry benchmarks⁵ escalated to 2022 dollars to establish a reasonable approximation of future annual operations and maintenance expenses that a potential purchaser would be likely to incur.
- Assumed useful lives for assets are based on the Draper Aden Associates engineering report.
- Assumed date in-service for assets on the System are based on the estimates provided in Draper Aden Associates engineering report.
- NewGen estimated plant additions and retirements based on the R2 Iowa Survivor Curve and the useful lives discussed above. NewGen applied the R2 Survivor Curve to develop a mortality dispersion and retirement frequency analysis for the System's plant accounts. The R2 Survivor Curve is commonly used in the mortality studies of utility property. The R2 Survivor Curve was applied to the original cost of each asset to calculate the annual retirements. The R2 Survivor Curve was applied to the replacement cost of each asset to calculate annual additions. The annual additions are escalated by inflation.
- The maximum amount of assumed accumulated depreciation under the cost approach analysis was 90 percent, leaving 10 percent of the estimated original cost value for older plant that has survived beyond the assumed useful life.
- For the Discounted Cash Flow (DCF) analysis in the income approach, a 2 percent annual depreciation rate was assumed for water plant assets and a 1.7 percent annual depreciation rate was assumed for distribution system assets. This assumption is based on the estimated useful lives and asset values provided in the Draper Aden Associates Engineering Report⁶. NewGen assumes the estimated depreciation rates are a reasonable representation of the average rate for existing plant that is not fully depreciated.
- Operating expenses were generally escalated at the long-term inflation rate described above per year, except water treatment and potable water service costs, which, in addition to inflation, are also increased in proportion to the assumed connection growth.
- For the purposes of performing the DCF analysis under the income approach, NewGen employed a 10 year study period (2022 to 2031).
- For the purposes of performing the valuation, NewGen assumed that a potential purchaser of the System would be able to operate the System in accordance with contractual terms and conditions of any existing contracts, and that any agreements, rights and easements would be assigned to the potential purchaser.
- Individuals affiliated with NewGen and contributing to this report are Mr. Mike Lane, ASA, Partner, Mr. Zachary Wright, ASA, Manager, and Mr. Nick Coomer, Consultant. Guidance on replacement costs, deficiencies, engineering assessments and descriptions of the System were provided by Dr. Steven Gandy, PhD, P.E. of Draper Aden Associates.

⁴ Annual growth rate from Capital Improvements DR Response Exhibit 4

⁵ 2019 AWWA Utility Benchmarking, Appendix B: FY18 Performance Summary by Type, page 173.

⁶ Draper Aden Associates Engineering Report dated March 2022

Section 3

PLANT DESCRIPTION AND CONDITION ASSESSMENT

Description of the Subject Properties

The description of the Subject Property was developed in coordination with information provided by Draper Aden Associates in its March 2022, report titled, “Update to Present Value of Water System” (attached as Exhibit 3).

Subject Property Location and Site Characteristics

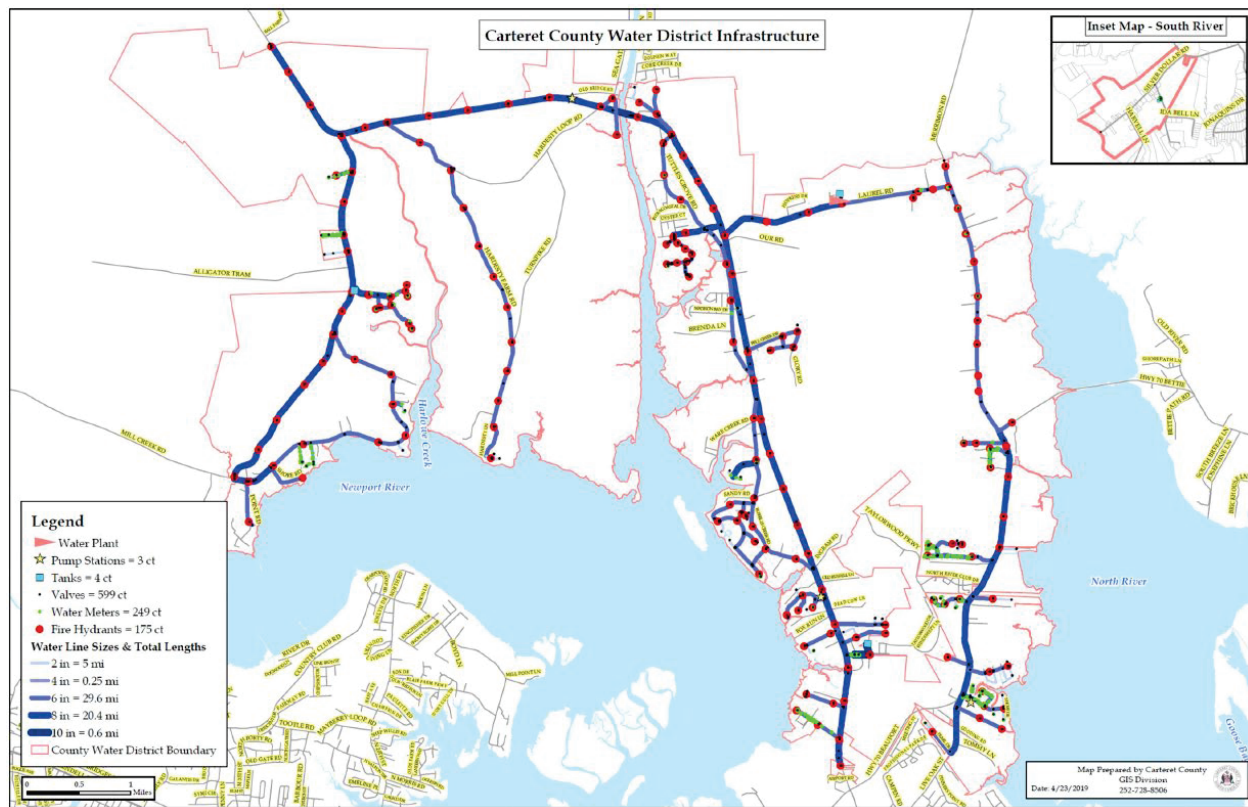
The Subject Property is owned by Carteret County and serves 1,253 customers⁷ within its service area.

The System relies on two groundwater wells for water supply. Water from the first well is treated at the Laurel Road Water Treatment Plant before it is pumped to three (3) elevated storage tanks for distribution within the community. These storage tanks are located with water lines extending to the Craven County line along NC Highway 101 and into the Mill Creek area. There are also water lines extending from the Beaufort Town limits along Highway 70 to East Carteret High School and along Merrimon Road to Laurel Road.

The System also includes a small water system approximately 20 miles north of Laurel Road and Merrimon Road intersection. This small system known as Merrimon Water System (MWS), serves approximately 25 – 30 customers. MWS receives water from the Jonaquins Creek well that consists of a well and an above-ground storage tank.

Figure 3-1 is a map showing the System’s infrastructure.

⁷ January 2021 Connection Count provided by the Draper Aden Associates Engineering Report dated March 2022

Section 3**Figure 3-1 Carteret County Water System Infrastructure**

Source: Draper Aden Associates Engineering Report

Condition of the System

NewGen performed a limited field review of the System for appraisal purposes to identify and observe the condition of the readily accessible portions of the System, which were limited to visual and external observations only. Based upon our observations, discussions with the Public Staff, and review of the Draper Aden Associates Engineering Report, the System's assets appear to generally be in average condition for plant of comparable type and age. NewGen assumes that with the right operating regime, maintenance plan and rehabilitation investments, as identified in the income approach, the existing System can continue in service without significant service interruption or costly emergency repair.

Section 4

FAIR VALUE ANALYSES

Introduction

There are three generally accepted valuation approaches that can be used to estimate the FV of the System: the cost approach; the income approach; and the sales comparison approach. Based on studies and analyses of the System, NewGen believes that all applicable approaches to valuation should be considered.

The premise of value selected for this appraisal is FV in continued use.

Cost Approach

The cost approach is based on the premise that an informed buyer would pay no more than the cost of producing a substitute property with the same function or utility as the property being valued. Two indicators of value that are commonly considered under the cost approach when valuing regulated public utility property are the original cost less accumulated depreciation (OCLD) value and the replacement cost new less accumulated depreciation (RCNLD) value.

OCLD is defined as the original cost of the property when it was first put into service as a public utility, less accumulated depreciation. The OCLD value is equal to the net book value of the property without accelerated depreciation. In this analysis, OCLD was estimated using the book value of the System provided by Carteret County in their most recent audited statement. For rate regulated utility property, the OCLD value is a relevant indicator of value because it is generally an approximation of the rate base value of the property, which is the value of the property on which the regulated utility is allowed to earn a return.

RCNLD is defined as the cost of reproducing a new replica of the property at current prices with the same or closely related materials, less accumulated depreciation. In contrast, replacement cost is defined as the current cost of a similar new property having the nearest equivalent utility as the property being appraised. Since there have not been recent major changes in the way water systems are constructed, there is typically not a significant difference between replacement cost and reproduction cost, and the terms are often used interchangeably for appraisal purposes. Although this method indicates the cost of building a comparable facility at present prices, it generally does not consider the inherent risk of construction and ownership, such as design defects, economic delays, cost overruns and natural disasters.

The cost approach indicators of value are adjusted for depreciation, which is the estimated loss in value of an asset, compared with a new asset. There are three basic types or causes of depreciation:

- **Physical deterioration** – The loss in value or usefulness resulting from the wear and tear of an asset in operation and exposure to various elements.
- **Functional obsolescence** – The loss in value or usefulness caused by inefficiencies or inadequacies of the property itself, when compared to a more efficient or less costly replacement property that new technology has developed.

Section 4

■ **Economic obsolescence** – The loss in value caused by factors external to the property.⁸

The estimated OCLD and RCNLD values of the System developed in this appraisal reflect an adjustment for physical deterioration, but not functional or economic obsolescence.

The Draper Aden Associates report did not identify the presence of Functional Obsolescence in the System. The System could be subject to economic obsolescence based on utility rate regulation, which restricts the earnings of the utility to an allowed rate of return times rate base. However, for the purpose of estimating FV, NewGen did not make a specific adjustment for economic obsolescence under the cost approach. The relationship between the OCLD (approximation of rate base) value and income value for regulated utility property will be discussed later in the report.

OCLD

The development of OCLD is shown in Exhibit 1, Table 1. NewGen utilized the replacement cost new (RCN) as developed for personal property by the engineer, Draper Aden Associates, and the replacement cost for real property based on the current assessed value for land, as reported by the Carteret County Property Record Card Search.⁹ The RCN values were used to allocate the net book value and original cost of the plant as recorded by Carteret County¹⁰ to the asset list identified in the engineering report.

Based on the assumed age of the assets and their assumed useful lives provided by the Draper Aden Associates Engineering Report, accumulated depreciation was estimated to reflect physical deterioration. If some of the assets are beyond their assumed useful life, regardless of their age, it was assumed that if an asset is still in service it still has value. Thus, the maximum amount of accumulated depreciation assumed in the analysis was 90 percent, leaving 10 percent of the estimated original cost value for each asset that is in service beyond its assumed useful life.

OCLD is equal to the net book value recorded on Carteret County's most recent water system audit plus an additional half year of depreciation to calculate the January 1, 2022 net book value, except for land value which is calculated using the real property value trended back to the earliest in-service asset date using the Consumer Price Index, as described in the extraordinary assumption mentioned above. The difference between the allocated original cost and OCLD results in accumulated depreciation for each asset.

RCNLD

The development of RCNLD is shown in Exhibit 1, Table 2. NewGen utilized the original cost provided by Carteret County plus an additional half year of depreciation to estimate the RCN. The Original Costs were trended forward to estimate the replacement cost if the asset was installed January 1, 2022 using the appropriate age of each asset and cost inflation index. The primary cost inflation index used for this purpose was the Handy Whitman Index of Public Utility Construction Costs (Handy-Whitman) for water utility assets in the South Atlantic Region (W-2), which provides data for most types of water assets. NewGen used the Consumer Price Index to trend the real property instead of the Handy-Whitman Index, as Handy-Whitman is a construction cost index and does not have data for land and land rights.

Subtracting the calculated accumulated depreciation from estimated replacement cost results in RCNLD.

⁸ American Society of Appraisers, *Valuing Machinery and Equipment*, Second Edition, pages 66-67.

⁹ Assessed real property value according to Carteret County Property Record Card Search for the System, for the most recent tax year available.

¹⁰ Water System Audit FY21 – Carteret County; Carteret County Depreciation Schedule

Again, the maximum amount of accumulated depreciation assumed in the analysis was 90 percent, leaving 10 percent of the estimated RCN value for each asset that is in service beyond its assumed useful life. NewGen then subtracted the accumulated depreciation from each item on the asset list to reflect physical deterioration based on age. NewGen utilized the current assessed value for real property for the RCN, as outlined in the OCLD discussion above.

NewGen tested for the presence of economic obsolescence by comparing the income approach value and the RCNLD and found that some economic obsolescence does exist. The value estimated in the income approach (see Table 4-3) is less than the RCNLD value. This represents, in some part, the impact of rate regulation on value. However, the RCNLD value shown in Table 4-1 does not include an adjustment for economic obsolescence.

The indicators of value under the cost approach are summarized in Table 4-1.

Table 4-1
Cost Approach

Item	Indicator of Value
Original Cost Less Depreciation	\$ 5,750,000
Replacement Cost New Less Depreciation *	\$ 13,032,000

* Excludes adjustment for economic obsolescence

Note: Table values may not equal exhibit values due to rounding to the nearest \$1,000

Sales Comparison Approach

The guideline transaction method under the sales comparison approach involves the review of recent sales of similar facilities between a willing buyer and a willing seller, who are unrelated, as an indication of the market price for such facilities. The guideline transaction method is primarily applicable to property that is readily substitutable and where a number of similar type properties have recently been sold. Caution must be exercised when using the sales comparison approach as an indicator of value for utility property. Normally, adjustments are made to the guideline sales transactions in order to correlate the sales price to the characteristics of the property being valued. However, there are many factors that can influence sales price including, among others, market area, growth prospects, age, and other considerations that may be reflected in the sales price. Each party's motivation can affect the negotiation and the terms of the sale. Strategic objectives are the driving motivator for some sales. These objectives are often kept confidential and are not available to an appraiser for evaluation. For this reason, NewGen generally uses the comparable sales method as a test of the reasonableness of values produced by the cost and income approaches.

Exhibit 1, Table 3 shows select sales transactions involving utility property in Texas, Illinois, Indiana, Pennsylvania, Washington, and Idaho that occurred from 2009 through 2021. There is a wide variation in the size, location, customer growth prospects, and type of plant for these sales and no attempt was made to adjust the sales to correlate with the characteristics of the System as doing so would be impractical. The diversity in the geography and marketplaces further reduces the applicability of these transactions to the System. There is not enough publicly available data about the transactions to place any significant weight on the guideline transaction method.

Examining the ratio of sales price to book value (OCLD) provides insight into the valuation of property between regulated utilities in willing buyer/willing seller transactions. The median ratio from the sales transactions (where book value was available) results in a sales price equal to 1.31 times book value. For

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rate regulated utilities, the book value of plant assets typically is the largest component of a utility’s rate base. The effect of utility rate regulation on value is discussed under the Income Approach in this section.

The sales price per customer is another metric that can be evaluated but should be used with caution as it can be misleading. For example, this metric may understate the value of systems that have made significant investments in facilities that will serve a much larger customer base than is currently being served. Nonetheless, the median ratio from the sales transactions (where number of customers was available) results in a sales price equal to \$2,000 per connection.

Table 4-2 shows these metrics as applied to the System under the sales comparison approach.

Table 4-2
Sales Comparison Approach

Metric	Median	Indicator of Value
Sales Price / OCLD	1.31	\$ 7,527,000
Sales Price / Customer	\$ 2,000	\$ 2,506,000

Note: Table values may not equal exhibit values due to rounding to the nearest \$1,000
The Sales Comparison Approach was not relied upon as an indicator of value, as discussed further in the following section of this report.

Income Approach

The income approach estimates the value of property by capitalizing or determining the present worth of anticipated economic benefits from the property as a going concern. Under this approach, the direct economic benefits derived from continued ownership of the property being valued are expressed in terms of free cash flow, which represents the total cash flow generated by the going concern that is available to the providers of both debt and equity capital.

The calculation of free cash flow is illustrated as follows:

- (1) Annual Operating Revenues
- (2) Less: Annual Operating Expenses
- (3) Equals: Pre-tax Net Operating Income
- (4) Less: Income Taxes
- (5) Equals: Earnings Before Interest, Depreciation & Amortization (EBIDA)
- (6) Less: Future Capital Expenditures
- (7) Less: Net Changes in Working Capital
- (8) Equals: Free Cash Flow

Under the discounted cash flow (DCF) method, the income indicator of value is equal to the sum of the present value of the projected free cash flows plus the present value of the projected terminal value. In this analysis, the series of annual free cash flows from 2022 to 2031 was discounted to the date of value using a 7.8 percent discount rate, which is equal to the WACC developed in Exhibit 2. For the terminal (or residual) value, the projected free cash flow in year 2031 was capitalized into perpetuity at the discount rate less a growth rate equal to 2.1 percent, which is the projected rate of growth in earnings, and then discounted back to 2022.

Effect of Utility Rate Regulation on Value

When estimating the value of regulated utility property, it is important to understand utility rate regulation and how regulated utility rates are generally determined. In exchange for being granted the right to be the monopoly service provider, the utility agrees to have its rates regulated by the state public utilities commission, in this case the North Carolina Utilities Commission.

Under utility rate regulation, a utility is allowed to charge rates that produce forecasted revenues equal to the utility's total revenue requirement. The term "revenue requirement" refers to the utility's total cost of serving its customers, including the opportunity to earn a reasonable rate of return on invested capital. Under the utility basis of ratemaking used by IOUs and adopted by the North Carolina Utilities Commission, the total revenue requirement is generally equal to the utility's reasonable operating expenses, depreciation expense, taxes, and the utility's authorized rate of return times rate base.

Rate base is the value of property on which a utility is allowed to earn its authorized rate of return and is generally equal to the original cost less accumulated depreciation (OCLD) value of the utility's plant in service, plus miscellaneous items, such as working capital, materials and supplies, and minus miscellaneous items, such as customer advances and deferred taxes. The utility's authorized rate of return is developed based on a weighted average cost of capital (WACC).

As a result of rate regulation, and the way utility rates are developed, the income value of regulated utility property is typically related to the rate base value of the property, as described below.

The income approach estimates the value of property by capitalizing or determining the present worth of anticipated economic benefits from the property as a going concern. Under the direct capitalization of earnings method, the income value of the property is estimated by capitalizing (i.e., dividing) the net income associated with the property for a one-year period by an appropriate capitalization rate. This is shown in Equation (1) below:

$$(1) \quad \text{Value} = \frac{(\text{Revenues} - \text{Expenses})}{\text{Capitalization Rate}}$$

The capitalization rate shown in Equation (1) is equal to the WACC for a hypothetical buyer of the property less assumed growth in earnings. In theory, the income value for a regulated utility should approximate its rate base value since this is the value of the utility's investment on which it is allowed to earn its authorized rate of return. Further, generally speaking, the largest contributor to rate base is OCLD.

Under cost-of-service ratemaking procedures, utility rates are designed to produce revenues that recover the utility's expenses (including depreciation and taxes) plus a return on rate base, as shown in Equation (2) below:

$$(2) \quad \text{Revenues} = \text{Expenses} + (\text{Rate of Return})(\text{Rate Base})$$

Equation (2) can be restated as follows:

$$(3) \quad \text{Rate Base} = \frac{(\text{Revenues} - \text{Expenses})}{\text{Rate of Return}}$$

By comparing Equations (1) and (3), one can see that the capitalized income value for regulated utility property is generally equivalent to its rate base value with an adjustment for expected future growth.

Under the principle of substitution, an informed buyer would pay no more than the cost of producing a substitute property with the same utility as the property being valued. However, an informed buyer would generally also pay no more than the income value of the property. Therefore, in the case of rate regulated utility property, the income value is generally close to the rate base (approximately OCLD) value, assuming that utility rates are based on cost of service. This is because the net income (return) a utility can earn is

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determined based on the utility’s authorized rate of return multiplied by the value of its rate base, which is primarily composed of OCLD.

Discounted Cash Flow Analysis

NewGen developed a regulated retail revenue requirement for the System and performed a DCF analysis to identify the income value for the System. The revenue requirement developed for the System is shown in Exhibit 1, Table 6; the WACC analysis used to develop the discount rate is shown in Exhibit 2; and the DCF analysis is shown in Exhibit 1, Table 8. The income approach reflects how most rate regulated utility property is valued (shown in Table 4-3). These results are discussed further in Section 5 of this report.

Alternative Scenario

NewGen understands that the purchaser of this system is Carolina Water Service, Inc (CWS), and that CWS’ approved rate of return is approximately 7.14%. An alternate scenario analyzing the indicator of value under the income approach using the CWS’ approved rate of return results in a value of \$7,592,000. To develop an opinion of fair value under the income approach, NewGen relied on the estimated weighted average cost of capital for a hypothetical purchaser, as discussed in greater detail in Section 2 of this report. Utilizing the approved rate of return for a specific IOU would indicate the investment value of the System and not the fair value. For this reason, NewGen did not consider this alternative scenario when determining the fair value of the System.

Table 4-3
Income Approach

Item	Indicator of Value
Discounted Cash Flow (DCF) Analysis	\$ 7,332,000

Note: Table values may not equal exhibit values due to rounding to the nearest \$1,000

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CONCLUSIONS

Discussion

Cost Approach

The premise of the cost approach is that an informed buyer would pay no more than the cost of producing a substitute property with the same function or utility as the property being valued. Further, for rate regulated utility property, the OCLD value is important as it is the primary component of traditionally developed rate base.

Sales Comparison Approach

It is often difficult or impossible to properly adjust utility comparable sales transactions to match the characteristics of utility property being valued. The number of critical factors that influence utility property values are numerous, and the terms of some transactions that impact value are kept confidential, preventing consideration of all relevant factors by appraisers. Nonetheless, the sales comparison approach can be a useful means to confirm conclusions from the other two approaches to estimate value.

In the case of water systems, and utilities in general, comparing sales of systems is a very difficult undertaking. No two utilities are exactly alike – the technologies employed differ; the customer composition, use, and growth all differ; and the regulatory environments sometimes differ. These potential differences make the adjustment necessary to compare two different utilities exceedingly difficult under the Sales Comparison Approach. For example, the Carteret County Water System has a significantly lower than average customer density, resulting in an indicated value based on the median sales price per customer to be 3 times lower than the indicated value based on the median sales price to book value ratio. This highlights the fundamental difficulties of the sales comparison approach. Further, the motivation of each party to a transaction can affect the negotiation and the terms of sale. For instance, strategic objectives are sometimes the driving motivator for transactions. These objectives are often kept confidential and, therefore, are not available to an appraiser for evaluation. Thusly, few public utility appraisers rely heavily on the Sales Comparison Approach.

NewGen did not rely upon the sales comparison approach due to the overall lack of comparable, complete transaction data. While the information from this approach is presented in this report, it is important to note that no weight was placed on the sales comparison approach as an indicator of value due to the weaknesses identified.

Income Approach

The income approach value developed in this appraisal is within the range of results from the cost approach. NewGen often finds the indication of value under the income approach for rate regulated property is greater than the OCLD value due to the property's opportunity to earn an approved rate of return on rate base and expected future growth in earnings. The range is most commonly between 1.2 to 1.5 times OCLD, and the income approach value of the System is within this range at approximately

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1.28 times OCLD. The indicator of value under the income approach is lower than the RCNLD indication of value, which also indicates the presence of some economic obsolescence due to rate regulation.

Fair Value

After careful consideration of the indicators of value developed under the various approaches, given the relative strengths and weaknesses of each, and based on our studies and analyses and the assumptions used therein, including the information provided by others upon which we have relied, we are of the opinion that a purchaser would be willing to purchase the System for a price reflective of the value of all prospective future cash flows, which is represented by the income approach to value.

A buyer, evaluating the System on a purely financial basis, should not be willing to pay more than the income value unless external factors specific to the buyer's situation are influencing the purchase, which would be at odds with the definition of FV. Therefore, we are of the opinion that the indication of value for the System under the income approach best represents the FV of the System.

The results of our analyses to estimate the FV of the System as of January 1, 2022, are summarized in Table 5-1.

Table 5-1
Summary of Value Indicators

	Value Indicators
Cost Approach	
OCLD	\$ 5,750,000
RCNLD *	\$ 13,032,000
Sales Comparison Approach	Not relied upon
Income Approach	
DCF	\$ 7,332,000
Fair Market Value	\$ 7,332,000

* Excludes adjustment for economic obsolescence

Note: Table values may not equal exhibit values due to rounding to the nearest \$1,000

Section 6

APPRAISAL CERTIFICATION

I, the undersigned, certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the Client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (2020-2021 Edition) (extended through December 31, 2022)*.
- Mr. Mike Lane made a personal inspection of the property that is the subject of this report on April 29, 2022
- Mike Lane, ASA (Partner at NewGen), Zak Wright, ASA (Manager at NewGen), and Nick Coomer (Consultant at NewGen) provided significant personal property appraisal assistance to the person signing this certification.

Respectfully Submitted,

NewGen Strategies & Solutions, LLC

DocuSigned by:

6387C69774AD4F9...
Mike Lane, ASA
July 7, 2022



NewGen
Strategies & Solutions

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Nov 22 2022



EXHIBIT 1: APPRAISAL ANALYSES

REPORT

**FAIR VALUE APPRAISAL OF THE
WATER SYSTEM IN CARTERET COUNTY**



**Carteret County Water System
Cost Approach
Original Cost Less Depreciation - Water System
Table 1**

Line No.	System / Asset Description (c)	Date In Service [1] (d)	Engineer Replacement Cost [2]	Engineer Cost Allocation % [3]	Original Cost [4]	Expired Life (%) [7]	Accumulated Depreciation (r)	Original Cost Less Depreciation (OCLD) (s)
Carteret County Water System								
1	Water Plant							
2	Booster Pump 1	2012	\$ 250,000	0.99%	\$ 120,230	53.7%	\$ 64,510	\$ 55,719
3	Booster Pump 2	2012	300,000	1.18%	144,275	53.7%	77,413	66,863
4	Booster Pump 3	2012	300,000	1.18%	144,275	53.7%	77,413	66,863
5	Water Tank 1	1988	850,000	3.35%	408,780	53.7%	219,336	189,445
6	Water Tank 2	2012	900,000	3.55%	432,826	53.7%	232,238	200,589
7	Water Tank 3	2012	1,000,000	3.94%	480,918	53.7%	258,042	222,876
8	SCADA System	2012	150,000	0.59%	72,138	53.7%	38,706	33,431
9	Well House	2012	350,000	1.38%	168,321	53.7%	90,315	78,007
10	Jonaquins Creek Well House and Storage	2012	564,204	2.22%	271,336	53.7%	145,588	125,748
11	Fire Hydrants	2012	500,000	1.97%	240,459	53.7%	129,021	111,438
12	Water Treatment Plants	2012	2,000,000	7.89%	961,836	53.7%	516,084	445,752
13	Total Water Plant		\$ 7,164,204		\$ 3,445,395		\$ 1,848,665	\$ 1,596,730
14	Distribution System							
15	2" PVC	1988	\$ 924,000	3.64%	\$ 444,368	53.7%	\$ 238,431	\$ 205,938
16	4" PVC	1988	59,400	0.23%	28,567	53.7%	15,328	13,239
17	6" PVC	1988	9,095,280	35.87%	4,374,085	53.7%	2,346,964	2,027,121
18	6" Ductile	1988	305,500	1.20%	146,920	53.7%	78,832	68,089
19	8" PVC	1988	7,313,390	28.84%	3,517,142	53.7%	1,887,161	1,629,980
20	8" Ductile	1988	242,625	0.96%	116,683	53.7%	62,607	54,075
21	10" PVC	1988	253,440	1.00%	121,884	53.7%	65,398	56,486
22	Total Distribution System		\$ 18,193,635		\$ 8,749,648		\$ 4,694,721	\$ 4,054,927
23	Real Property [8]							
24	Laurel Road Aerial Tank	1988			\$ 10,688	0.0%	\$ -	\$ 10,688
25	Laurel Road Treatment Plant	1988			24,050	0.0%	-	24,050
26	Jonaquins Creek Water House	1988			7,588	0.0%	-	7,588
27	Taylor Farm Elevated tank	1988			12,741	0.0%	-	12,741
28	Booster Pump Station #1	1988			17,055	0.0%	-	17,055
29	Booster Pump Station #2	1988			9,270	0.0%	-	9,270
30	Booster Pump Station #3	1988			8,070	0.0%	-	8,070
31	Mayflower Drive Elevated Tank	1988			8,665	0.0%	-	8,665
32	Total Real Property				\$ 98,126		\$ -	\$ 98,126
33	Carteret County Water System - Total		\$ 25,357,839		\$ 12,293,170		\$ 6,543,386	\$ 5,749,784

Footnotes:

- [1] Assuming Month and Day in service are July 1st for each asset
 [2] Replacement cost estimates according to Draper Aden Associates Engineering report dated March 2022
 [3] Allocation percentage of Draper Aden Associates Engineering report to each line item
 [4] Original Cost from Carteret County Audit FY21, Costs are allocated based off of the Draper Aden Associates Engineering report dated March 2022
 [5] Assuming a standard 365 day year (rounded to the nearest whole year)
 [6] Based on NewGen's experience appraising similarly-sized systems, Draper Aden Associates Engineering Report, depreciation study work and testimony, etc.
 [7] Expired life is equal to total system depreciation % according to Carteret County Depreciation Schedule
 [8] Date in Service based on the year of the oldest installed assets according to asset inventory in Draper Aden Associates Engineering Report. Reproduction value is assumed equal to Carteret County's property records. Book value of land is trended to estimated original cost using CPI.

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**Carteret County Water System
Cost Approach
Replacement Cost Less Depreciation
Table 2**

Handy Whitman Cost Index															
Line No.	System / Asset Description	Date In Service [1]	Original Cost [2]	Age as of January 1, 2022 [3]	Line Number	Install Year	Current	Index Factor	Replacement Cost	Useful Life [4]	Annual Depreciation (%)	Expired Life (%) [5]	RCN Annual Depreciation	RCN Accumulated Depreciation	Replacement Cost New Less Depreciation (RCNLD)
	(c)	(d)		(h)					(e)	(i)	(j)	(k)	(l)	(m)	(n)
<u>Carteret County Water System</u>															
1	Water Plant														
2	Booster Pump 1	2012	\$ 120,230	9.5	9	788	1,451	1.84	\$ 221,451	50	2.0%	19.0%	\$ 4,429	\$ 42,076	\$ 179,376
3	Booster Pump 2	2012	144,275	9.5	9	788	1,451	1.84	265,742	50	2.0%	19.0%	5,315	50,491	215,251
4	Booster Pump 3	2012	144,275	9.5	9	788	1,451	1.84	265,742	50	2.0%	19.0%	5,315	50,491	215,251
5	Water Tank 1	1988	408,780	33.5	23	220	913	4.15	1,696,439	50	2.0%	67.0%	33,929	1,136,614	559,825
6	Water Tank 2	2012	432,826	9.5	23	798	913	1.14	495,046	50	2.0%	19.0%	9,901	94,059	400,987
7	Water Tank 3	2012	480,918	9.5	23	798	913	1.14	550,051	50	2.0%	19.0%	11,001	104,510	445,541
8	SCADA System	2012	72,138	9.5	8	500	671	1.34	96,906	20	5.0%	47.5%	4,845	46,030	50,876
9	Well House	2012	168,321	9.5	8	500	671	1.34	226,113	50	2.0%	19.0%	4,522	42,962	183,152
10	Jonaquins Creek Well House and Storage	2012	271,336	9.5	8	500	671	1.34	364,497	50	2.0%	19.0%	7,290	69,254	295,243
11	Fire Hydrants	2012	240,459	9.5	42	693	1,158	1.67	401,923	60	1.7%	15.8%	6,699	63,638	338,285
12	Water Treatment Plants	2012	961,836	9.5	8	500	671	1.34	1,292,076	50	2.0%	19.0%	25,842	245,494	1,046,582
13	Total Water Plant		\$ 3,445,395						\$ 5,875,985				\$ 119,087	\$ 1,945,618	\$ 3,930,367
14	Distribution System														
15	2" PVC	1988	\$ 444,368	33.5	38	189	423	2.24	\$ 995,998	60	1.7%	55.8%	\$ 16,600	\$ 556,099	\$ 439,899
16	4" PVC	1988	28,567	33.5	38	189	423	2.24	64,028	60	1.7%	55.8%	1,067	35,749	28,279
17	6" PVC	1988	4,374,085	33.5	38	189	423	2.24	9,803,983	60	1.7%	55.8%	163,400	5,473,890	4,330,092
18	6" Ductile	1988	146,920	33.5	35	264	968	3.66	537,921	65	1.5%	51.5%	8,276	277,236	260,685
19	8" PVC	1988	3,517,142	33.5	38	189	423	2.24	7,883,248	60	1.7%	55.8%	131,387	4,401,480	3,481,768
20	8" Ductile	1988	116,683	33.5	35	264	968	3.66	427,211	65	1.5%	51.5%	6,572	220,178	207,033
21	10" PVC	1988	121,884	33.5	38	189	423	2.24	273,188	60	1.7%	55.8%	4,553	152,530	120,658
22	Total Distribution System		\$ 8,749,648						\$ 19,985,577				\$ 331,856	\$ 11,117,163	\$ 8,868,415
23	Real Property [8]														
24	Laurel Road Aerial Tank	1988	\$ 10,688	33.5	CPI	119	282	2.38	\$ 25,428		0.0%	0.0%	\$ -	\$ -	\$ 25,428
25	Laurel Road Treatment Plant	1988	24,050	33.5	CPI	119	282	2.38	57,220		0.0%	0.0%	-	-	57,220
26	Jonaquins Creek Water House	1988	7,588	33.5	CPI	119	282	2.38	18,054		0.0%	0.0%	-	-	18,054
27	Taylor Farm Elevated tank	1988	12,741	33.5	CPI	119	282	2.38	30,312		0.0%	0.0%	-	-	30,312
28	Booster Pump Station #1	1988	17,055	33.5	CPI	119	282	2.38	40,576		0.0%	0.0%	-	-	40,576
29	Booster Pump Station #2	1988	9,270	33.5	CPI	119	282	2.38	22,055		0.0%	0.0%	-	-	22,055
30	Booster Pump Station #3	1988	8,070	33.5	CPI	119	282	2.38	19,200		0.0%	0.0%	-	-	19,200
31	Mayflower Drive Elevated Tank	1988	8,665	33.5	CPI	119	282	2.38	20,615		0.0%	0.0%	-	-	20,615
32	Total Real Property		\$ 98,126						\$ 233,460				\$ -	\$ -	\$ 233,460
33	Carteret County Water System - Total		\$ 12,293,170						\$ 26,095,023				\$ 450,943	\$ 13,062,781	\$ 13,032,241

Footnotes:

[1] Assuming Month and Day in service are July 1st for each asset

[2] Original Cost from Table 1

[3] Assuming a standard 365 day year (rounded to the nearest whole year)

[4] Based on NewGen's experience appraising similarly-sized systems, Draper Aden Associates Engineering Report, depreciation study work and testimony, etc.

[5] Assets still in service are assumed to have a minimum remaining useful life of 10%

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**Carteret County Water System
Sales Comparison Approach
Table 3**

Line No.	Transaction Number	Year of Agreement	State	Application Number [1]	Seller	Purchaser	Utility	Date Finalized	Sales Price	Number of Customers	Price / Customer	OCLD (Book Value)	Price / OCLD
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	1	2009	TX	36569-S	Pecan Utilities, Inc. & Cavern Springs Water Company	Aqua Utilities, Inc. dba Aqua Texas, Inc.	Water	4/25/2011	\$ 428,000	214	\$2,000		
2	2	2010	TX	36872-S	Monarch Utilities I, L.P.	City of Southmayd	Water	1/26/2012	\$ 1,057,849	247	\$4,283		
3	3	2010	TX	36726-S and 36959-S	Carrizo Water Corporation & Blue Water Key Water System	Aqua Utilities, Inc. dba Aqua Texas, Inc.	Water	6/17/2011	\$ 790,000	210	\$3,762		
4	4	2010	TX	36917-S	1404 Properties LTD	Aqua Utilities, Inc. dba Aqua Texas, Inc.	Water	1/23/2012	\$ 124,000	62	\$2,000		
5	5	2011	TX	37036-S	B & J Water Company	Utility Investment Company, Inc.	Water	6/25/2012	\$ 857,000	330	\$2,597	\$ 608,149	1.41
6	6	2011	TX	36935-S	Elm Creek Water Supply Corporation	City of Troy	Water	4/27/2012	\$ 73,095	41	\$1,783		
7	7	2011	TX	37221-S	AD & JA Corp (Silver Ridge Water System)	Lass Water Company	Water	10/25/2012	\$ 5,000	26	\$192		
8	8	2011	TX	37167-S	Johnson Utilities, Inc.	Lake Livingston Water Supply and Sewer Service Corp	Water	10/15/2012	\$ 16,000	21	\$762		
9	9	2011	TX	37177-S	Texas H2O, Inc.	SJWTX, Inc. dba Canyon Lake Water Service Company	Water	6/28/2012	\$ 462,600	257	\$1,800	\$ 182,888	2.53
10	10	2012	TX	37292-S	Back Forty Water Company	Woodbine Water Supply Corp	Water	11/19/2012	\$ 250,000	102	\$2,451		
11	11	2014	TX	43048	Bluebonnet Rural Water Corporation	Corix Utilities	Water	8/14/2015	\$ 1,107,675	1,103	\$1,004	\$ 2,392,753	0.46
12	12	2015	TX	45639	Mitchell County Utility Company	Corix Utilities	Water	2/3/2017	\$ 577,500	879	\$657	\$ 410,055	1.41
13	13	2015	TX	44024	Union Hill Water Supply Corporation	Aqua Utilities, Inc. dba Aqua Texas, Inc.	Water	2/8/2016	\$ 348,000	174	\$2,000	\$ 737,637	0.47
14	14	2015	TX	45317	Romark Utility Company	Monarch Water Utilities	Water	12/5/2016	\$ 125,000	125	\$1,000		
15	15	2016	TX	46127	Westwood Utility Corporation	City of Fairfield	Water	12/18/2017	\$ 3,000,000	420	\$7,143		
16	16	2016	TX	46077	Brushy Creek Municipal Utility District	Aqua Texas, Inc.	Water	4/12/2017	\$ 50,000	207	\$242	\$ 151,087	0.33
17	17	2017	IL	N/A	City of Farmington	Illinois American Water	Water	4/1/2017	\$ 3,750,000	1,063	\$3,528	\$ 2,864,569	1.31
18	18	2017	TX	47888	Deer Creek Ranch Water Co	SJWTX, Inc. dba Canyon Lake Water Service Company	Water	11/29/2018	\$ 2,700,000	756	\$3,571	\$ 1,135,450	2.38
19	19	2018	TX	48565	Aqua Texas, Inc.	Town of Buffalo Gap, Texas	Water		\$ 397,500	269	\$1,478		
20	20	2018	TX	47922	Dal-High Water LLC	Monarch Water Utilities	Water	11/2/2018	\$ 55,200	46	\$1,200	\$ 44,862	1.23
21	21	2018	TX	48543	Chambers Meadow Estate Water Company	HILCO United Services, Inc	Water	9/9/2019	\$ 45,000	57	\$789		
22	22	2018	TX	48863	Henry Brookshire Jr	TWS Holdings	Water	9/13/2019	\$ 90,000	119	\$756	\$ 64,155	1.40
23	23	2019	TX	49230	Beverly Lee Minaldi	Simply Aquatics Inc	Water	4/19/2020	\$ 35,000	47	\$745		
24	24	2019	TX	49231	Ponder Enterprises, Inc	Lone Star Water Company	Water	5/20/2020	\$ 1,345,000	332	\$4,051	\$ 1,274,847	1.06
25	25	2019	TX	49714	Paul B Hill	Megan Estes	Water	3/13/2020	\$ 112,500	50	\$2,250	\$ 120,160	0.94
26	26	2019	TX	50085	Castle Water Inc	Horseshoe Bend Water Company	Water	6/10/2020	\$ 500,000	507	\$986	\$ 92,920	5.38
27	27	2019	TX	50122	Madera Valley WSC	Town of Pecos City	Water	4/14/2020	\$ 968,348	66	\$14,672		
28	28	2019	TX	50213	Wolforth Place Water System	City of Wolforth	Water		\$ 200,000	183	\$1,093		
29	29	2019	IL	N/A	Village of Lenore	Illinois American Water	Water	4/1/2020	\$ 100,000	68	\$1,471		
30	30	2019	IL	N/A	Village of Sidney	Illinois American Water	Water		\$ 2,300,000	546	\$4,212		
31	31	2019	TX	50279	Twin Creek Park Water System	Creedmoor-Maha Water Supply Corp	Water		\$ 210,000	92	\$2,283		
32	32	2019	TX	50335	City of Kaufman	College Mound Special Utility District	Water		\$ 75,000	150	\$500		
33	38	2019	PA	N/A	Steelton	American Water	Water	10/9/2019	\$ 21,800,000	2,400	\$9,083		
34	39	2019	IN	N/A	Lake Station	American Water	Water	10/22/2019	\$ 20,700,000	3,270	\$6,330		
35	33	2020	TX	50480	Crystal Clear Special Utility District	City of San Marcos	Water		\$ 1,144,680	489	\$2,341		
36	34	2020	TX	50616	David and Glenda Stegent	Corix Utilities	Water		\$ 100,000	75	\$1,333		
37	35	2020	TX	50712	Jarrell-Schwertner WSC	City of Jarrell	Water		\$ 1,200,000	111	\$10,811		
38	36	2020	TX	50816	Vinton Hills Alagre, LLC	Village of Vinton	Water		\$ 453,000	83	\$5,458		

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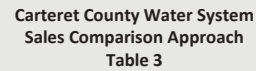


**Carteret County Water System
Sales Comparison Approach
Table 3**

Line No.	Transaction Number	Year of Agreement	State	Application Number [1]	Seller (e)	Purchaser (f)	Utility (g)	Date Finalized (h)	Sales Price (i)	Number of Customers (j)	Price / Customer (k)	OCLD (Book Value) (l)	Price / OCLD (m)
39	37	2020	TX	51605	LC Water Development, LP	Yancey Water Supply Corporation	Water		\$ 20,000	113	\$177		
40	40	2020	WA	N/A	Rainier View Water	California Water Service Group	Water	6/4/2020	\$ 37,600,000	18,500	\$2,032		
41	41	2021	TX	51911	The Commons Water Supply, Inc	Aqua Texas, Inc.	Water		\$ 4,000,000	992	\$4,032		
42	42	2021	IN	N/A	Town of Lowell	American Water	Water	12/28/2021	\$ 24,500,000	4,000	\$6,125		
43	43	2021	ID	N/A	Eagle Water	Suez Water	Water	12/10/2021	\$ 10,000,000	4,000	\$2,500		
44													
45													

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**Carteret County Water System
Income Approach
Income Approach General Assumptions
Table 4**

Line No.	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1 Annual Escalators	Blue Chip Economic Indicators, Vol. 37, No. 4, December 10, 2021									
2 General Inflation	5.9%	3.0%	2.3%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
3 Long Term Earnings Growth Rate	2.1%									
4 Retail Customers										
5 January 2021 Active Water Connection Count [1]	1,253									
6 Assumed Annual Customer Growth [2]	1.13%									
7 Forecasted Water Connection Count	1,267	1,281	1,296	1,311	1,325	1,340	1,356	1,371	1,386	1,402
8 General Assumptions										
9 WACC	7.80% see Exhibit 2									
10 Federal Income Tax Rate	21.00%									
11 State Income Tax Rate	2.50%									
12 Effective Income Tax Rate	22.98%									
13 State Property tax rate	0.55%									
14 Implied Depreciation Rate										
	OC	Depr	Annual Depreciation Rate	Accumulated Depreciation	OC	Depr	Annual Depreciation Rate	Accumulated Depreciation	OC	Depr
15										
16 Water Plant	\$ 3,445,395	\$ 69,827	2.0%	\$ 1,848,665	\$ 1,596,730					
17 Distribution System	\$ 8,749,648	\$ 145,286	1.7%	\$ 4,694,721	\$ 4,054,927					
18 Average Water Consumption [3]	125 Gallons per Day									
19 Total Water Consumption	57,168,125 Gallons per Year									
20 Feet in a Mile	5,280 Feet									
21 Distribution System [4]	Feet of Pipe	Miles of Pipe								
22 2" PVC	26,400	5.00								
23 4" PVC	1,320	0.25								
24 6" PVC	151,588	28.71								
25 6" Ductile	4,700	0.89								
26 8" PVC	104,477	19.79								
27 8" Ductile	3,235	0.61								
28 10" PVC	3,168	0.60								
29 Service Laterals, PVC	3,759	0.71	Service Laterals assumed 3 linear feet per connection							
			56.56							

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**Carteret County Water System
Income Approach
Income Approach General Assumptions
Table 4**

Line No.	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
30	AWWA Benchmarking Metrics (Appendix B - FY 2018) Trended to 2022 [5]									
31	Treatment O&M Cost of Water Service (\$/MG)	\$	542	\$481 benchmark 2018 value escalated to 2022 at long-term inflation rate						
32	Distribution O&M Cost of Water Service (\$/100 miles of pipe)	\$	849,122	\$753,350 benchmark 2018 value escalated to 2022 at long-term inflation rate						
33	Total O&M Cost of Potable Water Services (\$/MG)	\$	2,860	\$2,537 benchmark 2018 value escalated to 2022 at long-term inflation rate						
34	Treatment O&M Cost of Water Service (\$/MG)	\$	30,994							
35	Distribution O&M Cost of Water Service (\$/100 miles of pipe)	\$	480,280							
36	Total O&M Cost of Potable Water Services (\$/MG)	\$	163,474							
37	Date of Valuation	1/1/2022								
38	Plant Book Value [6]									
39	Net Plant Book Value (June 30, 2021)	\$	5,759,214							
40	Calculated Net Plant Book Value (January 1, 2022)	\$	5,651,658							
41	Original Cost	\$	12,195,043							
42	Verizon Annual Land Rental [7]	\$	26,400							
43	Verizon Annual Land Rental Escalator		2.0%							
Footnotes:										
[1] January 2021 Connection Count provided by the Draper Aden Associates Engineering report dated March 2022										
[2] Growth rate from Capital Improvements DR Response Exhibit 4										
[3] 2021 Average Daily Consumption, 2021 Carteret County Audit, Pg. 209										
[4] Distribution System length provided by Draper Aden Associates Engineering Report, Revised March 2022										
[5] AWWA Benchmarking Metrics (Appendix B - FY 2018), Escalated to 2022 Dollars										
[6] Plant book value from Carteret County Audit FY21										
[7] Verizon Annual Land Rental as stated in Verizon Contract										

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**Carteret County Water System
Income Approach
Plant in Service
Table 5**

Line No.	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Notes
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1 GROSS PLANT IN SERVICE											
2 Land											
3 Beginning of Year Balance	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	
4 Additions	-	-	-	-	-	-	-	-	-	-	
5 Retirements	-	-	-	-	-	-	-	-	-	-	
6 End of Year Balance	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	\$ 98,126	
7											
8 Water Plant											
9 Beginning of Year Balance	\$ 3,445,395	\$ 3,454,839	\$ 3,465,834	\$ 3,478,280	\$ 3,492,254	\$ 3,507,908	\$ 3,525,392	\$ 3,544,896	\$ 3,566,608	\$ 3,590,704	
10 Additions	17,050	19,047	20,951	22,964	25,149	27,491	30,055	32,826	35,775	38,981	(1)
11 Retirements	(7,607)	(8,052)	(8,505)	(8,990)	(9,495)	(10,007)	(10,551)	(11,114)	(11,679)	(12,273)	(2)
12 End of Year Balance	\$ 3,454,839	\$ 3,465,834	\$ 3,478,280	\$ 3,492,254	\$ 3,507,908	\$ 3,525,392	\$ 3,544,896	\$ 3,566,608	\$ 3,590,704	\$ 3,617,411	
13											
14 Distribution System											
15 Beginning of Year Balance	\$ 8,749,648	\$ 8,800,205	\$ 8,858,880	\$ 8,923,793	\$ 8,996,458	\$ 9,077,711	\$ 9,166,359	\$ 9,265,082	\$ 9,374,677	\$ 9,493,796	
16 Additions	90,044	100,044	107,289	117,018	127,673	136,125	148,360	161,419	172,105	187,026	(1)
17 Retirements	(39,487)	(41,370)	(42,376)	(44,353)	(46,420)	(47,477)	(49,636)	(51,825)	(52,985)	(55,253)	(2)
18 End of Year Balance	\$ 8,800,205	\$ 8,858,880	\$ 8,923,793	\$ 8,996,458	\$ 9,077,711	\$ 9,166,359	\$ 9,265,082	\$ 9,374,677	\$ 9,493,796	\$ 9,625,569	
19											
20 Total System											
21 Beginning of Year Balance	\$ 12,293,170	\$ 12,353,170	\$ 12,422,840	\$ 12,500,199	\$ 12,586,838	\$ 12,683,745	\$ 12,789,877	\$ 12,908,105	\$ 13,039,411	\$ 13,182,626	
22 Additions	107,094	119,091	128,240	139,982	152,822	163,616	178,415	194,245	207,879	226,007	
23 Retirements	(47,094)	(49,421)	(50,880)	(53,343)	(55,915)	(57,484)	(60,188)	(62,939)	(64,664)	(67,526)	
24 End of Year Balance	\$ 12,353,170	\$ 12,422,840	\$ 12,500,199	\$ 12,586,838	\$ 12,683,745	\$ 12,789,877	\$ 12,908,105	\$ 13,039,411	\$ 13,182,626	\$ 13,341,107	
25											
26 ACCUMULATED DEPRECIATION											
27 Land											
28 Beginning of Year Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
29 Depreciation Accrual	-	-	-	-	-	-	-	-	-	-	
30 Retirements	-	-	-	-	-	-	-	-	-	-	
31 End of Year Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
32											
33 Water Plant											
34 Beginning of Year Balance	\$ 1,848,665	\$ 1,910,885	\$ 1,972,852	\$ 2,034,588	\$ 2,096,092	\$ 2,157,374	\$ 2,218,461	\$ 2,279,358	\$ 2,340,087	\$ 2,400,692	
35 Depreciation Accrual	69,827	70,018	70,241	70,493	70,777	71,094	71,448	71,844	72,284	72,772	(3)
36 Retirements	(7,607)	(8,052)	(8,505)	(8,990)	(9,495)	(10,007)	(10,551)	(11,114)	(11,679)	(12,273)	
37 End of Year Balance	\$ 1,910,885	\$ 1,972,852	\$ 2,034,588	\$ 2,096,092	\$ 2,157,374	\$ 2,218,461	\$ 2,279,358	\$ 2,340,087	\$ 2,400,692	\$ 2,461,190	
38											

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Line No.		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Notes
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
39	Distribution System											
40	Beginning of Year Balance	\$ 4,694,721	\$ 4,800,519	\$ 4,905,275	\$ 5,009,999	\$ 5,113,823	\$ 5,216,787	\$ 5,320,043	\$ 5,422,612	\$ 5,524,632	\$ 5,627,311	
41	Depreciation Accrual	145,286	146,125	147,100	148,177	149,384	150,733	152,205	153,844	155,664	157,642	(3)
42	Retirements	(39,487)	(41,370)	(42,376)	(44,353)	(46,420)	(47,477)	(49,636)	(51,825)	(52,985)	(55,253)	
43	End of Year Balance	\$ 4,800,519	\$ 4,905,275	\$ 5,009,999	\$ 5,113,823	\$ 5,216,787	\$ 5,320,043	\$ 5,422,612	\$ 5,524,632	\$ 5,627,311	\$ 5,729,700	
44												
45	Total System											
46	Beginning of Year Balance	\$ 6,543,386	\$ 6,711,405	\$ 6,878,127	\$ 7,044,587	\$ 7,209,915	\$ 7,374,161	\$ 7,538,504	\$ 7,701,970	\$ 7,864,719	\$ 8,028,002	
47	Depreciation Accrual	215,113	216,144	217,341	218,671	220,161	221,827	223,653	225,688	227,948	230,414	
48	Retirements	(47,094)	(49,421)	(50,880)	(53,343)	(55,915)	(57,484)	(60,188)	(62,939)	(64,664)	(67,526)	
49	End of Year Balance	\$ 6,711,405	\$ 6,878,127	\$ 7,044,587	\$ 7,209,915	\$ 7,374,161	\$ 7,538,504	\$ 7,701,970	\$ 7,864,719	\$ 8,028,002	\$ 8,190,890	
50												
51	NET PLANT IN SERVICE (BOY)	\$ 5,749,784	\$ 5,641,765	\$ 5,544,713	\$ 5,455,612	\$ 5,376,923	\$ 5,309,584	\$ 5,251,374	\$ 5,206,135	\$ 5,174,692	\$ 5,154,624	

(1) Additions are based on the Capital expenditure analysis retirement rate calculated from the survivor curve times RCN escalated at inflation and the Capital expenditure analysis retirement rate calculated from the survivor curve times the original cost

(2) Retirements are based on the Capital expenditure analysis retirement rate calculated from the survivor curve times the original cost and the Capital expenditure analysis retirement rate calculated from the survivor curve times RCN escalated at inflation

(3) Depreciation accrual is based on the implied depreciation rates (see Table 4) times gross plant



**Carteret County Water System
Income Approach
Revenue Requirement - Water System
Table 6**

Line No.		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Notes
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	Total Utility Plant	\$ 12,293,170	\$ 12,353,170	\$ 12,422,840	\$ 12,500,199	\$ 12,586,838	\$ 12,683,745	\$ 12,789,877	\$ 12,908,105	\$ 13,039,411	\$ 13,182,626	(1)
2	Accumulated Depreciation	(6,543,386)	(6,711,405)	(6,878,127)	(7,044,587)	(7,209,915)	(7,374,161)	(7,538,504)	(7,701,970)	(7,864,719)	(8,028,002)	(1)
3	Net Utility Plant	\$ 5,749,784	\$ 5,641,765	\$ 5,544,713	\$ 5,455,612	\$ 5,376,923	\$ 5,309,584	\$ 5,251,374	\$ 5,206,135	\$ 5,174,692	\$ 5,154,624	
4	Add: Cash Working Capital	\$ 169,008	\$ 174,644	\$ 179,246	\$ 183,615	\$ 188,095	\$ 192,689	\$ 197,401	\$ 202,233	\$ 207,190	\$ 212,273	(2)
5	Add: Inventory	-	-	-	-	-	-	-	-	-	-	
6	Less: Accumulated Deferred Income Tax	(14,669)	(89,415)	(156,677)	(217,168)	(271,523)	(320,358)	(364,225)	(403,702)	(444,045)	(486,385)	(3)
7	Less: CIAC	-	-	-	-	-	-	-	-	-	-	
8	Less: Customer Deposits	-	-	-	-	-	-	-	-	-	-	
9	Rate Base	\$ 5,904,123	\$ 5,726,994	\$ 5,567,281	\$ 5,422,058	\$ 5,293,495	\$ 5,181,915	\$ 5,084,549	\$ 5,004,667	\$ 4,937,837	\$ 4,880,512	
10	After-tax Rate of Return (WACC)	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	(4)
11	Allowed Return (after income tax)	\$ 460,522	\$ 446,706	\$ 434,248	\$ 422,921	\$ 412,893	\$ 404,189	\$ 396,595	\$ 390,364	\$ 385,151	\$ 380,680	
12	Return (before income tax)	\$ 597,886	\$ 579,949	\$ 563,775	\$ 549,069	\$ 536,050	\$ 524,751	\$ 514,891	\$ 506,802	\$ 500,034	\$ 494,229	(5)
13	O&M Expenses											(6)
14	Potable Water Service	\$ 163,474	\$ 170,280	\$ 176,165	\$ 181,897	\$ 187,816	\$ 193,927	\$ 200,237	\$ 206,752	\$ 213,479	\$ 220,425	
15	Treatment	30,994	32,284	33,400	34,487	35,609	36,767	37,964	39,199	40,474	41,791	
16	Distribution	480,280	494,688	506,066	516,693	527,544	538,622	549,933	561,482	573,273	585,312	
17	Taxes Other Than Income Taxes	1,284	1,323	1,353	1,381	1,410	1,440	1,470	1,501	1,533	1,565	(7)
18	Depreciation Expense	215,113	216,144	217,341	218,671	220,161	221,827	223,653	225,688	227,948	230,414	
19	Total Operating Expenses	\$ 891,144	\$ 914,719	\$ 934,325	\$ 953,129	\$ 972,539	\$ 992,583	\$ 1,013,257	\$ 1,034,622	\$ 1,056,707	\$ 1,079,507	
20	Revenue Requirement	\$ 1,489,029	\$ 1,494,668	\$ 1,498,100	\$ 1,502,199	\$ 1,508,589	\$ 1,517,334	\$ 1,528,148	\$ 1,541,423	\$ 1,556,741	\$ 1,573,736	(8)

Footnotes:

- (1) See Table 5
 (2) Based on 90 day buffer for cash expenses
 (3) See Table 7
 (4) See WACC analysis, Exhibit 2, Table H
 (5) Based on current marginal Federal Income Tax rate
 (6) Distribution expenses estimated using 2018 AWWA Benchmarks (Exhibit B) and then inflated at 2.1% per year, Treatment and Potable Water Service Cost expense are escalated using inflation and assumed customer growth.
 (7) Assessed value of Real Property multiplied by the property tax rate escalated at inflation
 (8) Return plus total operating expenses

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**Carteret County Water System
Income Approach
Tax Depreciation - Water System
Table 7**

Line No.	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Notes
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1 Total Plant Tax Depreciation Basis											
2 MACRS 20-Year	3.750%	7.219%	6.677%	6.177%	5.713%	5.285%	4.888%	4.522%	4.462%	4.461%	(1)
3											
4 Capital											
5 Initial Purchase of System	\$ 7,331,829	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(2)
6 Annual Capital Additions	107,094	119,091	128,240	139,982	152,822	163,616	178,415	194,245	207,879	226,007	(3)
7	\$ 7,438,924	\$ 119,091	\$ 128,240	\$ 139,982	\$ 152,822	\$ 163,616	\$ 178,415	\$ 194,245	\$ 207,879	\$ 226,007	
8											
9 Annual Tax Depreciation											
10 Initial Purchase & Year 1 Capital	\$ 278,960	\$ 537,016	\$ 496,697	\$ 459,502	\$ 424,986	\$ 393,147	\$ 363,615	\$ 336,388	\$ 331,925	\$ 331,850	
11 Capital Additions - Year 2		4,466	8,597	7,952	7,356	6,804	6,294	5,821	5,385	5,314	
12 Capital Additions - Year 3			4,809	9,258	8,563	7,921	7,326	6,777	6,268	5,799	
13 Capital Additions - Year 4				5,249	10,105	9,347	8,647	7,997	7,398	6,842	
14 Capital Additions - Year 5					5,731	11,032	10,204	9,440	8,731	8,077	
15 Capital Additions - Year 6						6,136	11,811	10,925	10,107	9,347	
16 Capital Additions - Year 7							6,691	12,880	11,913	11,021	
17 Capital Additions - Year 8								7,284	14,023	12,970	
18 Capital Additions - Year 9									7,795	15,007	
19 Capital Additions - Year 10										8,475	
20	\$ 278,960	\$ 541,482	\$ 510,103	\$ 481,961	\$ 456,741	\$ 434,387	\$ 414,588	\$ 397,512	\$ 403,545	\$ 414,702	
21											
22 Book Depreciation	\$ 215,113	\$ 216,144	\$ 217,341	\$ 218,671	\$ 220,161	\$ 221,827	\$ 223,653	\$ 225,688	\$ 227,948	\$ 230,414	(4)
23											
24 Difference Btwn Book and Tax Depreciation	\$ 63,847	\$ 325,338	\$ 292,762	\$ 263,290	\$ 236,580	\$ 212,560	\$ 190,934	\$ 171,824	\$ 175,597	\$ 184,288	
25											
26 Deferred Income Tax (State and Federal)											
27 Annual	\$ 14,669	\$ 74,746	\$ 67,262	\$ 60,491	\$ 54,354	\$ 48,836	\$ 43,867	\$ 39,477	\$ 40,343	\$ 42,340	
28 Accumulated (for Rate Base development)	14,669	89,415	156,677	217,168	271,523	320,358	364,225	403,702	444,045	486,385	

Footnotes:

- (1) Modified Accelerated Cost Recovery System (MACRS), IRS Publication 946 (2018), Table A-1 (Half-Year Convention); Water plant is Asset Class 49.3 uses 20-year MACRS
- (2) Income Value (Table 8)
- (3) Capital Additions as shown on Table 5
- (4) Depreciation as show on Table 5

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**Carteret County Water System
Income Approach
Discounted Cash Flow Analysis - Water System
Table 8**

Line No.	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Notes
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1 Rate Revenue	\$ 1,489,029	\$ 1,494,668	\$ 1,498,100	\$ 1,502,199	\$ 1,508,589	\$ 1,517,334	\$ 1,528,148	\$ 1,541,423	\$ 1,556,741	\$ 1,573,736	(1)
2 Other Revenue	\$ 26,400	\$ 26,928	\$ 27,467	\$ 28,016	\$ 28,576	\$ 29,148	\$ 29,731	\$ 30,325	\$ 30,932	\$ 31,550	
3 Total Revenue	\$ 1,515,429	\$ 1,521,596	\$ 1,525,567	\$ 1,530,214	\$ 1,537,166	\$ 1,546,482	\$ 1,557,879	\$ 1,571,749	\$ 1,587,673	\$ 1,605,286	
4 O&M Expenses											
5 Potable Water Service	\$ 163,474	\$ 170,280	\$ 176,165	\$ 181,897	\$ 187,816	\$ 193,927	\$ 200,237	\$ 206,752	\$ 213,479	\$ 220,425	
6 Treatment	30,994	32,284	33,400	34,487	35,609	36,767	37,964	39,199	40,474	41,791	
7 Distribution	480,280	494,688	506,066	516,693	527,544	538,622	549,933	561,482	573,273	585,312	
8 Taxes Other Than Income Taxes	1,284	1,323	1,353	1,381	1,410	1,440	1,470	1,501	1,533	1,565	(1)
9 Depreciation Expense (Book)	215,113	216,144	217,341	218,671	220,161	221,827	223,653	225,688	227,948	230,414	(1)
10 Total Operating Expenses	\$ 891,144	\$ 914,719	\$ 934,325	\$ 953,129	\$ 972,539	\$ 992,583	\$ 1,013,257	\$ 1,034,622	\$ 1,056,707	\$ 1,079,507	
11 Income Tax Calculation											
12 Operating Income	\$ 624,286	\$ 606,877	\$ 591,242	\$ 577,085	\$ 564,626	\$ 553,899	\$ 544,622	\$ 537,127	\$ 530,966	\$ 525,779	
13 Add Back: Book Depreciation	215,113	216,144	217,341	218,671	220,161	221,827	223,653	225,688	227,948	230,414	
14 Less: Tax Depreciation	(278,960)	(541,482)	(510,103)	(481,961)	(456,741)	(434,387)	(414,588)	(397,512)	(403,545)	(414,702)	(2)
15 Operating Income for Tax Purposes	\$ 560,439	\$ 281,539	\$ 298,480	\$ 313,795	\$ 328,046	\$ 341,339	\$ 353,688	\$ 365,303	\$ 355,369	\$ 341,491	
16											
17 Combined Income Tax Rate	22.98%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	
18											
19 Income Taxes	\$ 128,761	\$ 64,683	\$ 68,576	\$ 72,094	\$ 75,369	\$ 78,423	\$ 81,260	\$ 83,928	\$ 81,646	\$ 78,458	
20 Operating Income	\$ 597,886	\$ 579,949	\$ 563,775	\$ 549,069	\$ 536,050	\$ 524,751	\$ 514,891	\$ 506,802	\$ 500,034	\$ 494,229	
21 Less: Income Taxes	(128,761)	(64,683)	(68,576)	(72,094)	(75,369)	(78,423)	(81,260)	(83,928)	(81,646)	(78,458)	
22 Net Income	\$ 469,125	\$ 515,265	\$ 495,200	\$ 476,975	\$ 460,681	\$ 446,328	\$ 433,631	\$ 422,873	\$ 418,388	\$ 415,771	
23 Add Back: Book Depreciation	215,113	216,144	217,341	218,671	220,161	221,827	223,653	225,688	227,948	230,414	
24 Earnings Before Interest, Depreciation & Amort.	\$ 684,238	\$ 731,409	\$ 712,540	\$ 695,646	\$ 680,842	\$ 668,155	\$ 657,285	\$ 648,561	\$ 646,336	\$ 646,185	
25 Less: Capital Expenditures	\$ (107,094)	\$ (119,091)	\$ (128,240)	\$ (139,982)	\$ (152,822)	\$ (163,616)	\$ (178,415)	\$ (194,245)	\$ (207,879)	\$ (226,007)	(3)
26 Less: Changes in Working Capital	-	(5,636)	(4,602)	(4,369)	(4,480)	(4,594)	(4,712)	(4,832)	(4,956)	(5,083)	(4)
27 Free Cash Flow	\$ 577,143	\$ 606,682	\$ 579,698	\$ 551,295	\$ 523,540	\$ 499,945	\$ 474,158	\$ 449,484	\$ 433,500	\$ 415,095	
28 Capitalized Cash Flow Analysis											
29 Weighted Average Cost of Capital (WACC)	7.80%	(5)									
30 Long Term Earnings Growth Rate	2.10%	(6)									
31 Capitalization Rate	5.70%	(7)									
32 Net Present Value of 2021-2030 Free Cash Flow	\$ 3,549,756	(8)									
33 Terminal Value	\$ 7,435,305	(9)									
34 Net Present Value of Terminal Value	3,782,073	(10)									
35 Income Value	\$ 7,331,829	(11)									



Carteret County Water System
Income Approach
Discounted Cash Flow Analysis - Water System
Table 8

Line No.	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Notes
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Footnotes: (1) See Table 6 (2) See Table 7 (3) See Table 5 (4) Based on 90 day buffer for cash expenses (5) See WACC analysis, Exhibit 2, Table H (6) Blue Chip Economic Indicators, Vol. 37, No. 4, December 10, 2021 (7) WACC minus Earnings Growth Rate (8) Free Cash Flows discounted at the WACC (9) Estimated Free Cash flow in 2031 divided by Capitalization Rate (10) Terminal Value discounted at the WACC from 2031 to 2022 (11) Sum of the NPV of 2021-2030 Free Cash Flows Plus the NPV of the Terminal Value											

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EXHIBIT 2: COST OF CAPITAL (DISCOUNT RATE)

REPORT

**FAIR VALUE APPRAISAL OF THE
WATER SYSTEM IN CARTERET COUNTY**



**Carteret County Water System
Water System Valuation
Estimation of Weighted Average Cost of Capital as of January 1, 2022**

TABLE A: UNLEVERING WATER UTILITY PROXY GROUP BETAS

Row No	Column A	Column B	Column C	Column D	Column E	Column F	Column G
	Company	Ticker Symbol	% Debt in Capital Structure [1]	Tax Rate [2]	% Equity in Capital Structure	Levered (Published) Beta [3]	Unlevered Beta [4]
1	American States Water	AWR	48.5%	24.0%	51.5%	0.65	0.38
2	American Waterworks	AWK	61.5%	23.5%	38.5%	0.90	0.41
3	Artesian Resources Corp	ARTNA	45.0%	21.0%	55.0%	0.75	0.46
4	California Water Services Group	CWT	45.5%	21.0%	54.5%	0.70	0.42
5	Essential Utilities	WTRG	56.0%	6.0%	44.0%	1.00	0.46
6	Middlesex Water	MSEX	41.5%	21.0%	58.5%	0.70	0.45
7	SJW Group	SJW	51.0%	21.5%	49.0%	0.80	0.44
8	York Water Company	YORW	42.5%	21.0%	57.5%	0.85	0.54
9	Average		48.9%	19.9%	51.1%	0.79	0.44

Footnotes:

[1] Capital structure as forecast by Value Line Investment Survey reports prior to date of valuation.

[2] Income tax rates as forecast by Value Line Investment Survey reports prior to date of valuation. Assumed 21% rate if forecast

[3] Most recent Value Line Investment Survey reports prior to date of valuation.

[4] See *Valuing a Business*, Fourth Edition, by Pratt, Reilly and Schweihs, page 169. Published betas for publicly traded stocks reflect the actual financial leverage of the company's capital structure. An unlevered beta is the beta the company would have if it had no debt. Unlevering the betas removes the effect of each company's financial leverage on the guideline betas.

$$B_U = B_L / (1 + (1 - t)(W_d/W_e))$$

where B_U = Beta unlevered

B_L = Beta levered

t = tax rate for company

W_d = Percent debt in the capital structure

W_e = Percent equity in the capital structure



**Carteret County Water System
Water System Valuation
Estimation of Weighted Average Cost of Capital as of January 1, 2022**

TABLE B: RELEVING GUIDELINE COMPANY BETA

	Column A	Column B	Column C	Column D	Column E
Row No.	Debt [1]	Tax Rate	Equity	Unlevered Beta	Beta Levered [2]
1	48.9%	19.9%	51.1%	0.44	0.78

Footnotes:

[1] Average debt, tax rate and beta for water utility proxy group shown in Table A

[2] Levered beta calculated based on formula provided in *Valuing a Business*, Fourth Edition, by Pratt, Reilly and Schweihs, page 169.

$$B_L = B_U [1 + (1-t)(W_d/W_e)]$$

where B_U = Beta unlevered

B_L = Beta levered

t = tax rate for company

W_d = Percent debt in the capital structure

W_e = Percent equity in the capital structure



**Carteret County Water System
Water System Valuation
Estimation of Weighted Average Cost of Capital as of January 1, 2022**

TABLE C: CAPITAL ASSET PRICING MODEL (USING CRSP SIZE PREMIA) [1]

Row No.	Column A	Column B	Column C	Column D	Column E	Column F
	Methodology				Amount	Notes
1	Step One:		Risk Free Investment Rate		1.94%	Risk Free Rate (RFR) was selected, representing the 20-Year Treasury Constant Maturity Rate available on 12/31/2021 at the Federal Reserve Bank.
2	Step Two:	<i>Plus</i>	Equity Risk Premium [2]		6.2%	
3		<i>Times</i>	Beta		0.78	Table B: Levered Beta
4					4.8%	Valuation Date Average Market Return
5	Step Three:	<i>Plus</i>	Size Premium [3]		5.26%	CRSP Size Premium (Return in Excess of CAPM), Decile 10
6	Step Four:	<i>Equals</i>			12.0%	Cost of Equity

Footnotes:

[1] Source: Business Valuation Resources Cost of Capital Professional

[2] The Historical ERP calculated using the S&P 500 average annual return of 11.98% derived from CRSP data for the 1928 - 2021 period and a 5.78% 20-year T-Bond average annual return (Reconstructed) for the same timeframe.

[3] The Size Premium was based on CRSP decile 10 which included 622 firms with an equity market capitalization size ranging from \$10,588,000 to \$289,007,000 in Q4 2021. The mean annual return for the S&P 500 for the same period was 11.98%. The difference between the CRSP mean decile return and the S&P 500 mean return was adjusted by the beta of CRSP decile 10 of 1.39.



Carteret County Water System
Water System Valuation
Estimation of Weighted Average Cost of Capital as of January 1, 2022

TABLE D: WEIGHTED AVERAGE COST OF CAPITAL (USING CRSP SIZE PREMIA)

Row	Column	Column	Column	Column	Column
	A	B	C	D	E
No.	Description				Amount
1	Percent Debt in Capital Structure [1]				48.9%
2	Cost of Debt [2]				4.29%
3	Effective Tax Rate [3]				23.0%
4	Percent Equity in Capital Structure				51.1%
5	Cost of Equity [4]				12.0%
6	Weighted Average Cost of Capital [5]				7.8%
7	[1]	Average capital structure based on utility proxy group. See Table A			
8	[2]	Corporate Bond Rates, Baa (%) - 2022 Forecast Annual Average - Blue Chip Economic Indicators - Volume 38, No. 1			
9	[3]	Effective Federal and State tax at 21% federal income tax rate and 2.5% state income tax			
10	[4]	Average of cost of equity using the Capital Asset Pricing Model in Table C			
11	[5]	$WACC = W_d(k_d)(1-t) + W_e(k_e)$			
12		where			
13		W_d = Percent debt in the capital structure			
14		k_d = Cost of debt			
15		t = tax rate			
16		W_e = Percent equity in the capital structure			
17		k_e = Cost of equity			



**Carteret County Water System
Water System Valuation
Estimation of Weighted Average Cost of Capital as of January 1, 2022**

TABLE E: CRSP Capital Asset Pricing Model Assumptions

The 01/01/2022 cost of capital analysis for Carteret County was completed on 05/12/2022 using the Q4 2021 Cost of Capital Professional study. Returns were selected and calculated for the time period ranging from 1928 to 2021 using an arithmetic mean.

The Capital Asset Pricing Model was selected based on professional judgment for the calculation of the cost of equity capital. The various components selected are as follow:

CoE = RFR + (Beta*ERP) + SP

12.04% = 1.94% + [0.78 * 6.21%] + 5.26%

A **1.94%** Risk Free Rate (RFR) was selected, representing the 20-Year Treasury Constant Maturity Rate available on 1/01/2021 at the Federal Reserve Bank.

A beta of **0.78** was selected based on professional judgment.

A **6.21%** Equity Risk Premium (ERP) was selected, representing the Historical ERP calculated using the S&P 500 average annual return of 11.98% derived from CRSP data for the 1928 - 2021 period and a 5.78% 20-year T-Bond average annual return (Reconstructed) for the same timeframe.

A **5.26%** Size Premium (SP) was selected. The Size Premium was based on CRSP decile 10 which included 622 firms with an equity market capitalization size ranging from \$10,588,000 to \$289,007,000 in Q4 2021. The mean annual return for the S&P 500 for the same period was 11.98%. The difference between the CRSP mean decile return and the S&P 500 mean return was adjusted by the beta of CRSP decile 10 of 1.39.

Cost of Capital Professional returned a **12.04%** cost of equity capital for Carteret County as of 01/01/2022 based on the Capital Asset Pricing Model.

In addition, the Weighted Average Cost of Capital (WACC) was also computed for Carteret County. Given the components selected the formula used is as follows:

WACC = (CoE * We) + (KdPreTax * (1 - t) * Wd)

7.59% = (12.04% * 51.10%) + (4.29% * (1 - 22.98%) * 48.90%)

An equity percentage of **51.10%** was selected.

A debt percentage of **48.90%** was selected.

A borrowing rate (pre-tax cost of debt) of **4.29%** was selected.

A tax rate of **22.98%** was selected.

Cost of Capital Professional returned a **7.8%** WACC for Carteret County as of 01/01/2022.

Disclaimer: Items included in the analysis based on professional judgment were not provided by Cost of Capital Professional. Additionally, the cost of equity model (Build-Up or CAPM) is chosen by the professional based on professional judgment using skill, knowledge, experience, education, and training.

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**Carteret County Water System
Water System Valuation
Estimation of Weighted Average Cost of Capital as of January 1, 2022**

TABLE F: CAPITAL ASSET PRICING MODEL (USING KROLL RISK PREMIA)

	Column A	Column B	Column C	Column D	Column E	Column F
Row No.	Methodology				Amount	Notes
1	Step One:		Risk Free Investment Rate [1]		2.5%	Kroll Normalized Risk Free Rate
2	Step Two:	Plus	Equity Risk Premium [1]		5.5%	Kroll Recommended U.S. Equity Risk Premium
3		Times	Beta		0.78	Table B: Levered Beta
4					4.3%	Valuation Date Average Market Return
5	Step Three:	Plus	Size Premium [1]		5.2%	Kroll Size Premium (Portfolio 25)
6	Step Four:	Equals			12.0%	Cost of Equity
7	Footnotes:					
8	[1] Source: Kroll Cost of Capital Navigator					



**Carteret County Water System
Water System Valuation
Estimation of Weighted Average Cost of Capital as of January 1, 2022**

TABLE G: WEIGHTED AVERAGE COST OF CAPITAL (USING KROLL RISK PREMIA)

	Column A	Column B	Column C	Column D
Row				
No.	Description			Amount
1	Percent Debt in Capital Structure [1]			48.9%
2	Cost of Debt [2]			4.29%
3	Tax Rate [3]			23.0%
4	Percent Equity in Capital Structure			51.1%
5	Cost of Equity [4]			12.0%
6	Weighted Average Cost of Capital [5]			7.7%

Footnotes:

- [1] Average capital structure based on utility proxy group. See Table A
- [2] Corporate Bond Rates, Baa (%) - 2022 Forecast Annual Average - Blue Chip Economic Indicators - Volume 38, No. 1
- [3] Effective Federal and State tax at 21% federal income tax rate and 2.5% state income tax
- [4] Average of cost of equity using the Capital Asset Pricing Model in Table F
- [5] $WACC = W_d(k_d)(1-t) + W_e(k_e)$
- where
- W_d = Percent debt in the capital structure
- k_d = Cost of debt
- t = tax rate
- W_e = Percent equity in the capital structure
- k_e = Cost of equity



Carteret County Water System
Water System Valuation
Estimation of Weighted Average Cost of Capital as of January 1, 2022

TABLE H: WEIGHTED AVERAGE COST OF CAPITAL

Row No.	Column A	Column B	Column C	Column D
	Description			Amount
1	CRSP Risk Premia WACC			7.8%
2	Kroll Risk Premia WACC			7.7%
3	Average Weighted Cost of Capital [1]			7.8%

Footnotes:
[1] Average WACC = (CRSP WACC + D&P WACC) / 2

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EXHIBIT 3: DRAPER ADEN ASSOCIATES ENGINEER REPORT

REPORT

**FAIR VALUE APPRAISAL OF THE
WATER SYSTEM IN CARTERET COUNTY**

Carteret County, NC
Laurel Road / Merrimon Water Systems

UPDATE TO PRESENT VALUE OF WATER SYSTEM

December 2021
Revised March 2022

Prepared by:



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*Update to Present Value of Water System**December 2021**Revised March 2022**Carteret County, NC*

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Background

Carteret County owns and operates two groundwater wells for water supply. The first well is located just East of Sowers Drive on Laurel Road, Beaufort, NC 28516, and the extracted groundwater is treated at the onsite Laurel Road Water Treatment Plant (WTP) before is it pumped to three (3) elevated storage tanks for distribution within the community. The system serves approximately 1,226 customers. The County also owns and operates a small water system known as the Merrimon Water System, approximately 20 miles north of Laurel Rd and Merrimon Rd intersection. The water system consists of the Jonaquins Creek Well and an above-ground water storage tank, and it serves approximately 27 customers. (The attached Appendix A system map further details the layout and location of the system and components.)

Draper Aden performed a water system feasibility study in 2019 to look at a merger with a local municipality, which established a monetary value for the County's water system assets, among other conclusions. This document is meant to update that number to a more current value. The original report can be found in Appendix B.

Assumptions / Limitations

In order to assess the changes to the value of the water systems owned by Carteret County, the following was assumed:

- Conditions of Carteret County's water system assets stated in the 2019 Feasibility Study have not significantly changed and remains an accurate depiction of current conditions.
- Book Value approach was used in estimating the value of fixed assets. Straight Line Depreciation was used to estimate depreciated value of water system assets. For the purpose of estimation, the salvage value of each system component was assumed to be zero dollars (\$0).
- The 2019 analysis for the projected 2020 fiscal budget is accurate to current financial conditions; an updated analysis for 2020 and 2021 budgets and expenses was not performed.
- To account for inflation since the 2019 feasibility study, several present book values which were estimated in the 2019 report have been increased by 5%.

*Update to Present Value of Water System**December 2021**Revised March 2022**Carteret County, NC*

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Results / Conclusions

The water system assets owned by Carteret County have an estimated value of approximately \$12.7 million. A detailed breakdown of this value can be found in Tables 1 and 2.

However, if the water system assets were to be replaced in full today, that number would need to be increased significantly due to rising construction costs, particularly over the past few years. The estimated replacement cost for the Carteret County water system assets is \$24.8 million. A detailed cost for replacement of the water system can be found in Table 3.

The remainder of the major findings and recommendations reported in the 2019 feasibility study hold true.

Attachments:

Table 1: Estimated Book Value of Carteret County Water System

Table 2: Present Book Value of Carteret County Water System

Table 3: Estimated Replacement Cost for Water System Assets

Appendix A: Figure 1 Carteret County Water System Map

Appendix B: 2019 Feasibility Study for Water System Merger

Table 1. Estimated Book Value of Carteret County Water System

Assets	Date of Acquisition	Design Life (yrs)	Historical Cost (\$)	Total Useful life (months)	Net Amount to Be Depreciated (\$)	Accumulated Depreciation (\$)	Current Depreciation (\$)	Total Depreciation (\$)	Present Book value of Asset (\$)
Booster Pump 1	2012	50	174,284	600	174,284	26,433	3,486	29,919	144,365
Booster Pump 2	2012	50	253,111	600	253,111	38,389	5,062	43,451	209,661
Booster Pump 3	2012	50	<u>253,111</u>	600	253,111	38,389	5,062	<u>43,451</u>	<u>209,661</u>
Subtotal			680,507				Subtotal	116,820	563,686
Water Tank 1	1988	50	619,263	600	619,263	391,168	12,385	403,553	215,710
Water Tank 2	2012	50	689,091	600	689,091	104,512	13,782	118,294	570,797
Water Tank 3	2012	50	<u>765,262</u>	600	765,262	116,065	15,305	<u>131,370</u>	<u>633,892</u>
Subtotal			2,073,616				Subtotal	653,217	1,420,399
Total			2,754,123				Total	770,037	1,984,085

Update to Present Value of Water System

December 2021

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Carteret County, NC

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Table 2. Present Book Value of Carteret County Water System

System No	Description	Present Book value of Asset (\$)
SCADA		
Booster Pump House1	SCADA System*	294,000
Land		
Laurel Road Aerial Tank	Land Property	25,428
Laurel Road Treatment Plant	Land Property	57,220
Jonaquins Creek Water House	Land Property	26,097
Aerial Tank	Land Property	130,312
Booster Pump Station-1	Land Property	40,578
Booster Pump Station-2	Land Property	35,312
Booster Pump Station-3	Land Property	34,160
Elevated Tank	Land Property	20,615
	Sub Total	369,722
Well House	Water withdrawal house*	210,000
Jonaquins Creek Well House and Storage	Merrimon Water System*	420,000
Fire Hydrants	Fire rescue purposes	300,000
Water Treatment Plants	Supply/Distribution*	1,575,000
Piping System		
2" PVC	(26,400 ft, \$10/ft)	264,000
4" PVC	(1,320 ft, \$16/ft)	21,120
6" PVC	(151,588 ft, \$24/ft)	3,638,112
6" Ductile	(4,700 ft, \$28/ft)	131,600
8 " PVC	(104,477 ft, \$28/ft)	2,925,356
8" Ductile	(3,235 ft, \$32/ft)	103,520
10" PVC	(3,168 ft, \$34/ft)	107,712
	Sub Total*	7,550,991
	Total (\$)	10,719,713

*Value has been increased by an additional 5% from the 2019 feasibility study

Update to Present Value of Water System

December 2021

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Carteret County, NC

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Table 3. Estimated Water System Replacement Cost

System Item	Estimated Service Life (Years)	Description	Estimated Replacement Cost
SCADA System	20		\$150,000
Water Treatment Plants	50		\$2,000,000
Well House	50		\$350,000
Fire Hydrants	60	Approx. 100	\$500,000
Booster Pump Station 1	50		\$250,000
Booster Pump Station 2	50		\$300,000
Booster Pump Station 3	50		\$300,000
Water Tank 1	50		\$850,000
Water Tank 2	50		\$900,000
Water Tank 3	50		\$1,000,000
Piping System			
2" PVC	60	(26,400 ft, \$35/ft)	
4" PVC	60	(1,320 ft, \$45/ft)	
6" PVC	60	(151,588 ft, \$60/ft)	
6" Ductile	65	(4,700 ft, \$65/ft)	
8 " PVC	60	(104,477 ft, \$70/ft)	
8" Ductile	65	(3,235 ft, \$75/ft)	
10" PVC	60	(3,168 ft, \$80/ft)	
Piping Subtotal			18,193,635
		Total Estimated Replacement Cost	24,793,635

*Estimated costs based on known information of the water system

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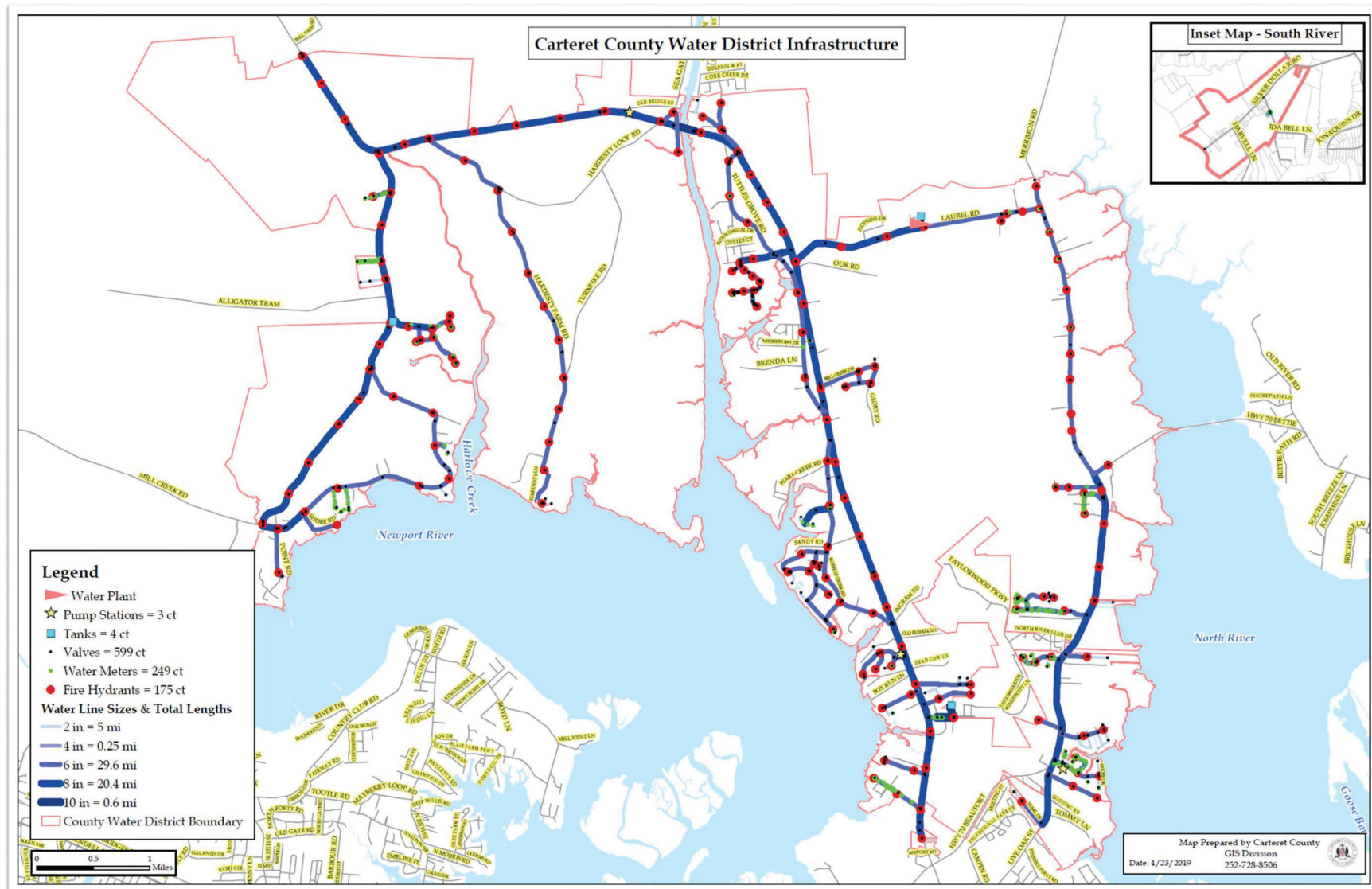


Figure 1 Carteret County Water System Map

FEASIBILITY STUDY FOR WATER SYSTEM MERGER

Carteret County, NC



December 2019


DAA Project Number: 18080125-010204




Draper Aden Associates
Engineering • Surveying • Environmental Services

3RD PARTY REVIEW

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Nov 22 2022



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EXECUTIVE SUMMARY

Carteret County (the County) retained Draper Aden Associates (DAA) to evaluate the feasibility of a "merger" of the County's water systems with Town of Beaufort's (the Town) water system. The proposed "merger" would entail the Town of Beaufort taking over the ownership and operation of the County's water systems.

The following tasks were performed:

1. Evaluated the County's water systems assets and maintenance programs.
2. Developed estimated present value of the County's water systems.
3. Reviewed current staffing and potential impacts on the Town's water system staffing, if the merger were to occur.
4. Reviewed the County's water rates, revenues, operating expenses and debt service.
5. Analyzed the projected fiscal impact on the Town of Beaufort water system, if the merger occurs.
6. Developed recommendations for a win-win merger condition for both the Town and the County.

Major findings from the study include:

1. County's water infrastructure is well documented and in good condition.
2. Estimated present value of the County's water system is approximately \$12.3 million.
3. County's current water rate (\$55.10 / 5,000 gallons) is less than the Town's out of town water rate (\$58.79 / 5,000 gallons).
4. County has outstanding water debt of \$2,066,128 (principal only) which will be retired in Fiscal Year 2051-2052.
5. The operating expenses of the County's water system have exceeded revenues in recent years and the deficits have been subsidized by the tax revenues generated from the Special Water Tax District. FY 2019 is the first year where projected expenses will be lower than the revenue. The County believes that FY 2019 will be the new normal as the water system is in good condition now, and the County does not have any need for large capital investment in the foreseeable future.
6. Currently, the County has three (3) water staff and the Town has four (4) water staff. The merged system will need services of a full-time and part time County staff in addition to the four (4) Town staff. There will be a \$165,000 savings in staff compensation. These excess funds can be used for system upgrades or capital expenditures.

DAA's findings show that a merger will be beneficial for both the County and the Town, but to make it workable for the Town, DAA made some recommendations.

**Recommendations:**

1. The County transfers the water systems to the Town at a cost of \$1.
2. The County continues to pay off the current debt service (\$245,800 / per year) for next 11 years to retire the debt earlier and remove or modify the water tax district after debt retirement.
3. Based on the current tax rate, the County will have excess fund (difference between water district tax revenue and debt service fee, \$177,000 per year) after merger until the debt is retired. County will work in good faith with the Town utilizing these funds for upgrades and expansions to the system during the 11-years debt pay-down period. County may also continue to participate in extensions and upgrades beyond the 11 years, for specific county needs within the existing water district boundaries.
4. The Town will maintain the water rates for the special water district at a rate that is less than the County water rates at the merger date and can increase or decrease the rates in future by the same percentage change as the in-Town water rates.

Benefits for the Town:

1. Acquisition of \$12.3 million worth of infrastructure without any financial investment.
2. Expansion of Town's water system and customer base.
3. County's financial support for at least 11 years to address special capital and maintenance issues in the system previously owned by the County.
4. Potential opportunity for annexation.

The advantages of this potential merger outweigh the few economic and financial limitations. Prior to merger of these water systems, the County and Town will need to address all legal and financial aspects of the merger, which will require good-faith negotiations from both entities.

-- End of Section --



1.0 INTRODUCTION

Carteret County and the Town of Beaufort are interested in “merging” the water systems of the two entities – with the Town taking over ownership and operation of the County’s water system.

1.1 Objectives

The objective of this feasibility study is to determine the value of Carteret County’s water systems, understand the staffing needs to operate and maintain the County’s systems, evaluate the financial condition of the County’s water department, identify the potential impact of the proposed merger on the utilities, and develop recommendations to make the merger beneficial for the Town and the County. The findings and recommendations are documented in this DRAFT report for further discussions with the County and the Town staff. This report will be updated based on the discussions between the County and the Town to be facilitated by DAA.

1.2 Report Organization

This report is organized as outlined below:

- ◆ Chapter 2.0 (Carteret County Water System Assessment) describes the County’s water system including land, physical assets, maintenance programs, and near-term capital improvement program.
- ◆ Chapter 3.0 (Estimated Current Value of Carteret County’s Water System) describes the monetary value of the assets and how the values were calculated.
- ◆ Chapter 4.0 (Organization of Carteret County Water Department) describes the current staffing structure and responsibilities.
- ◆ Chapter 5.0 (Revenues and Expenses of Carteret County Water System) describes the water rates, debt service and current financial conditions.
- ◆ Chapter 6.0 (Feasibility of Merger) describes the Town of Beaufort system, advantages to the Town in taking over the Carteret County System, and recommendations to make the merger beneficial to both the County and the Town.
- ◆ Chapter 7.0 (Conclusion) describes the outcome of this feasibility study.

-- End of Section --



2.0 CARTERET COUNTY WATER SYSTEM ASSESSMENT

2.1 System Overview

Carteret County (the County) relies on two groundwater wells for water supply. Water from the first well is treated at the Laurel Road Water Treatment Plant before it is pumped to three (3) elevated storage tanks for distribution within the community. These storage tanks are located with water lines extending to the Craven County line along NC Highway 101 and into the Mill Creek area. There are also water lines extending from the Beaufort Town limits along Highway 70 to East Carteret High School and along Merrimon Road to Laurel Road. The system serves approximately 1,206 customers.

The County also owns and operates a small water system about 20 miles north of Laurel Rd and Merrimon Rd intersection. This small system known as Merrimon Water System (MWS), serves approximately 25 – 30 customers. MWS receives water from the Jonaquins Creek well that consists of a well and an above-ground storage tank.

A map showing Carteret County's water system (including its water district boundary) is shown in Figure 1 of Appendix A. The MWS is shown at the inset of Figure 1 and in Figure 2 of Appendix A.

MWS system is an integral part of the County's water system and should be included in any potential water system merger or transfer discussions. Legalities of such a merger / transfer will be agreed upon and processed by participating agencies prior to acceptance and completion of the merger process.

2.2 Special Water Tax District

The Board of Commissioners of Carteret County established the Special Water Tax District (SWTD) in 2010. Within this district, there is a special tax assessed to taxpayers for water supply and distribution services. The tax rate in the special water district has been 5.5 cents since 2012. In addition, sales tax revenues in the SWTD are used to support the water operations. Table 1 provides the revenue and expenditures for the SWTD for FY2018, FY2019 and FY2020.

**Table 1. Revenue and Expenses for the Special Water Tax District**

	FY 2018 (Actual) \$	FY 2019 (Amended Budget) \$	FY2020 (Budget) \$
Expenditure Category			
Fees	1,240	3,000	3,000
Transfer to Water Fund	433,600	400,000	420,000
Total	434,840	403,000	423,000
Revenue Sources			
Ad Valorem Taxes	299,136	292,000	292,000
Sales Tax	96,329	95,000	100,000
Interest	1,505	1,000	6,000
Appropriated Fund Balances	0	15,000	25,000
Total	396,969	403,000	423,000

2.3 Water System Assets

The County water system assets include water mains, valves, water meters, fire hydrants, tanks, booster pump stations, a Supervisory Control and Data Acquisition (SCADA) system and land parcels. These assets are listed in Table 2.

Table 2. Water System Assets of Carteret County

Items	Quantity		Description
Water Plant	1		
Land	8 Parcels	16.49 acres	
Pump Stations/Pump Houses	3		Booster Pumps 1, 2, and 3
Water Tanks	4		3 elevated tanks and one ground tank
Valves	599		
Water Meters	1,206		
Fire Hydrants	175		
Water Lines	5 miles	2 inches	
	0.25 miles	4 inches	



Items	Quantity	Description
	29.6 miles	6 inches
	20.4 miles	8 inches
	0.6 miles	10 inches
SCADA System	1	Management of elevated water tanks and Jonaquins Creek well house

2.3.1 Storage Tanks

Details for the three elevated storage tanks are provided in Table 3.

Table 3. Elevated Water Tanks

Types of Tanks	Capacity (gallons)	Manufacturer	Design Type	Year Constructed
Taylor Farm Road Tank	200,000	Caldwell	Torus Bottom	2012
Laurel Road Tank	200,000	Phoenix	Double Ellipsoidal	1988
Mayflower Drive Tank	200,000	Phoenix	Torus Bottom	2012

2.3.2 Pump Stations

The County has three booster pump stations. Details of these pump stations are shown in Table 4.

Booster Pump 2 provides water at the emergency connection between the Town of Beaufort and the County.

Table 4. Pump Stations

Types of Pump	Cat No/Model Number	Manufacturer	Horsepower (HP)	Design Type (RPM)	Installation Date
Booster Pump #1	R5P 3D/H317	Emerson Motor Co.	5	1170	2012*
Booster Pump #2	EM3774T	Baldor Electric Co.	10	1760	2012
Booster Pump #3	EM3770T	Baldor Electric Co.	7.5	1770	2012

*Estimated, actual date of installation is not available.



2.3.3 Land

The total acreage utilized by the County's water system is approximately 16.49 acres. Table 5 summarizes the properties, the street address and the acreage.

Table 5. Carteret County Water System Property

Property	Address	Total Acres
Laurel Road Aerial Tank	524 Laurel Road	2.04
Laurel Road Treatment Plant	526 Laurel Road	8.12
Jonaquins Creek Water House	150 Jonaquins Creek Road	0.82
Taylor Farm Elevated Tank	209 Taylor Farm Road	1.01
Booster Pump Station #1	142 Shell Landing Road	0.47
Booster Pump Station #2	1109 Hwy 101	0.60
Booster Pump Station #3	3510 Hwy 101	2.56
Mayflower Drive Elevated Tank	104 Mayflower Drive	0.87
Total		16.49

2.4 Asset Maintenance

2.4.1 Pipeline Maintenance

The County's Public Works Department (PWD) performs system maintenance including, but limited to, the following:

- ◆ Detection and repair of leaks in the pipe lines
- ◆ Maintenance of booster pumps and other associated components of the water distribution system
- ◆ Maintenance and replacement of water meters, valves and fire hydrants
- ◆ Water service installations and / or inspections

2.4.2 Tank Maintenance

Southern Corrosion Inc (SCI) has an existing water tank management addendum to contract with the County until year 2030. Per contract, the tanks will be inspected every year and will be washed-out at five (5) year intervals. The tank interior will be recoated at fifteen (15) year intervals, and the exterior will be recoated at five (5) year intervals. The next wash-out is scheduled for year eight (8) of the service



(year 2023), repainting of the tank exterior is scheduled for year twelve (12) of the service (year 2027) repainting of tank interior is scheduled for year twelve (12) of the service (2027).

The contract does not include the complete abrasive blasting of tank exterior nor the pressure washing of tank exterior as a stand-alone apart from a surface preparation for painting.

SCI provides the following services to the County in accordance with the tank's maintenance program:

- ◆ Emergency services (tank leaks, tank failures, etc.)
- ◆ Scheduled cleaning/washout of tanks interiors
- ◆ Inspection of interior and exterior surfaces of tanks
- ◆ Application of protective coatings
- ◆ Maintenance, upkeep and long-term maintenance needs

Table 6 below indicates the scheduled maintenance activities that have taken place under this contract for the last four years. Based on the 2018 inspection results as shown in Table 6, all three tanks are in good condition without any serious deficiencies that require immediate attention.

2.5 Carteret County Water System Capital Improvement Plan

In 2013, the County completed a \$3.51 million water system improvement project. Since 2013, there has been little need for significant capital projects; there were no capital projects scheduled in FY2019 and the FY2020 budget does not include any. The County continues to fund "pay as you go" capital projects, as needed. Recent capital investments include:

- ◆ Fiscal Year 2011: WTP Telemetry Base Upgrade, Addition of 10-inch Color MMI, Replace Tank Level Meter/Digital DSP-MMI, Use Existing Probe Relays-Raw Well Control, and Replace Remotes /Upgrade Phone Line and Radio. Total cost for upgrade was \$27,998.
- ◆ Fiscal Year 2016: BPS Flow Meter and RTU Repair. Total cost for repair was \$4,697.
- ◆ Fiscal Year 2017: Discharge Pump Station SCADA TIE-IN. Total cost for this implementation was \$3,309.
- ◆ Fiscal Year 2018: Softener and filter refurbishment. The total cost was \$121,446

Overall, the water system is in good condition and the County is not expecting any major capital investment in the near future.

**Table 6. Tank Maintenance Report (2015-2018)**

Tank	Year Constructed	Year-2015	Year-2016	Year-2017	Year-2018
Taylor Farm Road Tank	2012	The tank, its components, and coating systems are in good condition. The interior coating system deficiencies ranged between 0% and 10%, whereas, the exterior coating deficiencies ranged between 0%-2%. Some of the exterior deficiencies included; Pin Point Rust, and Irregular Surface Deterioration. No visual deficiencies were observed pertaining to internal coating system. The safety inspection yielded satisfactory and compliant results pertaining to structural integrity of exterior, storage, safety, and other associated components	The tank, its components, and coating systems are in good condition. The interior coating system is free of any premature failure and provides adequate protection to the structure. The upper portions of the leg ladder, sway rods, and shell wall ladder are showing signs of premature coating failure causing surface corrosion. Repair and scheduled maintenance maybe required	There was no maintenance required during this time. The coating in the exterior and interior are in excellent condition	No deficiencies or touchups were noted, and the overall visual appearance of the water tank is satisfactory
Laurel Road Tank	1988	The tank, its components, and coating systems are in good condition. The interior coating system deficiencies ranged between 0% and 10%, whereas, the exterior coating deficiencies ranged between 0%-2%. Some of the exterior deficiencies included; Irregular Surface Deterioration, Mildew, Peeling Multiple Coats, and Undercutting. Deficiencies pertaining to internal coating system included Pin Point Rust, and Irregular Surface	There were no deficiencies or touch ups noted and the overall visual appearance of the water tank (internal and external) is satisfactory. The obstruction light on tank roof was repaired	Both exterior and interior protective coating seems to be in excellent condition. The interior and exterior coating systems are free of any serious deficiencies and provides adequate protection to the structure.	The water tank, its components, and coating systems are in good condition. The interior and exterior coating systems are free of any serious deficiencies and provides adequate protection to the structure.



		Deterioration. The safety inspection yielded satisfactory and compliant results pertaining to structural integrity of exterior, safety, and other associated components. The side wall coating of the storage exterior needs to be monitored as per the report.		
Mayflower Drive Tank	2010	The tank, its components, and coating systems are in good condition. The interior coating system deficiencies ranged between 0% and 10%, whereas, the exterior coating deficiencies ranged between 0%-2%. Some of the exterior deficiencies included; Pin Point Rust, Irregular Surface Deterioration, etc. No visual deficiencies were observed pertaining to internal coating system. The safety inspection yielded satisfactory and compliant results pertaining to structural integrity of exterior, storage, safety, and other associated components	The tank, its components, and coating systems are in good condition. The interior coating system is free of any premature failure and provides adequate protection to the structure. On the exterior, such as the ladder and sway/spider rods, are showing signs of premature failure and surface corrosion. Repair and a scheduled maintenance may be required.	Exterior deficiencies included Mildew, Fading, Chalking, Irregular Surface Deterioration, Undercutting, Peeling Paint to Substrate. Adhesion failures and surface corrosion present on 20% of the surfaces. 10% Adhesion failures and surface corrosion observed on the rods and struts. And close to 2% adhesion failure and surface corrosion observed on the catwalk and handrails. The interior protective coating system seems to be in excellent condition
		Structural wise, the tank is in good condition, but a planned renovation needs to be scheduled by the County Officials. A weathered and weakened coating system is nearing the end of its protective cycle		

-- End of Section --



3.0 ESTIMATED CURRENT VALUE OF THE CARTERET COUNTY WATER SYSTEM

3.1 Theory of Asset Valuation

DAA estimated the value of the County's water system using an asset evaluation approach as described below.

Book Value (BV) approach was used in estimating the value of the fixed assets. The BV approach uses equation (1) to estimate the present worth of an asset as stated below:

$$\text{Present BV of Asset (\$)} = \text{Historical Cost (\$)} - ((\text{Accumulated Depreciation (\$)} + \text{Current Depreciation (\$)}) \quad (1)$$

Traditionally, straight line depreciation (SLD) technique is used to estimate depreciated value of water system assets. Historical cost represents the cost of the assets on the day of acquisition. DAA was able to locate financial records pertaining to purchase prices on some of these assets from the County's finance department.

Accumulated depreciation is calculated using equation (2), and incorporates useful life of the water distribution system component:

$$\text{Accumulated depreciation (\$)} = (\text{Net Amount to be depreciated} / \text{Total useful life in months}) \times ((\text{Fiscal year beginning date} - \text{date of acquisition}) / 30.4167) \quad (2)$$

The value of 30.4167 is used for converting days to months.

Depreciation value (\$) for each asset for the current year is estimated using the following equation:

$$\text{Current Depreciation (\$)} = \text{Net amount to be depreciated (\$)} / \text{Total useful life (months)} \quad (3)$$

The equation (3) may be modified if the depreciation amount (\$) in equation (3) exceeds the difference of net amount to be depreciated and accumulated depreciation. The revised equation for Current Depreciation is stated below:

$$\text{Depreciation Current Year (\$)} = \text{Net Amount to be depreciated (\$)} - \text{Accumulated depreciation (\$)} \quad (4)$$



The Net amount to be depreciated (\$) is calculated using the equation (5)

$$\text{Net Amount to be depreciated (\$)} = \text{Historical Cost (\$)} - \text{Salvage Value (\$)} \quad (5)$$

For purpose of estimation, the salvage value of each system component was assumed at zero dollar (\$0). With this assumption, the net amount to be depreciated was equaled to the historical cost of the asset.

3.2 Estimated Value of the County's Water Systems

The County provided detailed asset data and historical costs for the pump stations and the water tanks. Book Value (BV) of these assets was calculated and is documented in Table 7. Historical cost data for other assets such as fire hydrants, the water treatment plant, water mains, and the SCADA system installed at Booster Pump 1 were not available, but the County provided financial data that detailed the present book value of the assets as listed in Table 8. Adding the total book values listed in the Tables 7 and 8, the net worth of the water system assets owned by the County was calculated to be approximately \$12,335,392.

*Feasibility Study for
Water System Merger***Table 7. Estimated Book Value of Carteret County Water System**

Assets	Date of Acquisition	Design Life (yrs)	Historical Cost (\$)	Total Useful life (months)	Net Amount to Be Depreciated (\$)	Accumulated Depreciation (\$)	Current Depreciation (\$)	Total Depreciation (\$)	Present Book value of Asset (\$)
Booster Pump 1	2012	50	174,284	600	174,284	19,462	3,486	22,947	151,337
Booster Pump 2	2012	50	253,111	600	253,111	28,264	5,062	33,326	219,785
Booster Pump 3	2012	50	<u>253,111</u>	600	253,111	28,264	5,062	<u>33,326</u>	<u>219,785</u>
Subtotal			680,507				Subtotal	89,600	590,907
Water Tank 1	1988	50	619,263	600	619,263	366,397	12,385	378,783	240,480
Water Tank 2	2012	50	689,091	600	689,091	76,949	13,782	90,730	598,361
Water Tank 3	2012	50	<u>765,262</u>	600	765,262	85,454	15,305	<u>100,759</u>	<u>664,502</u>
Subtotal			2,073,616				Subtotal	570,272	1,503,344
Total			2,754,123				Total	659,872	2,094,250

See Section 3.1 for the equations used in BV calculations

**Table 8. Present Book Value of Carteret County Water System**

System No	Description	Present Book value of Asset (\$)
SCADA		
Booster Pump House1	SCADA System*	280,000
Land		
Laurel Road Aerial Tank	Land Property	25,428
Laurel Road Treatment Plant	Land Property	57,220
Jonaquins Creek Water House	Land Property	26,097
Aerial Tank	Land Property	130,312
Booster Pump Station-1	Land Property	40,578
Booster Pump Station-2	Land Property	35,312
Booster Pump Station-3	Land Property	34,160
Elevated Tank	Land Property	20,615
	Sub Total	369,722
Well House	Water withdrawal house*	200,000
Jonaquins Creek Well House and Storage	Merrimon Water System*	400,000
Fire Hydrants	Fire rescue purposes	300,000
Water Treatment Plants	Supply/Distribution*	1,500,000
Piping System		
2" PVC	(26,400 ft, \$10/ft)	264,000
4" PVC	(1,320 ft, \$16/ft)	21,120
6" PVC	(151,588 ft, \$24/ft)	3,638,112
6" Ductile	(4,700 ft, \$28/ft)	131,600
8 " PVC	(104,477 ft, \$28/ft)	2,925,356
8" Ductile	(3,235 ft, \$32/ft)	103,520
10" PVC	(3,168 ft, \$34/ft)	107,712
	Sub Total	7,191,420
	Total (\$)	10,241,142

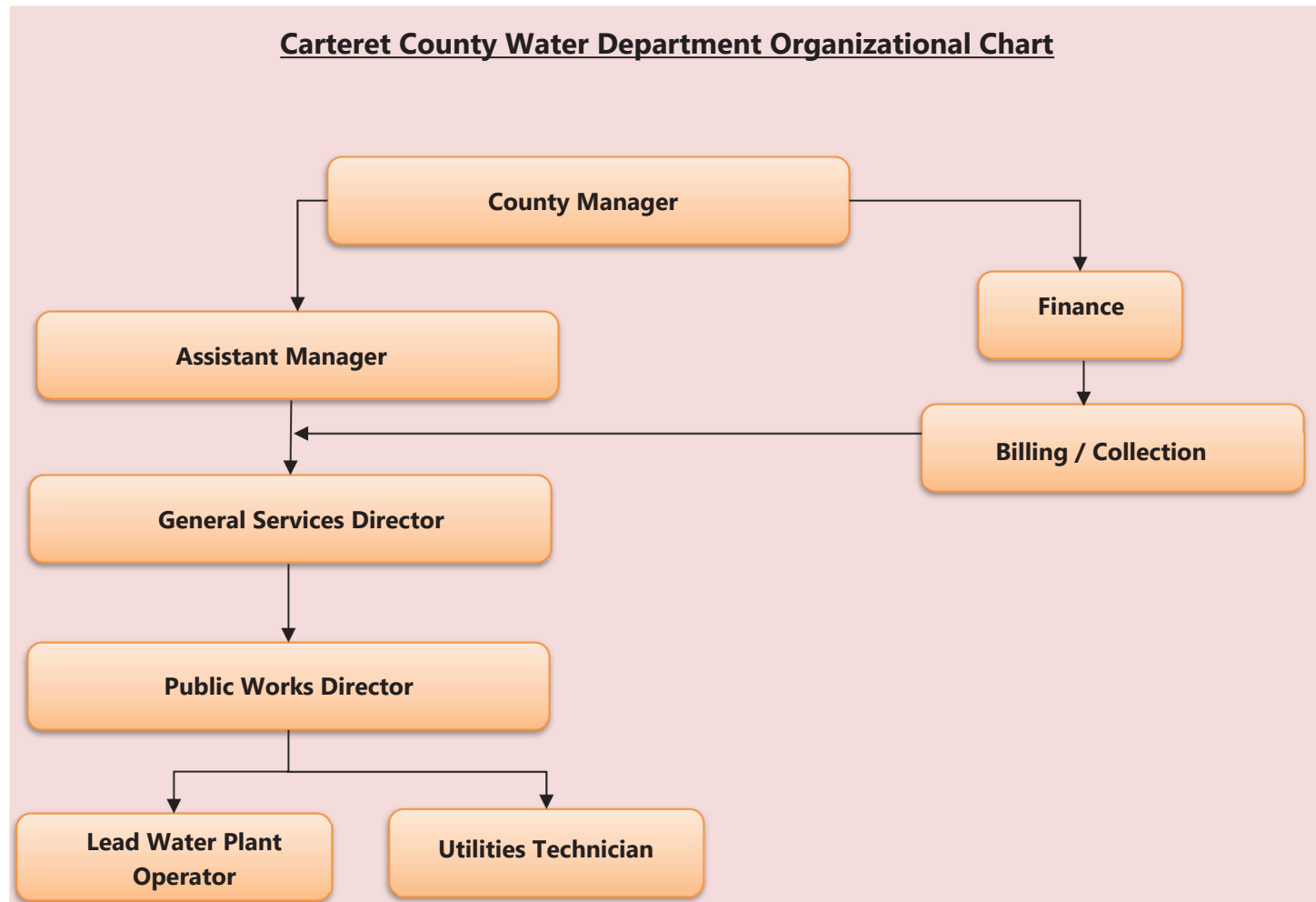
*Estimated value

--End of Section --



4.0 ORGANIZATION OF CARTERET COUNTY WATER DEPARTMENT

The County's water system is managed by the Public Works Department (PWD) Director. Water operations are managed by a lead water plant operator and utilities technician who report to the PWD Director. The PWD Directors reports to General Service Director who in turn is managed by the Assistant Manager of the County. The Assistant Manager reports to the County Manager. Billing and collection responsibilities for the systems are provided by the County Finance Office. An organizational chart for the Water Department is shown in Figure 1.

**Figure 1. Carteret County Organizational Chart**



5.0 REVENUES AND EXPENSES OF CARTERET COUNTY WATER SYSTEM

5.1 Water Rates

Currently, the County charges \$55.10 for every 5,000 gallons of water to customers who are billed per measurements recorded on a three-fourth (3/4) inch meter (See the County's Water Rate Sheet in Appendix B). There is a separate water rate structure for customers served by 1, 2, and 4-inch meters. The County has also developed a specific readiness to serve rate for the Merrimon water system customers. For this study, only three-fourth (3/4) inch meter is used to conduct comparative analysis of the water rates for both the County and the Town system.

The Town charges \$35.72 for every 5,000 gallons to in-town customers using three fourth (3/4) inch meters (See the Town's Water Rate Schedule in Appendix C). The comparative out-of-town water rate is \$58.79.

5.2 Outstanding Debts and Repayment Schedule

Current utility debt for the County is at \$2,066,128 with an estimated interest of \$619,319 until the loan amount is retired by the year 2052. Table 9 and Figure 2 below show the debt payment schedule for each year. The debt payment amount for each year will significantly lower after FY 2025-26 and the debt amount per year will remain relatively constant until the loans are completely retired.

Table 9. Water Utility Debt Payment Schedule for Carteret County

FY Year	Principal (\$)	Interest (\$)	Total Utility Debt (\$)	Years
FY 19-20	\$189,032	\$55,202	\$244,234	1
FY 20-21	\$190,032	\$49,835	\$239,867	2
FY 21-22	\$190,032	\$44,442	\$234,474	3
FY 22-23	\$191,032	\$39,047	\$230,079	4
FY 23-24	\$160,000	\$33,626	\$193,626	5
FY 24-25	\$161,000	\$29,989	\$190,989	6
FY 25-26	\$161,000	\$26,322	\$187,322	7
FY 26-27	\$22,000	\$22,660	\$44,660	8
FY 27-28	\$23,000	\$22,055	\$45,055	9
FY 28-29	\$23,000	\$21,423	\$44,423	10



*Feasibility Study for
Water System Merger*

FY Year	Principal (\$)	Interest (\$)	Total Utility Debt (\$)	Years
FY 29-30	\$24,000	\$20,790	\$44,790	11
FY 30-31	\$25,000	\$20,130	\$45,130	12
FY 31-32	\$25,000	\$19,443	\$44,443	13
FY 32-33	\$26,000	\$18,755	\$44,755	14
FY 33-34	\$27,000	\$18,040	\$45,040	15
FY 34-35	\$27,000	\$17,298	\$44,298	16
FY 35-36	\$28,000	\$16,555	\$44,555	17
FY 36-37	\$29,000	\$15,785	\$44,785	18
FY 37-38	\$30,000	\$14,988	\$44,988	19
FY 38-39	\$31,000	\$14,163	\$45,163	20
FY 39-40	\$31,000	\$13,310	\$44,310	21
FY 40-41	\$32,000	\$12,458	\$44,458	22
FY 41-42	\$33,000	\$11,578	\$44,578	23
FY 42-43	\$34,000	\$10,670	\$44,670	24
FY 43-44	\$35,000	\$9,735	\$44,735	25
FY 44-45	\$36,000	\$8,773	\$44,773	26
FY 45-46	\$37,000	\$7,783	\$44,783	27
FY 46-47	\$38,000	\$6,765	\$44,765	28
FY 47-48	\$39,000	\$5,720	\$44,720	29
FY 48-49	\$40,000	\$4,648	\$44,648	30
FY 49-50	\$42,000	\$3,548	\$45,548	31
FY 50-51	\$43,000	\$2,393	\$45,393	32
FY 51-52	\$44,000	\$1,210	\$45,210	33
Total	\$2,066,128	\$619,139	\$2,685,267	

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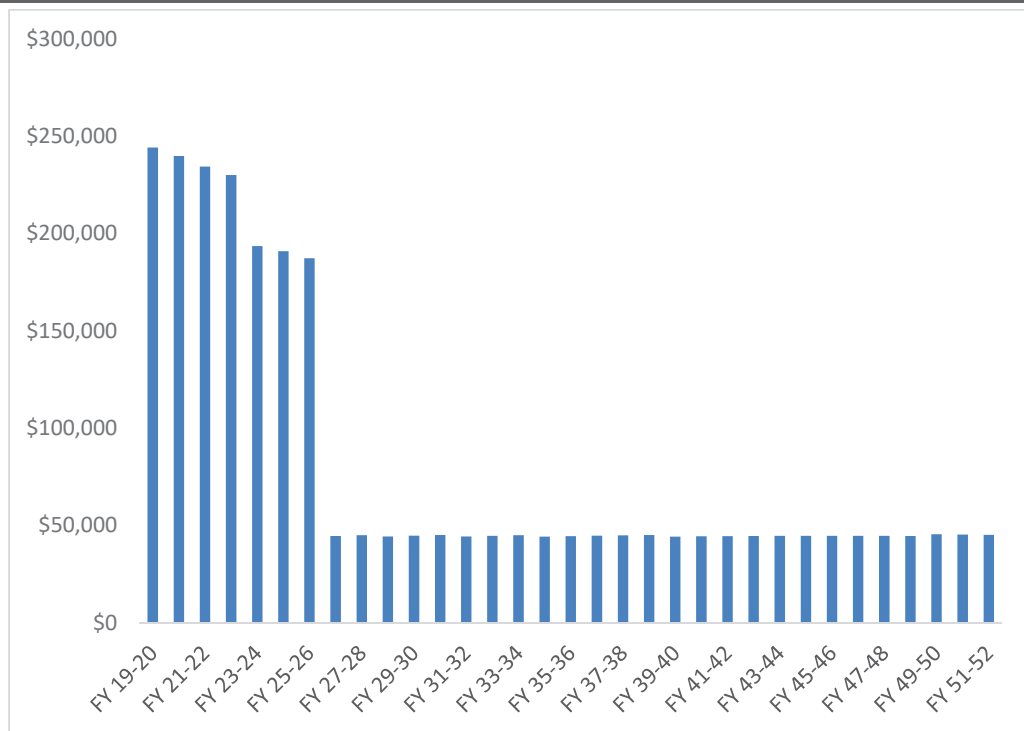


Figure 2. Carteret County Water Utility Debt Payment Schedule

5.3 Revenue and Expenses

5.3.1 Review of Historical Revenue and Expenses

A review of the County's historical water system budget (including the debt services) between FY 2016 and FY 2019 listed in Table 10 shows significant water system operating expenses beyond the revenue earned. This data indicates that the County has been losing money with the water system and needed to subsidize the system with the SWTD funds to keep the system solvent. The deficit margin widened in 2018 considering the additional capital improvement expense for that year. However, for 2019, there was a marginal decline in the water system operating expense which lead to the deficit being similar to that of 2016 and 2017 respectively.

**Table 10. Budget for F2016-FY2019**

Year	Water System Revenue	Water System Operating Expense	Water System Debt Service Fee	Water System Capital Outlay	Net Income (Deficit)
2016	\$576,598	\$554,733	\$263,589	-	(\$241,724)
2017	\$584,344	\$668,215	\$259,277	-	(\$343,148)
2018	\$678,879	\$828,412	\$253,939	\$37,898	(\$441,370)
2019	\$711,732	\$726,384	\$249,600	\$25,500	(\$289,752)
Total	\$2,551,553.00	\$2,777,744.00	\$1,026,405.00	\$63,398.00	(\$1,315,994)

5.3.2 Review of FY 2020 Finances

The projected fiscal budget for the County in the year 2020 is presented in Table 11. Per projected water fund revenue and water fund expenses for FY 2020, there is a net fiscal deficit of \$162,990. This deficit may be eliminated by using revenue generated from the SWTD. Using this fund to eliminate the deficit leaves a net balance of \$14,130 that may be used for other operational expenses.

Table 11. Projected Fiscal Budget for year 2020

Items Description	Budget
Water Distribution System Value ¹	\$12,335,392
Total Utility Debt (including interests) ²	\$2,685,267
Debt Pay Off Period	2051-2052
FY 2020 Debt Service Fee ³	\$245,880
Water Tax District Revenue (FY 2020 Projected) ⁴	\$423,000
Water Fund Revenue (FY 2020 Budget) ⁴	\$710,400
Water Fund Expense (FY 2020 Budget) ⁴	\$873,390
Water Fund Loss ⁵	(\$162,990)
Water Tax District Revenue Balance ⁶	\$14,130

Notes:

1. See Section 3.2 for reference
2. See Table 9 for reference
3. See Tables 9 for reference. The difference between the monetary value of \$245,880 in Table 11 compared to the fiscal value of \$244,234 in Table 9 for FY2020 may due to budgetary discretion
4. Projected FY 2020 Budget
5. Water Fund Loss/Deficit is estimated using the equation: Water Fund Revenue (\$710,400) - Water Fund Expense (\$873,390)
6. Water Tax District Revenue Balance is estimated using the equation: Water Tax District Revenue – (FY20 Debt Service Fee + Water Fund Loss)



5.4 Opportunity to Eliminate Deficit

The expense in 2019 shows significant reduction over the previous years and is expected to be the norm as the County's system does not anticipate significant capital investment in near future.

A moderate projection of 2% yearly increase in both water district tax revenue and water system expense may be adequate to run the system sustainably. Table 12 lists the yearly revenue and expenses from 2020 to 2025 using 2019 as the base year for projection. This projection shows a positive yearly cash flow. Thus, if the water system in its current condition (with a value of \$12.3 million) can be separated from the debt services, it would offer an attractive acquisition option for any utility.

Table 12. Fiscal and Projected Budget for FY 2019-FY 2025

Year	Water Tax District Revenue	Water System Expense	Cash Flow
2019	\$711,555	\$704,255	\$7,300
2020	\$725,786	\$718,340	\$7,446
2021	\$740,302	\$732,707	\$7,595
2022	\$755,108	\$747,361	\$7,747
2023	\$770,210	\$762,308	\$7,902
2024	\$785,614	\$777,554	\$8,060
2025	\$801,327	\$793,106	\$8,221

-- End of Section --



6.0 FEASIBILITY OF MERGER

6.1 Water System of Town of Beaufort

The Town of Beaufort provides water and sewer services to its residents through established water rates that covers existing financial debts and other operational costs pertaining to these enterprise funds. The Town purchases water from the County for distribution in Eastman Creek subdivision. Currently the Town provides limited sewer service to approximately 200 customers located within County's SWTD with water purchased from the District at its existing rate. The Town has sewer force mains along NC Highway 70 serving sewer needs to East Carteret High School, also extending along NC Highway 101 serving sewer needs to Eastman's Creek and Jarrets Bay Industrial Park. This existing layout of the sewer force mains provides an opportunity to serve sewer needs within a large area of the County's SWTD which could offer an attractive condition to grow the customer base for the Town's sewer system.

Current water and sewer rate for an out-of- town customer is approximately double the rate of in-town customer. Acquiring the County's water system would increase the Town's customer base by approximately 34% with no cost for infrastructure. The potential opportunity to grow both water and sewer services within the County, at a lower rate will encourage businesses and developers to seriously consider annexation when planning growth within the merged service area.

6.2 Organizational Impact of Merger

Currently, the County's PWD has three personnel who are directly responsible for water operations. The organizational responsibilities of these people have been described in Chapter 3. If a merger is executed, one and possibly two of these employees could be transferred to Town's Public Utilities Department, which now has a total of four (4) full time employees. For the purpose of this report we will calculate the Town's additional personnel needs to support the merger at service provided by a full-time and a part-time employees. The County would transfer the remaining employee to another area of need with their other operations. Based on 2020 budget, salaries for the County's 3 water staff are approximately \$330,000, including benefits. The merger could provide an opportunity to save a



minimum of half (\$165,000) that expense. With other redundancies within the budgets, this number could very well be higher.

Water billing, collection and customer service support would be completely transferred from the County to the Town. As the Town is already managing its own billing, it is assumed that no additional employee is needed for billing the merged system.

6.3 Key Advantages of Merger for Town of Beaufort

There are several advantages for the Town to acquire the County's water distribution system. Some of the key benefits are listed below:

- ◆ The Town will acquire approximately \$12.3 million worth of infrastructure from the County.
- ◆ The Town will be able to operate the system largely with existing personnel plus 1.5 additional staff and equipment.
- ◆ The merged water systems would provide an opportunity not only for system growth but could also spur business and residential growth in the Town's tax base through potential annexations.
- ◆ With the merger, a new rate structure may be proposed to attract developers and business that are near the existing sewer force mains to consider annexation to avoid out-of-town rates.

6.4 Recommendation for Carteret County

As shown in Table 9, the water district system has an existing debt of \$2,066,128 (principal only) that will be fully retired by the year 2052. This debt poses a liability and concern for the Town if they acquire the County's water distribution system. For a successful merger of the two water distribution systems, the following are recommended measures for the County:

- ◆ The County would maintain the SWTD for a minimum of eleven (11) years until FY 2031. The debt service for FY 2020 is \$245,800 (adopted by the County Commissioner) which will be paid using the revenue generated from special water district funds. The County should pay this same debt service fee amount for the next eleven (11) years to retire the debt. Once this existing debt is retired, the County may no longer need to maintain this special water tax district and can either eliminate the tax altogether or modify it for future needs within the district for health and safety.
- ◆ If the County transfers ownership of its water systems to the Town and agrees to continue pay \$245,880 per fiscal year toward the debt, there will be a net balance of \$177,120 (Table 11; \$423,000-\$245,880) every year, in the special water district funds. The County may use



these remaining funds to participate in capital improvement upgrades and replacements of the existing infrastructure transferred to the Town. However, capital improvements directly benefiting the Town would be subject to negotiation.

- ◆ The County would maintain the right to request upgrades to the existing system within the SWTD boundaries with mutual understanding that the cost for such an upgrade will be paid by the County for a negotiated number of years. A potential negotiated period may include the next 11 years when the County would continue to collect the SWTD revenue to pay off the debt service. It is also expected that both the Town and the County will work together to accomplish these projects through a fair assessment of capital project benefits to each entity.

6.5 Recommendation for Rate Modification

Existing out-of-town rates (Appendix C) established by the Town are currently seven percent (7%) higher than rates charged by the County (Appendix B). In exchange for the County's commitment to transfer ownership of the system, participate in capital costs for a period of eleven (11) years and retire the existing debt, it is recommended that the Town adopts a readiness to serve charge for the SWTD that is the same as that for the out of town customers but keep the water use rate as that of in town customers, shown in Table 13.

Table 13. Proposed Out of Town Water Rates

Description	Amount (\$)
Readiness to Serve Charge ¹	\$20.74
Variable Rate for Water ²	\$5.07/1,000 gallons
Cost for 5,000 gallons ³	\$46.09

Notes:

1. Out of Town Readiness to Serve
2. Water Usage rate for in Town customers (Appendix c)
3. Cost = \$20.74 + (\$5.07*5) = \$46.09

This rate is a recommendation only that still keeps the water rate for the current County customers below their present water rate. For this report, only the rate for 3/4 inch meters was considered; the rates for other size meters serving customers within the water district boundary can be set using similar logic.



Accepting this water rate structure in addition to acquiring the County water system infrastructure, would not limit the Town's right to maintain another out-of-town rate for customers outside the County's current water district boundary.

6.6 Financial Advantages for Town

The proposed rate structure (for 3/4-inch meters) shown in Table 13 would save County customers an estimated \$9.01 per month compared to the existing county water rate of \$55.10 per month. Though the new rate structure would reduce water sales revenues generated from the County customers, the savings in operating expense through reductions in salaries (1.5 persons instead of 3 persons) and other redundant expenses needed for operation would more than compensate for any losses. As described in Section 6.2, the merger would save nearly \$165,000 per year in salaries and benefits. Considering that saving, water system revenues and expenses for before and after merger conditions are calculated and shown in Table 14.

Table 14. Comparison of Cash Flow - Before and After Merger

Year	Projected Special Water District Revenue (Before Merger) ¹	Projected Special Water District Revenue (After Merger) ²	Projected Water System Expense (Before Merger) ¹	Water System Expense (After Merger) ³
2020	\$725,786	\$606,757	\$718,340	\$553,340
2021	\$740,302	\$618,892	\$732,707	\$567,707
2022	\$755,108	\$631,270	\$747,361	\$582,361
2023	\$770,210	\$643,896	\$762,308	\$597,308
2024	\$785,614	\$656,773	\$777,554	\$612,554
2025	\$801,327	\$669,909	\$793,106	\$628,106
Total	\$4,578,346.51	\$3,871,471	\$3,827,121	\$3,3541,376

Notes:

1. From Table 12
2. 83.6% of Revenue (Before Merger); 83.6% is based on Current County rate of \$55.1 and proposed rate of \$46.09 as calculated in Table 13
3. Expense (Before Merger) minus savings in staff compensation (\$165,000)

Projected after-merger revenue and expense show positive cash flow for the County system that would be acquired by the Town. The higher out-of-town rate for the acquired system would encourage



customers and developers to strongly consider the option of annexation. The annexation would lead to lowering of utility rates and eventually increase tax base for the Town.

-- End of Section --

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7.0 CONCLUSION

The merger of the two water systems will be beneficial for both the County and the Town. Acceptance of merger conditions would benefit the Town from acquiring \$12.3 million of water system assets. This would also lead to expansion of their customer base without the expenditure of major funds for years to come.

Acquiring the County's water system would require periodic upgrades and capital improvement investments, however, the capital associated with such an upgrade is not a concern due to the following reasons:

- ◆ Potential for growth in utility revenues and tax base.
- ◆ Recommended agreement for County participation in costs for a period of a minimum of eleven (11) years after transfer of the water distribution system for capital improvements to the existing system.
- ◆ County participation toward "county specific" upgrades and extensions within the district.

Considering the advantages and disadvantages of this potential merger, DAA recommends transfer of the County's water distribution system to the Town, for the sum of one dollar and other valuable considerations. The acceptance of the merger conditions by the Town will be based on refinement of these conditions and other concessions by both parties. All legal issues regarding such transfer will need to be addressed before the merger of the two water systems can be completed and executed.

-- End of Section --



8.0 REFERENCES

Blank Depreciation Worksheet Developed for City of Dogwood Depreciation Calculation Worksheet-Government Capital Assets.

Laurel Park / Hendersonville Water System Merger Feasibility Study, Town of Laurel Park, North Carolina, June 2017.

Jordan Lake Water Supply Storage Allocation Request, City of Raleigh and Merger Partners, January 13, 2015.

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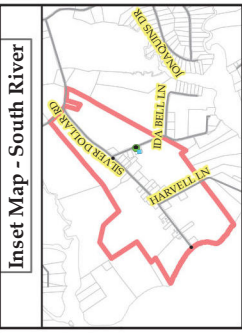
Appendix A

Carteret County Water System Maps

Figure 1

Carteret County's Water System

Carteret County Water District Infrastructure



Legend

- Water Plant
- Pump Stations = 3 ct
- Tanks = 4 ct
- Valves = 599 ct
- Water Meters = 249 ct
- Fire Hydrants = 175 ct

Water Line Sizes & Total Lengths

- 2 in = 5 mi
- 4 in = 0.25 mi
- 6 in = 29.6 mi
- 8 in = 20.4 mi
- 10 in = 0.6 mi

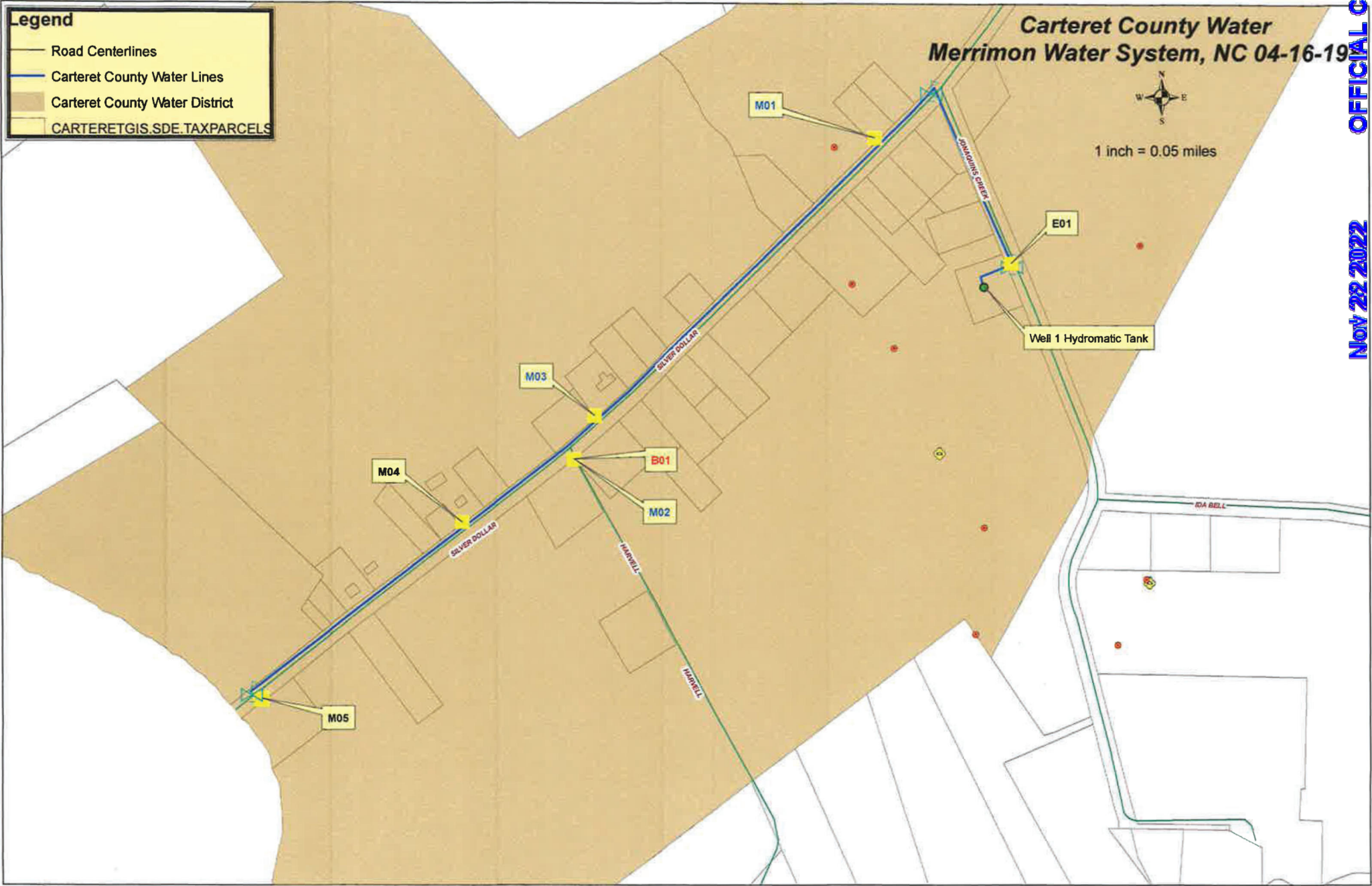
County Water District Boundary

Scale: 0.5, 1 Miles

Map Prepared by Carteret County
GIS Division
Date: 4/23/2019
252-78-8506

Figure 2

Merrimon Water System



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Appendix B

Carteret County Water Rates

**Water Service
Fee Schedule
FY 2018-2019****3/4" Meter**

Basic Charge (No Usage) Flat Fee	\$27.50 / mo. Covers 1 st 1,000 gals.
Volume Charge	\$6.90 per 1,000 gals

1" Meter

Basic Charge (No Usage) Flat Fee	\$38.00 / mo. Covers 1 st 1,000 gals.
Volume Charge	\$6.90 per. 1,000 gals

2" Meter

Basic Charge (No Usage) Flat Fee	\$110.00 / mo. Covers 1 st 15,000 gals.
Volume Charge	\$6.90 per 1,000 gals

4" Meter

Basic Charge (No Usage) Flat Fee	\$340.00 / mo. Covers 1 st 53,000 gals.
Volume Charge	\$6.90 per 1,000 gals

Merrimon System (3/4" Meter)

Basic Charge (No Usage) Flat Fee	\$16.00 / mo. Covers 1 st 1,000 gals.
Volume Charge	\$6.90 per 1,000 gals

Town of Beaufort (Eastman's Creek)

Basic Charge (No Usage) Flat Fee	\$27.50 / mo. Covers 1 st 1,000 gals.
Volume Charge	\$6.90 per 1,000 gals

Fire Hydrant Usage**Hookup & Service Charge:**

\$75.00/Monthly

Mobilization to hydrant site and employee on site during tank fill.

\$200.00 Deposit

\$8.75 per 1,000 gallons.

Hydrant & Hydrant Meter Tampering\$250.00 1st offense\$500.00 2nd offense (and Legal Action)**Damage Fee – Fire Hydrant**

\$2,500.00

Fire Line – Sprinkler Fee

Size	Monthly fee
2"	\$27.50
4"	\$32.50
6"	\$75.00
8"	\$105.00

Tap Fees

Meter Size	Tap Fee**
3/4 "	\$1,000.00
1"	\$1,150.00
2"	Cost + 10%
4"	Cost + 10 %

****Additional \$900.00 Tap Fee for any meter requiring road bore work**

Any meter 2 inch or larger will be engineered by Mc David & Associates and County will charge cost of materials and installation, engineering fees and additional 10%.

Security Deposits

Property Owner	\$100.00
Renter/Lease holder	\$200.00

Damage and Tampering Fees

Tampering Fee - Meters	\$100.00
2nd Offense (and Legal Action)	\$500.00
Damage Fee – Meters	\$135.00
Damage Fee – MXU Remote Unit	\$135.00

Other Fees

Non-Sufficient Check Fee	\$25.00
---------------------------------	----------------

Bank Inspections	\$30.00
-------------------------	----------------

Late Charges	10% of balance
---------------------	-----------------------

Service Fee*	\$30.00
---------------------	----------------

*At the time of reconnection the deposit on account must be equal to the deposit amount required for new accounts as of that date.

*All accounts subject to disconnection that have not been paid by 5:00 pm on the day prior to disconnections will be charged the service fee.



Appendix C

Town of Beaufort Water Rates

Fee Schedule

Water & Sewer Rates & Fees

All water and sewer taps made outside Town limits are double in-town rates shown above. Water or sewer capacity fees outside Town limits are negotiable but will not exceed 2X rates shown above.

Upgrades in service, i.e., changing from a 3/4" meter to a 1" meter, are subject to a difference in the water tap, water capacity, and sewer capacity fees.

All taps larger than 2" shall be installed at developer's cost in accordance with Town of Beaufort standards and developers shall pay a tap-on fee as shown above.

► Tap & System Development Fees

TAP FEES			SYSTEM DEVELOPMENT FEES		
<u>SIZE</u>	<u>WATER</u>	<u>SEWER</u>	<u>SIZE</u>	<u>WATER</u>	<u>SEWER</u>
¾"	\$ 700	\$ 750	¾"	\$ 476	\$ 5,524
1"	800	750	1"	793	6,207
1 ½"	1,075	750	1 ½"	1,585	7,015
2"	1,375	750	2"	2,536	8,064
3"	575	750	3"	4,755	10,445
4"	625	750	4"	7,925	15,875
6"	850	750	6"	15,850	22,550
8"	1,175	750	8"	25,360	26,240

FY 2020 Budget

► **Water & Sewer Usage Rates****WATER USAGE RATES**

<u>TYPE</u>	<u>SIZE</u>	<u>IN TOWN</u>	<u>OUTSIDE</u>
BASE	¾"	\$ 10.37	\$ 20.74
	1"	17.32	37.33
	1 ½"	34.53	82.96
	2"	55.27	147.25
	3"	110.65	333.91
	4"	172.87	NA
	6"	345.63	1,327.36
VARIABLE	1000 gal	5.07	7.61

SEWER USAGE RATES

<u>TYPE</u>	<u>SIZE</u>	<u>IN TOWN</u>	<u>OUTSIDE</u>
BASE	¾"	\$ 21.17	\$ 42.34
	1"	35.85	70.01
	1 ½"	70.50	140.99
	2"	112.20	225.67
	3"	225.88	451.77
	4"	352.90	705.81
	6"	705.60	1,411.19
VARIABLE	1000 gal	16.80	33.60

Fee Schedule

► **Water & Sewer Service Charges****WATER & SEWER SERVICE CHARGES**

New Account Service Fee	\$20	Waived with bank draft
Application Fee	5	
<i>SECURITY DEPOSITS</i>		
3/4" meter	\$75-225, based on credit score	
1" meter	100	
1 1/2" meter	140	
2" meter	275	
Transfer Account	25	
Returned Check Fee	25	
Late Fees	10% added to late portion	
Reconnect Fee - Business Hours	25	
Reconnect Fee - After Hours	75	
After Hours Service Calls	75	
Temporary Connection (for cleaning, renovation inspection, etc.)	25	available for a 2-week period, plus water and sewer usage charges
Fire Hydrant Meters	75	mobilization, on site-employee, and 5,000 gal of water; additional \$.01/gal
Irrigation/Dock Meter	700	tap fee
Meter-Only Install	400	no new tap fee
Meter Testing	30	
Meter Tampering	100	

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THANK YOU!



49 Music Square West, Suite 505, Nashville, TN 37203
Phone: 1-615-970-7875
E-mail: mlane@newgenstrategies.net
www.newgenstrategies.net

2. Any deficiencies identified by the engineering assessment conducted pursuant to N.C.G.S. § 62-133.1A(b)(2) and a five-year plan for prudent and necessary infrastructure improvements by the acquiring entity.

Response:

- (a) No deficiencies noted.**
- (b) Carteret County does not have a current five-year plan.**
- (c) CWSNC plans no significant improvement above routine O&M, such as tank coatings which are covered in the current maintenance contract and chlorine conversion from gas to liquid due to safety concerns.**

/A

CWSNC W-354, Sub 398
Carteret Fair Value Determination
Form Application Exhibit 3

Projected Average Monthly Bill @ 4,000 gallons

Year	Carteret Avg. Residential Bill		% Increase
		Water	
2023	\$	70.55	
2024	\$	70.55	0.00%
2025	\$	70.55	0.00%
2026	\$	70.55	0.00%
2027	\$	98.24	28.19%

4. The averaging of the appraisers' valuations, which shall constitute fair value for purposes of N.C.G.S. § 62-133.1A.

Response:

THREE APPRAISALS

Carteret County	\$ 14,575,000
Public Staff	\$ 7,332,000
CWSNC	\$ 10,900,000

TOTAL	\$ 32,807,000
--------------	----------------------

AVERAGE	\$ 10,935,667
----------------	----------------------

Thus, Fair Value for purposes of N.C.G.S. 62-133.1A is \$9,500,000

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION
FAIR VALUE ENGINEERING ASSESSMENT FORM

INSTRUCTIONS

If additional space is needed, supplementary sheets may be attached. If any section does not apply, write "not applicable". Additional information that is relevant to the application that is not listed on this form should be included as an attachment or addendum

Note: This form is only to be used in conjunction with Form FV1, Application for Determination of Fair Value of Utility Assets Pursuant to G.S. 62-133.1A.

SELLER-LOCAL GOVERNMENT UTILITY

1. Trade name used for utility business: North River / Mill Creek Water System
2. Name of owner (if different from trade name): Carteret County, NC
3. Description of the water system Water System that serves Carteret County
4. County where located Carteret County
5. Description of the sewer system N/A
6. County where located N/A
7. Number of current customers: water 1,245 sewer: N/A

ENGINEER INFORMATION

1. Name of Engineer Providing Utility Assessment : Steven R. Gandy, Ph.D., P.E.
2. Engineer Background Information:
 - License No. and Issuing Authority: 031020
 - Education: B.S. Chemical Engineering, M.S. Civil Engineering, Ph.D. Biology & Agriculture Engineering
 - Has Engineer been subject to Discipline by any State Licensing Authority (if yes, provide date and cause of discipline): No
3. Engineer's experience with engineering design, planning, construction, renovations, replacements and operations of water and wastewater utility systems: See attached resume

FORM FV1(a)
ESTABLISHED 12/2020

APPENDIX F
PAGE 2 of 9

See attached resume

ASSESSMENT OF TANGIBLE ASSETS OF SYSTEM TO BE ACQUIRED

Water Utility System Information

Distribution System Information

1. Water Mains (Provide the following information for each section of water mains):

a. Year installed: 1988 - 2004

b. Pipe diameter: 2" - 10"

c. Length of main: 2" = 26,400 ft; 4" = 1,320 ft; 6" = 156,288 ft; 8" = 107,712 ft; 10" = 3,168 ft

d. Type of pipe material (i.e., asbestos cement, galvanized, PVC Class 160, PVC SDR 21, C-900, ductile iron, other):

Ductile Iron, PVC SDR21 - Less than 3% of the water lines are DI, with the remainder being PVC

e. Copy of Department of Environmental Quality (DEQ) approval for each section, if available:

Project details for distribution projects have been attached, including project Serial Number
and approval date

f. Describe the condition of the water distribution system valves:

Good - All believed to be functional; a monthly exercise program for valves is in place

g. Describe condition of service lines, including materials:

Aged less than 25 years - PVC and ductile iron

h. Describe the condition of the fire hydrants in each section:

Good condition - replaced when damaged, also replaced/repared when Fire Dept performs annual test or staff
discovers issue during routine visual inspection, or from customer reporting

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FORM FV1(a)
ESTABLISHED 12/2020

APPENDIX F
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2. Water Meters

a. Type of meters (i.e., manual read, AMR, AMI, other):

Sensus meters with Sensus transmitters, Drive-By reading, approx. 4 hour read time

b. Average age of residential water meters: Less than 15 years

3. Customer growth – number of customers added or lost during last 3 years in each of the following categories:

a. Residential: 63 customers added (1101 in 2017, 1164 in 2020)

b. Commercial: 17 customers lost (39 customers in 2017, 22 in 2020)

c. Industrial: 17 customers added (23 customers in 2017, 41 in 2020)

d. Governmental, including schools: 1 customer added (25 in 2017, 26 in 2020)

4. Water Storage:

a. Describe each water storage facility by type and capacity (i.e. hydropneumatic, ground storage, elevated storage, other):

Three 2,000 gallon aerial tanks for Laurel Road system - Taylor Farm Road (2012), Laurel Road (1988), and Mayflower Drive (2012); one 10,000 gallon ground tank for Merrimon System (approx. 2012)

b. Provide the year each storage facility placed in service:

Laurel Road Tank - 1988; Taylor Farm Road, Mayflower Drive, and Merrimon - 2012

c. Provide the most recent year each storage facility was recoated on interior and exterior:

All three elevated storage tanks - Interiors and exteriors painted in 2015
Scheduled to be repainted in 2027

5. Water Production – Water Wells

a. Provide number of water supply wells in service:

2

FORM FV1(a)
ESTABLISHED 12/2020

APPENDIX F
PAGE 4 of 9

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b. For each water supply well in service provide the year first placed in service:

Laurel Road - 1988; Merrimon - approx. 2012

c. Provide for each water supply well the original 24 hour well drawdown test, if available. N/A

d. Provide the original DEQ approval for each supply well.

See attached

e. Provide the three most recent inorganic analyses for each well.

see attached

f. Provide the average gallons per minute pumped from each well for the most recent 24 months:

Laurel Road WTP - 450 gpm; Merrimon WTP - 50 gpm

g. Environmental Compliance:

(i) Does any well exceed the EPA or State of North Carolina maximum contaminant level for a primary drinking water contaminant?

No

(ii) If yes, please provide the three most recent analyses for that primary contaminant from that well.

N/A

h. Provide a description of the installed treatment for each primary contamination MCL:

2 Filters for Iron and Manganese Removal, 2 softeners, gas chlorine disinfection, ion exchange, bleach treated (Merrimon)

i. Does the water system exceed the EPA action levels for lead and/or copper?

Yes, but no NOV - distribution lines treated with Carus 8600 for corrosion control, staff contends contamination is from private lines rather than system contamination

j. Provide a summary of the condition of each well house, including controls and valve banks and needed renovations. Good condition; controls 8 years old, plumbing 3 years old, full media replacement in 2019; SCADA 12 years old; well buildings are concrete block with brick exteriors and flat roofs, and they are in good condition

FORM FV1(a)
ESTABLISHED 12/2020

APPENDIX F
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k. Describe the water treatment of each well, including filters and the need for replacements or renovations as necessary. good condition; see above

6. Surface Water Treatment Plant N/A

a. Year of original construction _____

b. Capacity of "original plant" _____

c. Describe all treatment stages, including advanced treatment based on ultrafiltration technology, if applicable. _____

d. Type of structure (i. e., steel, concrete, other) _____

e. History of Expansion

(i) Year of each expansion, if any _____

(ii) Additional capacity of each expansion _____

(iii) Treatment stages of each expansion _____

(iv) Type of structure of each expansion (i.e., steel, concrete, other) _____

f. Provide copies of DEQ construction permits for the original construction and all expansions, if any. _____

g. Provide copy of the most recent DEQ permit.

h. Provide copies of the two most recent DEQ inspection reports.

i. Provide copies of all DEQ issued Notices of Violation (NOV) for the last five years, if any. _____

j. Provide copies of all the selling government entity's responses to each DEQ issued NOV the last five years, if any. _____

k. Provide the monthly average gallons per day produced by the surface treatment plant for each of the last 36 months _____

l. Provide the non-revenue water percentage for each of the last three years (water produced at the surface water treatment plant less water billed to customers, divided the water produced) _____

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FORM FV1(a)
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APPENDIX F
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m. Describe in detail renovations and remediations, if any, performed by the selling government entity, the most recent ten years_____

7. Water and General Upgrading and Renovations – Costs

Provide the estimated cost of each water system upgrades/renovations necessary during the first five years No additional upgrades beyond typical annual maintenance are anticipated for the next 5 years

8. Violations – Water System

a. Provide all water system NOV's received from DEQ the last five years.

N/A

b. Provide all the selling government entity's written responses to the NOV's received the last five years.

N/A

Wastewater System N/A

Collection System

1. For each section of gravity collection mains provide:

a. Year installed_____

b. Pipe diameter_____

c. Length of main_____

d. Type material – i.e., clay pipe, steel pipe, concrete pipe, HDPE pipe, PVC Class 160, PVC SDR 21, C-900, ductile iron, lined ductile iron, other

e. Copy of DEQ construction permit for each section, if available.

f. Number of manholes_____

g. Condition of manholes_____

h. Service line materials_____

i. Last time section camera evaluated_____

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ESTABLISHED 12/2020

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2. For each section of collection force mains, provide:

- a. Year installed _____
- b. Pipe diameter _____
- c. Length of main _____
- d. Type material – i.e. PVC SDR 21, C-900, ductile iron, lined ductile iron, other

- e. Copy of DEQ construction permit for each section, if available.

3. Wastewater Lift Stations – For each provide:

- a. Year installed _____
- b. Capacity of installed pumps _____
- c. Permitted capacity of lift station _____
- d. Control system _____
- e. Alarm System _____
- f. Description of recent renovations, if any. _____
- g. Material of wet well _____
- h. Provide summary of the conditions of each lift station

4. Wastewater Treatment Plant, provide the following:

- a. Year of original construction _____
- b. Capacity of “original plant” _____
- c. Type Treatment _____
- d. Type structure i.e., steel, concrete, other _____
- e. (i) Year of each expansion, if any (ii) Additional capacity of each expansion (iii) Type treatment of each expansion (iv) Type of structure each expansion i.e.

FORM FV1(a)
ESTABLISHED 12/2020

APPENDIX F
PAGE 8 of 9

steel, concrete,
other _____

f. Provide copies of DEQ construction permits for the original construction and all expansions, if any.

g. Provide copy of most recent NPDES Permit, if applicable.

h. If effluent land application, provide copy of most recent land application permit.

i. If land application, provide the permitted capacity of the installed irrigation system or infiltration system.

j. Does the seller own or have perpetual easements or leases for all of the effluent irrigation/infiltration areas.

k. If an easement or lease, provide a copy of the recorded document(s).

l. Provide copies of the monthly DMRs (NPDES Permit) or NDMR (land application) for the most recent 36 months.

m. Provide copy of the most recent wastewater treatment plant permit, including all required monitoring parameters

n. Provide copies of the two most recent DEQ inspection reports for the wastewater treatment plant.

5. Wastewater, general information

a. Provide copies of all DEQ issued NOV's for the last five years, if any.

b. Provide copies of all the selling government entity's responses to each of the DEQ issued NOV the last five years, if any.

c. Provide the average total gallons per day sold to metered water customers by the water utility provider for each of the last three years.

d. Provide the infiltration percentage for each of the last three years (influent wastewater to wastewater treatment plant less metered water sold, divided by the metered water sold) _____

e. Describe in detail collection system infiltration remediation if any, performed by the selling government entity the most recent ten years _____

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Nov 22 2022

FORM FV1(a)
ESTABLISHED 12/2020

APPENDIX F
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f. Provide the monthly number of wastewater customers the most recent 36 months:

(i) Residential_____

(ii) Commercial_____

(iii) Industrial_____

(iv) Governmental, including schools_____

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1 year with the firm
20 years of experience

Education

NC State University/
PhD/2004/ Biological and
Agricultural Engineering

NC State University/
MS/2000/Civil Engineering/

NC State University/
BS/1998/Chemical
Engineering

Professional Registration

2021/VA/PE/#0402063178

2017/SC/PE/#34408

2005/NC/PE/#03120

Certifications

Registered Environmental
Consultant, Hazardous
Waste Section NCDEQ

Areas of Expertise

- Design of PFAS Removal Systems
- Collection and Distribution Systems
- Groundwater Assessments and Corrective Action Plans
- Environmental Assessments and Remediation

**Individual Experience*

Steven Gandy, PhD, PE

Chief Engineer

Steven has utilized his engineering expertise on a broad range of projects including design of the first stand-alone microsand enhanced flocculation water treatment plant in North Carolina. He has mitigated risk management of cooling water supply to Duke Energy's Smith Energy Complex. Steven is a member of the Solid Waste Association of North America's Technical Committee on Emerging Contaminants.

Design of PFAS Removal System for Maysville Water Treatment Plant, Maysville, NC: As Project Manager, responsible for the design of a PFAS removal system for modification of an existing water treatment plant in the Town of Maysville, NC. An Ion Exchange resin is being utilized to adsorb PFAS and PFOA compounds in a raw water source for use as potable water. Pretreatment optimization was also designed to mitigate media fouling and extend media life to the extent possible. This project is currently being bid.

Wastewater Treatment Plant Septic Offloading, City of Dunn, NC: Project Engineer. Prior to 2020, the City of Dunn Wastewater Treatment Plant did not accept septic or portable toilet waste due to the plant's headworks not being designed to screen large amounts of non-biodegradable debris that is often associated with portable toilet waste and septic tank waste. Several of the local septic hauling businesses had approached the City about being able to dispose of septic waste at the City's WWTP for several years. The only other local facility accepting this type of waste was frequently turning away the haulers and charging extreme rates for the service. The City saw an opportunity to support their local businesses as well as add a revenue stream to the City, and engaged Draper Aden to design a septic receiving station and headworks modification at the WWTP specifically for this purpose. Draper Aden assembled a team that included site, utility, and structural engineers to tackle the challenge. A design was created in early 2021, that allowed for a non-mechanical offload station with a large debris screen, waste chute, and new covered dumpster. The project design is complete and permitted but not yet constructed.

Site Assessment and Corrective Action, Swepsonville Closed Landfill, Alamance County, NC*: As Project Manager, provided assessment and remediation strategies to mitigate environmental damage and prevent any human health related issues in areas where VOC, elevated metal concentrations, and emerging contaminants have been identified. Also provided delineation and assessment of contaminant plumes and mitigation strategies for a closed and unlined facility that received waste from 1971-1996. Performed environmental data collection and analysis to determine treatment and repair strategies. Coordinated with DEQ Division of Water Resources, Solid Waste Section, Army Corps of Engineers, and owner to develop short- and long-term solutions to problems that have been occurring for over 20 years at the closed landfill. Shallow and nested deep well

installation, well replacement and abandonment, water quality monitoring, soils and gas analysis were used to support environmental decisions.

Landfill Expansions for Iredell, Cherokee, and Surry Counties, NC*: As Project Manager, responsible for design, permitting (Permit to Construct), construction observation, and certification (Permit to Operate) for three lined landfills in North Carolina. Provided design of Leachate Collection, pumping and storage facilities.

Scale House Design for Surry and Alamance County, NC*: As Project Manager, provided design of a multi-scale facility for Surry and Alamance County, including transaction windows, emergency generator, DA restrooms, and potable well and septic systems.

Transfer Station Permit Renewal for Franklin County, NC*: As Project Manager, updated all information and plans in accordance with all current NCDEQ SWS regulations.

Permit to Operate Renewal for Alamance County Municipal Solid Waste Landfill and C&D Landfill*: As Project Manager, performed revisions to site operations and engineering plans in accordance with current SWS rules, renovations to the recycling center, and mitigation of operational issue affecting efficient performance.

Corrosion Inhibition, NCDOT Project 18-01071, Boone Maintenance Facility NC*: As Project Manager, provided design of improvements and modifications to a maintenance facility water system, including the addition of corrosion inhibitors by manipulating pH through the use of lime slurry and providing for disinfection to meet NCDEQ regulations for potable water systems.

Water Treatment Project, Duke Energy Progress, Hamlet, NC*: As Project Manager, provided the following services:

- 1) Design of sludge removal system for settled water reservoir
- 2) Trouble shooting and implementation of water turbidity removal from cooling system for advanced cycle steam turbine system and heat exchangers
- 3) Single point failure analysis for settled water transfer and cooling system for Smith Energy Complex
- 4) Design of service roads for 13 miles of water infrastructure support through environmentally-sensitive areas and crossing 9 NCDOT roads

Water Treatment Plant, Richmond County, NC*: As Project Manager, provided the following services:

- 1) Design of a 2.3 million gallon-apday water treatment plant expansion (expanding from 6.7 MGD to 9 MGD), including Environmental Assessment and utility audit/cost analysis
- 2) Design of 60,000± LF of new high service line
- 3) Troubleshooting and optimization of existing Claricone settled water at treatment plant

- 4) Design and permitting of solids handling system, including new thickeners, sludge pumping system, and belt press facility
- 5) Design and permitting of new flow paced dosing chemical delivery system for potable water treatment plant

One Million Gallon Per Day Water Treatment Plant Expansion, Town of Jonesville, NC*: Project Manager for the design, permitting, and construction contract administration/observation of a Microsand Enhanced Flocculation Water Treatment System. Design and implementation of new SCADA and telemetry system for new one MGD water treatment plant. Also responsible for design and permitting of new raw water pump station and controls for settled water reservoir levels.

Phase I Environmental Site Assessments*:

- 1) Scotland County Industrial Park
- 2) Newport Wastewater Treatment Plant
- 3) Richmond County Industrial Park Property, Water treatment Plant Property
- 4) National Salvage Industrial Park Site in Dudley, NC
- 5) Iredell County Municipal Solid Waste Landfill Property
- 6) Town of Lillington Potential Municipal Property

Water Treatment Plant Design, Jamesville Water Treatment Plant, NC: As Project Manager, provided funding assistance, design, permitting, bidding, construction contract administration and construction observation. A Reverse Osmosis (RO) water treatment plant was designed to replace a failing water treatment plant for groundwater supplied to the Town of Jamesville. The plant's capacity is 100,000 gallons per day installed in a dual mode where one half of the system can be removed for service without interrupting service. Likewise, a dual train softening system and a fully automated disinfection system will allow the plant to operate autonomously with minimal oversight to free up the single operator for much needed maintenance throughout the existing distribution system. The work needs to be completed while keeping the existing plant online until the new plant is running and certified by the Engineer and PWS. When complete, this plant will be as advanced and capable as any in the State, allowing for the removal of emerging contaminants such as 1-4 Dioxane and GenX (PFOS).

Inspection, Evaluation, Design of Repairs and Replacements, Oversight and Certification for Lewiston-Woodville, NC*: As Senior Project Manager, searched grant applications, secured funding, and organized a comprehensive evaluation of the entire collection system and WWTP. Designed and oversaw repair work for manholes, gravity, and force main transport of wastewater to WWTP. Scope included: traffic plans; bypass pumping; locating unmapped manholes under courses of pavement grown over with vegetation or buried under soil, as well as unmapped sewer lines and services; point repairs; CIP; manhole relining; and general structural repairs of manholes and sewer lines within the DOT ROW. Designed and permitted new WWTP and final certification of all work.

Wastewater System Integrity and Repair for Eaton Cooperation, Roxboro, NC: As Chief Engineer, responsible for troubleshooting the existing system composed of an older collection system (made primarily from brick with cast iron lines) in conjunction with a more modern wastewater system comprised of prefabricated concrete manholes and PVC lines. Evaluated different repair techniques including poly-urea relining, CIPP, and point repairs. Provided Inflow and Infiltration estimates and mitigation design in a confined environment, under existing structures, and in high traffic areas where options were very limited.

Concrete Deterioration Evaluation, Jonesville, NC: As Senior Project Manager, inspected concrete basins for aging WTP facility. Fieldwork included concrete testing for pH, spalling, and water infiltration to determine the degree of Alkaline-Silica Reaction that had taken place over 50 years for two basins while in use. Made an eventual recommendation for removal while maintaining constant WTP operation and replacement with prefabricated process units.

Precast Concrete Pipe Evaluation for Alamance County, Swepsonville, NC: As Senior Project Manager, performed field evaluation of inlet and outlet stormwater structures and coordination of CCTV inspection for 1500 LF of 48" RCP in an extremely corrosive environment. Determined priority repairs and pipe rating index for individual sections and defects for 48" RCP traversing orphaned landfill under 30' of compacted waste.

Publications

MS Thesis: "Evaluation of Algae Removal Effectiveness for Dissolved Air Flotation (DAF), Microsand Enhanced Flocculation (MEF), and Conventional Drinking Water Treatment."

ASCE Conference Presentation Paper: "Streaming current values and comparative coagulant doses/aids for effective algae removal at the PZC."

Ph.D. Dissertation: "Applicability, Implementation, and Modeling of Calcium Oxide in the Stabilization and Storage of Belt-Separated Swine Manure Solids."

ASAE Conference Presentation Paper: "Quicklime stabilization of belt separated swine manure for the purpose of land application, elimination of storage lagoons and vector reduction."

LEAD AND COPPER - SOURCE WATER - ANALYSIS

WATER SYSTEM ID#: 04-16-197

COUNTY: CARTERET

Name of Water System: NORTH RIVER

Sample Type: (X) Source Water () Special/Non-compliance

Location Where Collected: 534 LAUREL RD WTP

Facility ID No. (Source Water): WT1

Sample Point: E01

Collection Date	Collection Time
08/31/21	07:00 AM

Collected By: JOHN SIMMONS

Mail Results to (water system representative):

NORTH RIVER
ATTN: JOHN SIMMONS
5231 BUSINESS DRIVE
NEWPORT, NC 28570

Phone #: (252) 241-4646

Fax #: (252) 728-0793

Responsible Person's Email:
john.simmons@carteretcountync.gov

LABORATORY ID#: 37715

() SAMPLE UNSATISFACTORY

() RESAMPLE REQUESTED

CONTAM CODE	CONTAMINANT	METHOD CODE	REQUIRED REPORTING LIMIT (R.R.L.)	NOT DETECTED ABOVE R.R.L. (X)	QUANTIFIED RESULTS *	ALLOWABLE LIMITS
1022	Copper	200.8	0.050 mg/l	X	mg/l	1.300 mg/l
1030	Lead	200.8	0.003 mg/l	X	mg/l	0.015 mg/l

* Note: If Lead is detected above 0.015 mg/L, the Laboratory must fax analytical results to the State within 48 hours.

	DATE:	TIME:
ANALYSES BEGUN:	09/02/21	08:42 AM
ANALYSES COMPLETED:	09/13/21	04:22 PM

Laboratory Log #: 8018-083121-E01S

Certified By: MAO

COMMENTS:

LEAD AND COPPER - SOURCE WATER - ANALYSIS

WATER SYSTEM ID#: 04-16-197

COUNTY: CARTERET

Name of Water System: NORTH RIVER

Sample Type: (X) Source Water () Special/Non-compliance

Location Where Collected: 534 LAUREL RD WTP

Facility ID No. (Source Water): WT1

Sample Point: E01

Collection Date	Collection Time
08/30/21	08:00 AM

Collected By: JOHN SIMMONS

Mail Results to (water system representative):

NORTH RIVER
ATTN: JOHN SIMMONS
5231 BUSINESS DRIVE
NEWPORT, NC 28570

Phone #: (252) 241-4646

Fax #: (252) 728-0793

Responsible Person's Email:

john.simmons@carteretcountync.gov

LABORATORY ID#: 37715

() SAMPLE UNSATISFACTORY

() RESAMPLE REQUESTED

CONTAM CODE	CONTAMINANT	METHOD CODE	REQUIRED REPORTING LIMIT (R.R.L.)	NOT DETECTED ABOVE R.R.L. (X)	QUANTIFIED RESULTS *	ALLOWABLE LIMITS
1022	Copper	200.8	0.050 mg/l	X	mg/l	1.300 mg/l
1030	Lead	200.8	0.003 mg/l	X	mg/l	0.015 mg/l

* Note: If Lead is detected above 0.015 mg/L, the Laboratory must fax analytical results to the State within 48 hours.

	DATE:	TIME:
ANALYSES BEGUN:	09/02/21	08:42 AM
ANALYSES COMPLETED:	09/13/21	04:22 PM

Laboratory Log #: 8018-083021-E01S

Certified By: MAO

COMMENTS:

114 OAKMONT DRIVE
GREENVILLE, N.C. 27858

PHONE (252) 756-6208
FAX (252) 756-0633

OFFICIAL COPY

Nov 22 2022

DISTRIBUTION LEAD AND COPPER ANALYSIS

WATER SYSTEM ID#: 04-16-197

COUNTY: CARTERET

Name of Water System: NORTH RIVER

Sample Type: ☒ Routine Distribution (Compliance) ☐ Non-compliance

Sample Site Type: ☒ Tier 1 ☐ Tier 2 ☐ Tier 3 ☐ Other

Location Code: 110 Tap Location: 125 RIVERSIDE DR-LEFT SIDE

Street Address: 125 RIVERSIDE DR

City: BEAUFORT

Check if sample site is owned or controlled by water system. ☐

Check if sample site is a daycare or a K-12 school. ☐

Facility ID No. (Distribution): D01

Sample Point: LCR

Collected By: MARY JO EDWARDS

Mail Results to (water system representative):

NORTH RIVER
ATTN: JOHN SIMMONS
5231 BUSINESS DRIVE
NEWPORT, NC 28570

Phone #: (252) 241-4646

Fax #: (252) 728-0793

Responsible Person's Email:

john.simmons@carteretcountync.gov

Collection Date	Collection Time X
08/17/21	06:55 AM

LABORATORY ID#: 37715

☐ SAMPLE UNSATISFACTORY

☐ RESAMPLE REQUESTED

CONTAM CODE	CONTAMINANT	METHOD CODE	REQUIRED REPORTING LIMIT (R.R.L.)	NOT DETECTED ABOVE R.R.L. (X)	QUANTIFIED RESULTS	ALLOWABLE LIMITS
1022	Copper	200.8	0.050 mg/l		1.562 mg/l	1.300 mg/l
1030	Lead	200.8	0.003 mg/l		0.004 mg/l	0.015 mg/l

	DATE:	TIME:
ANALYSES BEGUN:	08/18/21	04:46 PM
ANALYSES COMPLETED:	08/27/21	02:12 PM

Laboratory Log #: 8018-081721-110P

Certified By: MAO

COMMENTS:

114 OAKMONT DRIVE
GREENVILLE, N.C. 27858

PHONE (252) 756-6208
FAX (252) 756-0633

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Nov 22 2022

DISTRIBUTION LEAD AND COPPER ANALYSIS

WATER SYSTEM ID#: 04-16-197

COUNTY: CARTERET

Name of Water System: NORTH RIVER

Sample Type: ☒ Routine Distribution (Compliance) ☐ Non-compliance

Sample Site Type: ☐ Tier 1 ☐ Tier 2 ☒ Tier 3 ☐ Other

Location Code: 130 Tap Location: 217 SHELL LANDING RD-LEFT

Street Address: 217 SHELL LANDING RD

City: BEAUFORT

Check if sample site is owned or controlled by water system. ☒

Check if sample site is a daycare or a K-12 school. ☐

Facility ID No. (Distribution): D01

Sample Point: LCR

Collected By: HOMEOWNER

Mail Results to (water system representative):

NORTH RIVER
ATTN: JOHN SIMMONS
5231 BUSINESS DRIVE
NEWPORT, NC 28570

Phone #: (252) 241-4646

Fax #: (252) 728-0793

Responsible Person's Email:

john.simmons@carteretcountync.gov

Collection Date	Collection Time X
08/17/21	09:20 AM

LABORATORY ID#: 37715

☐ SAMPLE UNSATISFACTORY

☐ RESAMPLE REQUESTED

CONTAM CODE	CONTAMINANT	METHOD CODE	REQUIRED REPORTING LIMIT (R.R.L.)	NOT DETECTED ABOVE R.R.L. (X)	QUANTIFIED RESULTS	ALLOWABLE LIMITS
1022	Copper	200.8	0.050 mg/l		1.645 mg/l	1.300 mg/l
1030	Lead	200.8	0.003 mg/l	X	mg/l	0.015 mg/l

	DATE:	TIME:
ANALYSES BEGUN:	08/18/21	04:47 PM
ANALYSES COMPLETED:	08/27/21	02:12 PM

Laboratory Log #: 8018-081721-130P

Certified By: MAO

COMMENTS:

114 OAKMONT DRIVE
GREENVILLE, N.C. 27858

PHONE (252) 756-6208
FAX (252) 756-0633

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Nov 22 2022

DISTRIBUTION LEAD AND COPPER ANALYSIS

WATER SYSTEM ID#: 04-16-197

COUNTY: CARTERET

Name of Water System: NORTH RIVER

Sample Type: ☒ Routine Distribution (Compliance) ☐ Non-compliance

Sample Site Type: ☒ Tier 1 ☐ Tier 2 ☐ Tier 3 ☐ Other

Location Code: 260 Tap Location: 214 RUDOLPH DR-LEFT

Street Address: 214 RUDOLPH DR

City: BEAUFORT

Check if sample site is owned or controlled by water system. ☐

Check if sample site is a daycare or a K-12 school. ☐

Facility ID No. (Distribution): D01

Sample Point: LCR

Collected By: GENE RIGGS

Mail Results to (water system representative):

NORTH RIVER
ATTN: JOHN SIMMONS
5231 BUSINESS DRIVE
NEWPORT, NC 28570

Phone #: (252) 241-4646

Fax #: (252) 728-0793

Responsible Person's Email:

john.simmons@carteretcountync.gov

Collection Date	Collection Time X
08/17/21	08:00 AM

LABORATORY ID#: 37715

☐ SAMPLE UNSATISFACTORY

☐ RESAMPLE REQUESTED

CONTAM CODE	CONTAMINANT	METHOD CODE	REQUIRED REPORTING LIMIT (R.R.L.)	NOT DETECTED ABOVE R.R.L. (X)	QUANTIFIED RESULTS	ALLOWABLE LIMITS
1022	Copper	200.8	0.050 mg/l		1.440 mg/l	1.300 mg/l
1030	Lead	200.8	0.003 mg/l	X	mg/l	0.015 mg/l

	DATE:	TIME:
ANALYSES BEGUN:	08/18/21	04:54 PM
ANALYSES COMPLETED:	08/30/21	11:49 AM

Laboratory Log #: 8018-081721-260P

Certified By: MAO

COMMENTS:

114 OAKMONT DRIVE
GREENVILLE, N.C. 27858

PHONE (252) 756-6208
FAX (252) 756-0633

VOLATILE ORGANIC CHEMICALS ANALYSIS (VOC's)

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Nov 22 2022

WATER SYSTEM ID#: 04-16-197

COUNTY: CARTERET

Name of Water System: NORTH RIVER

Sample Type: (x) Entry Point () Special/Non-compliance

Location Where Collected: WELL #1 & #2

Facility ID No.: WT1

Sample Point: E01

Collected By: JOHN SIMMONS JR

Mail Results to (water system representative):

NORTH RIVER
ATTN: JOHN SIMMONS
5231 BUSINESS DRIVE
NEWPORT, NC 28570

Phone #: (252) 241-4646

Fax #: (252) 728-0793

Responsible Person's Email:
john.simmons@carteretcountync.gov

Collection Date	Collection Time
05/03/21	08:15 AM

LABORATORY ID#: 37715

() SAMPLE UNSATISFACTORY

() RESAMPLE REQUESTED

CONTAM CODE	CONTAMINANT	METHOD CODE	REQUIRED REPORTING LIMIT (R.R.L.)	NOT DETECTED ABOVE R.R.L. (X)	QUANTIFIED RESULTS	ALLOWABLE LIMITS
2378	1,2,4-Trichlorobenzene	502.2	0.0005 mg/l	X	mg/l	0.07 mg/l
2380	Cis-1,2-Dichloroethylene	502.2	0.0005 mg/l	X	mg/l	0.07 mg/l
2955	Xylenes (Total)	502.2	0.0005 mg/l	X	mg/l	10.00 mg/l
2964	Dichloromethane	502.2	0.0005 mg/l	X	mg/l	0.005 mg/l
2968	o-Dichlorobenzene	502.2	0.0005 mg/l	X	mg/l	0.600 mg/l
2969	p-Dichlorobenzene	502.2	0.0005 mg/l	X	mg/l	0.075 mg/l
2976	Vinyl Chloride	502.2	0.0005 mg/l	X	mg/l	0.002 mg/l
2977	1,1-Dichloroethylene	502.2	0.0005 mg/l	X	mg/l	0.007 mg/l
2979	Trans-1,2-Dichloroethylene	502.2	0.0005 mg/l	X	mg/l	0.100 mg/l
2980	1,2-Dichloroethane	502.2	0.0005 mg/l	X	mg/l	0.005 mg/l
2981	1,1,1-Trichloroethane	502.2	0.0005 mg/l	X	mg/l	0.200 mg/l
2982	Carbon Tetrachloride	502.2	0.0005 mg/l	X	mg/l	0.005 mg/l
2983	1,2-Dichloropropane	502.2	0.0005 mg/l	X	mg/l	0.005 mg/l
2984	Trichloroethylene	502.2	0.0005 mg/l	X	mg/l	0.005 mg/l
2985	1,1,2-Trichloroethane	502.2	0.0005 mg/l	X	mg/l	0.005 mg/l
2987	Tetrachloroethylene	502.2	0.0005 mg/l	X	mg/l	0.005 mg/l
2989	Chlorobenzene	502.2	0.0005 mg/l	X	mg/l	0.100 mg/l
2990	Benzene	502.2	0.0005 mg/l	X	mg/l	0.005 mg/l
2991	Toluene	502.2	0.0005 mg/l	X	mg/l	1.000 mg/l
2992	Ethylbenzene	502.2	0.0005 mg/l	X	mg/l	0.700 mg/l
2996	Styrene	502.2	0.0005 mg/l	X	mg/l	0.100 mg/l

	DATE:	TIME:
ANALYSES BEGUN:	05/03/21	03:48 PM
ANALYSES COMPLETED:	05/13/21	10:24 AM

Laboratory Log #: 8018-050321-E01V

Certified By: MAO

COMMENTS:

Environment 1, Incorporated

CWSNC W-354 SUB 398
Carteret Fair Value Determination
Form Application Exhibit 5A

4 OAKMONT DRIVE
GREENVILLE, N.C. 27858

PHONE (252) 756-6208
FAX (252) 756-0633

INORGANIC CHEMICAL ANALYSIS

WATER SYSTEM ID#: 04-16-197

COUNTY: CARTERET

Name of Water System: NORTH RIVER

Sample Type: (X) Entry Point () Special/Non-compliance

Location Where Collected: WELL #1 & #2

Facility ID No.: WT1

Location Code: E01

Collected By: DANIEL BATCHELOR

Mail Results to (water system representative):

NORTH RIVER
ATTN: JOHN SIMMONS
5231 BUSINESS DRIVE
NEWPORT, NC 28570

Phone #: (252) 241-4646

Fax #: (252) 728-0793

Responsible Person's Email:
john.simmons@carteretcountync.gov

Collection Date	Collection Time
09/04/18	07:05 AM

LABORATORY ID#: 37715

() SAMPLE UNSATISFACTORY

() RESAMPLE REQUESTED

CONTAM CODE	CONTAMINANT	METHOD CODE	REQUIRED REPORTING LIMIT (R.R.L.)	NOT DETECTED ABOVE R.R.L. (X)	QUANTIFIED RESULTS	ALLOWABLE LIMITS
1005	Arsenic	200.8	0.005 mg/l	X	mg/l	0.010 mg/l
1010	Barium	200.8	0.400 mg/l	X	mg/l	2.000 mg/l
1015	Cadmium	200.8	0.001 mg/l	X	mg/l	0.005 mg/l
1020	Chromium	200.8	0.020 mg/l	X	mg/l	0.100 mg/l
1024	Cyanide	4500CN-E	0.050 mg/l	X	mg/l	0.200 mg/l
1025	Fluoride	4500F-C	0.100 mg/l		0.23 mg/l	4.000 mg/l
1028	Iron	200.7	0.060 mg/l	X	mg/l	0.300 mg/l
1032	Manganese	200.8	0.010 mg/l	X	mg/l	0.050 mg/l
1035	Mercury	200.8	0.0004 mg/l	X	mg/l	0.002 mg/l
1036	Nickel	200.8	0.100 mg/l	X	mg/l	N/A
1045	Selenium	200.8	0.010 mg/l	X	mg/l	0.050 mg/l
1052	Sodium	3111B	1.000 mg/l		116.100 mg/l	N/A
1055	Sulfate	4500SO4-E	15.000 mg/l	X	mg/l	250.0 mg/l
1074	Antimony	200.8	0.003 mg/l	X	mg/l	0.006 mg/l
1075	Beryllium	200.8	0.002 mg/l	X	mg/l	0.004 mg/l
1085	Thallium	200.8	0.001 mg/l	X	mg/l	0.002 mg/l
1925	pH	4500H-B	N/A		7.3 pH	6.50-8.50

	DATE:	TIME:
ANALYSES BEGUN:	09/04/18	03:11 PM
ANALYSES COMPLETED:	10/10/18	09:18 AM

Laboratory Log #: 8018-090418-E01I

Certified By: MAO

COMMENTS:

114 OAKMONT DRIVE
GREENVILLE, N.C. 27858

PHONE (252) 756-6208
FAX (252) 756-0633

PESTICIDES AND SYNTHETIC ORGANIC CHEMICALS ANALYSIS (SOC's)

WATER SYSTEM ID#: 04-16-197

COUNTY: CARTERET

Name of Water System: NORTH RIVER

Sample Type: (X) Entry Point () Special/Non-compliance

Location Where Collected: WELL #1 & #2

Facility ID No.: WT1

Sample Point: E01

Collected By: DANIEL BATCHELOR

Mail Results to (water system representative):

NORTH RIVER
ATTN: JOHN SIMMONS
5231 BUSINESS DRIVE
NEWPORT, NC 28570

Phone #: (252) 241-4646

Fax #: (252) 728-0793

Responsible Person's Email:
john.simmons@carteretcountync.gov

Collection Date	Collection Time
03/01/21	07:50 AM

Nov 22 2022

LABORATORY ID#: 37715

() SAMPLE UNSATISFACTORY

() RESAMPLE REQUESTED

CONTAM CODE	CONTAMINANT	METHOD CODE	REQUIRED REPORTING LIMIT (R.R.L.)	NOT DETECTED ABOVE R.R.L. (X)	QUANTIFIED RESULTS *	ALLOWABLE LIMITS
2005	Endrin	525.2	0.00001 mg/l	X	mg/l	0.002
2010	BHC-Gamma	525.2	0.00002 mg/l	X	mg/l	0.0002
2015	Methoxychlor	525.2	0.0001 mg/l	X	mg/l	0.04
2020	Toxaphene	525.2	0.001 mg/l	X	mg/l	0.003
2031	Dalapon	515.4	0.001 mg/l	X	mg/l	0.20
2035	Di(2-ethylhexyl)adipate	525.2	0.0006 mg/l	X	mg/l	0.40
2036	Oxamyl(vydate)	531.1	0.002 mg/l	X	mg/l	0.20
2037	Simazine	525.2	0.00007 mg/l	X	mg/l	0.004
2040	Picloram	515.4	0.0001 mg/l	X	mg/l	0.500
2041	Dinoseb	515.4	0.0002 mg/l	X	mg/l	0.007
2042	Hexachlorocyclopentadiene	525.2	0.0001 mg/l	X	mg/l	0.050
2046	Carbofuran	531.1	0.0009 mg/l	X	mg/l	0.040
2050	Atrazine	525.2	0.0001 mg/l	X	mg/l	0.003
2051	Alachlor	525.2	0.0002 mg/l	X	mg/l	0.002
2065	Heptachlor	525.2	0.00004 mg/l	X	mg/l	0.0004

* Note: If result exceeds allowable limit, the laboratory must fax analytical results to the State within 48 hours.

114 OAKMONT DRIVE
GREENVILLE, N.C. 27858

PHONE (252) 756-6208
FAX (252) 756-0633

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PESTICIDES AND SYNTHETIC ORGANIC CHEMICALS ANALYSIS (SOC's)

(continued)

WATER SYSTEM ID#: 04-16-197

Name of Water System: NORTH RIVER

Facility ID No.: WT1

Sample Point: E01

Collection Date	Collection Time
03/01/21	07:50 AM

LABORATORY ID#: 37715

CONTAM CODE	CONTAMINANT	METHOD CODE	REQUIRED REPORTING LIMIT (R.R.L.)	NOT DETECTED ABOVE R.R.L. (X)	QUANTIFIED RESULTS *	ALLOWABLE LIMITS
2067	Heptachlor Epoxide	525.2	0.00002 mg/l	X	mg/l	0.0002
2105	2,4-D	515.4	0.0001 mg/l	X	mg/l	0.07
2110	2,4,5-TP (Silvex)	515.4	0.0002 mg/l	X	mg/l	0.05
2274	Hexachlorobenzene	525.2	0.0001 mg/l	X	mg/l	0.001
2039	Di(2-ethylhexyl)phthalate	525.2	0.00132 mg/l	X	mg/l	0.006
2306	Benzo(a)pyrene	525.2	0.00002 mg/l	X	mg/l	0.0002
2326	Pentachlorophenol	515.4	0.00004 mg/l	X	mg/l	0.001
2383	PCB's (as decachlorobiphenyl)	525.2	0.0001** mg/l	X	mg/l	0.0005
2931	DBCP	504.1	0.00002 mg/l	X	mg/l	0.0002
2946	Ethylene Dibromide (EDB)	504.1	0.00001 mg/l	X	mg/l	0.00005
2959	Chlordane	525.2	0.0002 mg/l	X	mg/l	0.002

* Note: If result exceeds allowable limit, the laboratory must fax analytical results to the State within 48 hours.

** Note: R.R.L. (mg/L) for PCB screening are as follows: Aroclor 1016 - 0.00008, Aroclor 1221 - 0.02, Aroclor 1232 - 0.0005, Aroclor 1242 - 0.0003, Aroclor 1248 & 1254 - 0.0001, Aroclor 1260 - 0.0002

	DATE:	TIME:
ANALYSES BEGUN:	03/01/21	04:11 PM
ANALYSES COMPLETED:	03/29/21	11:38 AM

Laboratory Log #: 8018-030121-E01S

Certified By: MAO

COMMENTS:



Project Detail

Serial No: 15-01015 **Received:** 12/15/2015 **Project Type:** TANK REHABILITATION ONLY
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: 534 LAUREL ROAD - BEAUFORT

Contacts

Applicant Name: W. Russell Overman, County Manager **Engineer Name:**
Reviewer Name: Bhatta, Shashi

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
final approval	04/21/2016	TLK
engineer's certification	04/21/2016	30647
project approval	12/15/2015	RO/SMB

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Project Detail

Serial No: 09-00533R1 **Received:** 6/13/2011 **Project Type:** STORAGE SYSTEM
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: TANK 3/BOOSTER PUMP STATIONS 2&3 CARTERET COUNTY NC

Contacts

Applicant Name: John Langdon **Engineer Name:**
Reviewer Name: Chohan, Siraj (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
applicant's certification	09/10/2012	
engineer's certification	09/10/2012	7469 OK PER SMC
final approval	09/10/2012	TLK PER SMC
applicant's certification	08/27/2012	
partial final approval	08/27/2012	TLK PER SMC - FINAL DISINFECTION OF ET3 REMAINING
partial engineer's certification	08/27/2012	7469 OK PER SMC - FINAL DISINFECTION OF ET3 REMAINING
project approval	01/03/2012	SHOP DRAWINGS FOR THE 200.000-GALLON ELEVATED TANK RECEIVED.
approval mailed	07/20/2011	
authorization to construct	07/13/2011	SMC
tentative approval	07/12/2011	

Project Detail

Serial No: 11-00571 **Received:** 6/6/2011 **Project Type:** DISTRIBUTION REPLACEMENT
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: CARTERET CO. - US HWY 70 UTILITIES RELOCATION (R-3307)

Contacts

Applicant Name: Dee Meshaw, Asst. County Manager **Engineer Name:**
Reviewer Name: Chohan, Siraj (former employee, contact shashi.bhatta@ncdenr.gov)

Events

Event	Event Date	Comments
final approval	06/12/2013	TLK PER SMC
engineer's certification	06/12/2013	33439 OK PER SMC
authorization to construct expiration reminder	06/04/2013	
applicant's certification	05/23/2012	
partial engineer's certification	05/23/2012	33439 OK PER SMC - APPROXIMATELY 2000 LF OF 8-INCH WATERLINE ALONGSIDE US 70 EAST
partial final approval	05/23/2012	TLK PER SMC - APPROXIMATELY 2000 LF OF 8-INCH WATERLINE ALONGSIDE US 70 EAST
approval mailed	07/20/2011	
authorization to construct	07/11/2011	SMC
project approval	07/08/2011	
Comment Sent	07/07/2011	
Comment Sent	07/05/2011	ADDITIONAL INFORMATION NEEDED.

Project Detail

Serial No: 10-00988 **Received:** 10/8/2010 **Project Type:** TANK REHABILITATION ONLY
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: 534 LAUREL ROAD, BEAUFORT NC

Contacts

Applicant Name: Tony Cahoon, Public Works Director **Engineer Name:**
Reviewer Name: Chohan, Siraj (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
final approval	03/18/2011	TLK PER WIRO
engineer's certification	03/15/2011	PER WIRO
project approval	10/11/2010	

Project Detail

Serial No: 09-01554 **Received:** 12/2/2009 **Project Type:** GROUNDWATER SYSTEM
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: CARTERET COUNTY - LAUREL RD WTP RENOVATIONS

Contacts

Applicant Name: John Langdon, County Manager **Engineer Name:**
Reviewer Name: Chohan, Siraj (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
final approval	11/01/2010	SMC
applicant's certification	10/29/2010	
engineer's certification	10/29/2010	16359
approval mailed	01/08/2010	
authorization to construct	12/18/2009	SMC
project approval	12/17/2009	



Water Resources
ENVIRONMENTAL QUALITY

Project Detail

Serial No: 09-00361 **Received:** 3/10/2009 **Project Type:** STORAGE SYSTEM
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: ELEVATED TANK NO. 2 & BOOSTER PUMP STATION NO. 1 (CONTRACT 11 & 12)

Contacts

Applicant Name: John Langdon **Engineer Name:**
Reviewer Name: Chohan, Siraj (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
approval mailed	04/12/2011	
final approval	03/30/2011	TLK PER SMC
project approval	03/29/2011	ET SHOP DRAWGS AND PUMPS PERFORMANCE CURVES RECEIVED.
engineer's certification	03/29/2011	7469 OK PER SMC (CERT DATED 3/22/2011)
applicant's certification	03/25/2011	
authorization to construct expiration reminder	01/26/2011	
authorization to construct extension	01/26/2011	
construction started	07/01/2010	PER FORM FROM WJ ZAIST DATED 2/1/2011
approval mailed	03/26/2009	
authorization to construct	03/25/2009	SMC
tentative approval	03/25/2009	SHOP DRAWINGS & BP PERFORMANCE CURVES REQUIRED FOR AP.

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Water Resources
ENVIRONMENTAL QUALITY

Project Detail

Serial No: 09-00361 **Received:** 3/10/2009 **Project Type:** STORAGE SYSTEM
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: ELEVATED TANK NO. 2 & BOOSTER PUMP STATION NO. 1 (CONTRACT 11 & 12)

Contacts

Applicant Name: John Langdon **Engineer Name:**
Reviewer Name: Chohan, Siraj (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
approval mailed	04/12/2011	
final approval	03/30/2011	TLK PER SMC
project approval	03/29/2011	ET SHOP DRAWGS AND PUMPS PERFORMANCE CURVES RECEIVED.
engineer's certification	03/29/2011	7469 OK PER SMC (CERT DATED 3/22/2011)
applicant's certification	03/25/2011	
authorization to construct expiration reminder	01/26/2011	
authorization to construct extension	01/26/2011	
construction started	07/01/2010	PER FORM FROM WJ ZAIST DATED 2/1/2011
approval mailed	03/26/2009	
authorization to construct	03/25/2009	SMC
tentative approval	03/25/2009	SHOP DRAWINGS & BP PERFORMANCE CURVES REQUIRED FOR AP.

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Project Detail

Serial No: 07-02067 **Received:** 11/16/2007 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: CHADWICK SHORES PLANTATION (LOTS 1-62) CONTRACT 9

Contacts

Applicant Name: John Langdon **Engineer Name:**
Reviewer Name: Chen,Tony (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
applicant's certification	11/19/2008	
final approval	11/19/2008	TLK
engineer's certification	11/14/2008	7469
approval mailed	11/30/2007	
authorization to construct	11/28/2007	TCC BY SEP
project approval	11/27/2007	



Water Resources
ENVIRONMENTAL QUALITY

Project Detail

Serial No: 07-00193 **Received:** 2/5/2007 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: TRACEY GROVE S/D, SECTION 2

Contacts

Applicant Name: John Langdon **Engineer Name:**
Reviewer Name: Chen,Tony (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
project terminated	03/07/2017	Per form from john simmons dated 2/22/17
on hold	12/03/2010	PER FORM FROM WILLIAM ZAIST DATED 12/3/2010
authorization to construct expiration reminder	11/29/2010	
authorization to construct extension	11/29/2010	
authorization to construct extension	01/05/2009	PER FORM FROM TONY CAHOON DATED 1/5/2009
authorization to construct expiration reminder	12/29/2008	
construction started	02/19/2007	PER FORM FROM WILLIAM ZAIST DATED 12/3/2010
approval mailed	02/15/2007	
authorization to construct	02/13/2007	TCC BY DB
project approval	02/12/2007	

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Water Resources
ENVIRONMENTAL QUALITY

Project Detail

Serial No: 06-02153 **Received:** 12/14/2006 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: TRACY GROVE S/D, SECTION 1

Contacts

Applicant Name: John Langdon **Engineer Name:**
Reviewer Name: Chen,Tony (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
applicant's certification	06/19/2017	
final approval	06/19/2017	tlk
engineer's certification	06/02/2017	7469; still need applicant certification
authorization to construct extension	03/13/2017	Per form from John Simmons/Frank Lews dated 3/13/17
on hold	12/03/2010	PER FORM FROM WILLIAM ZAIST DATED 12/3/2010
authorization to construct expiration reminder	10/28/2010	
authorization to construct extension	10/28/2010	
authorization to construct extension	12/08/2008	PER FORM FROM TONY CAHOON DATED 12/8/2008
authorization to construct expiration reminder	11/24/2008	
construction started	01/22/2007	PER FORM FROM WILLIAM ZAIST DATED 12/3/2010
approval mailed	01/08/2007	
authorization to construct	01/04/2007	TCC BY SEP
project approval	01/03/2007	

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Project Detail

Serial No: 06-01567 **Received:** 9/1/2006 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: JOANS HAVEN DRIVE LOTS CON-5

Contacts

Applicant Name: John Lan Gdon **Engineer Name:**
Reviewer Name: Chen,Tony (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
applicant's certification	11/22/2006	
final approval	11/22/2006	
engineer's certification	11/22/2006	
approval mailed	09/20/2006	
authorization to construct	09/19/2006	TCC BY DB
project approval	09/13/2006	

Project Detail

Serial No: 06-01023 **Received:** 6/12/2006 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: MILL LANDING S/D, CONTRACT 6

Contacts

Applicant Name: John Langdon **Engineer Name:**
Reviewer Name: Chen,Tony (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
applicant's certification	06/14/2007	
final approval	06/14/2007	
engineer's certification	06/14/2007	
approval mailed	06/26/2006	
project approval	06/22/2006	
authorization to construct	06/22/2006	TCC BY DB



Water Resources
ENVIRONMENTAL QUALITY

Project Detail

Serial No: 06-01021 **Received:** 6/12/2006 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: BRIDGEWATER @ WARE CRJ S/D NO5

Contacts

Applicant Name: John Langdon **Engineer Name:**
Reviewer Name: Chen,Tony (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
applicant's certification	10/10/2006	
final approval	10/10/2006	
engineer's certification	10/10/2006	
approval mailed	06/26/2006	
authorization to construct	06/23/2006	TCC BY SEP
project approval	06/22/2006	

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Water Resources
ENVIRONMENTAL QUALITY

Project Detail

Serial No: 05-01539 **Received:** 9/12/2005 **Project Type:** TANK REHABILITATION ONLY
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: CARTERET COUNTY ELEVATED TANK

Contacts

Applicant Name: John Langdon **Engineer Name:** Zzz Migration
Reviewer Name: Chen,Tony (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
final approval	01/05/2006	TCC
engineer's certification	01/04/2006	
project approval	09/12/2005	R.O. APP. 9/9/05

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Water Resources
ENVIRONMENTAL QUALITY

Project Detail

Serial No: 05-00938 **Received:** 6/1/2005 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: CARTERET CO./CONTRACT #43

Contacts

Applicant Name: John Langdon **Engineer Name:** Zzz Migration
Reviewer Name: Chen,Tony (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
applicant's certification	02/20/2006	
final approval	02/20/2006	OU
partial engineer's certification	02/20/2006	CHANGE ORDER 1
applicant's certification	12/15/2005	TCC
partial final approval	12/15/2005	TCC
partial engineer's certification	12/08/2005	
authorization to construct	11/23/2005	TCC, WSMP# 02-01787
approval mailed	06/22/2005	
project approval	06/14/2005	

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Project Detail

Serial No: 03-01288 **Received:** 8/18/2003 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: CARTERET CO. #43/PH 2 DEH 0906

Contacts

Applicant Name: Mary Ann Hinshaw **Engineer Name:**
Reviewer Name: Ou, Henri (former employee, contact shashi.bhatta@ncdenr.gov)

Events

Event	Event Date	Comments
applicant's certification	07/27/2005	
partial engineer's certification	07/27/2005	FINAL
final approval	07/27/2005	OU
partial final approval	05/24/2005	OU
applicant's certification	05/24/2005	
partial engineer's certification	05/24/2005	SR 1675,1723,1676,1673,...
partial engineer's certification	05/19/2005	SR 1230, 1231
applicant's certification	05/19/2005	
partial final approval	05/19/2005	OU
partial final approval	05/05/2005	OU
partial engineer's certification	05/05/2005	SR 1246,1416,1460,1946...
applicant's certification	05/05/2005	
partial engineer's certification	04/20/2005	SR1169,1631,1644,1165,101
applicant's certification	04/20/2005	
partial final approval	04/20/2005	OU
approval mailed	09/18/2003	
authorization to construct	09/12/2003	OU
project approval	09/12/2003	WSMP 02-01787

Project Detail

Serial No: 03-00031 **Received:** 12/23/2002 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: EASTMAN CREEK S/D LOTS 1-90

Contacts

Applicant Name: Doug Brady, Chairman **Engineer Name:**
Reviewer Name: Ou, Henri (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
final approval	05/05/2004	OU
engineer's certification	05/05/2004	
applicant's certification	04/29/2004	
approval mailed	01/16/2003	
project approval	01/10/2003	WSMP 02-01788
authorization to construct	01/10/2003	OU



Project Detail

Serial No: 02-01787 **Received:** 11/5/2002 **Project Type:** WATER SYSTEM MANAGEMENT PLAN
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: CARTERET COUNTY WATER

Contacts

Applicant Name: John Whitehurst **Engineer Name:** Zzz Migration
Reviewer Name: O'Daniel, Sandy (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
WSMP deemed complete	11/26/2002	STE A

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Project Detail

Serial No: 02-01776 **Received:** 11/4/2002 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: INDIAN SHORES S/D

Contacts

Applicant Name: John Whitehurst, County Mgr. **Engineer Name:**
Reviewer Name: Ou, Henri (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
applicant's certification	05/27/2003	
final approval	05/27/2003	HSO BY JHD
engineer's certification	05/13/2003	
approval mailed	12/18/2002	
project approval	11/27/2002	
authorization to construct	11/27/2002	OU



Project Detail

Serial No: 00-01424 **Received:** 6/12/2000 **Project Type:** WATER SYSTEM MANAGEMENT PLAN
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: COUNTY OF CARTERET

Contacts

Applicant Name: Bob Murphy **Engineer Name:** Zzz Migration
Reviewer Name: O'Daniel, Sandy (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
WSMP deemed complete	06/12/2000	SHORT FORM

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Water Resources
ENVIRONMENTAL QUALITY

Project Detail

Serial No: 00-01400 **Received:** 6/2/2000 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: CARTERET CO. WTR. SYS 40,41,42

Contacts

Applicant Name: Robert Murphy **Engineer Name:**
Reviewer Name: Ou, Henri (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
engineer's certification	06/17/2003	WTP PORTION
final approval	06/17/2003	OU
applicant's certification	05/29/2003	
partial final approval	05/29/2003	OU
partial engineer's certification	05/12/2003	EXCEPT WTP PORTION
approval mailed	07/24/2000	
authorization to construct	07/07/2000	OU
project approval	07/07/2000	
reminder letter	06/12/2000	

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Water Resources
ENVIRONMENTAL QUALITY

Project Detail

Serial No: 00-01068 **Received:** 5/3/2000 **Project Type:** DISTRIBUTION EXTENSION
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: WHITEWATER S/D

Contacts

Applicant Name: Robert Murphey, County Manager **Engineer Name:**
Reviewer Name: Ou, Henri (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
applicant's certification	05/06/2004	
final approval	05/06/2004	OU
engineer's certification	04/28/2004	
approval mailed	07/06/2000	
authorization to construct	07/03/2000	OU
project approval	07/03/2000	
reminder letter	05/04/2000	

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Project Detail

Serial No: 00-00690 **Received:** 3/23/2000 **Project Type:** WATER SYSTEM MANAGEMENT PLAN
Water System No.: NC0416197 **County:** CARTERET
Water System Name: NORTH RIVER/MILL CREEK WATER SERVICE DIS
Description: N. RIVER & MERRIMON WTR SYSTEM

Contacts

Applicant Name: Robert Murphy **Engineer Name:** Zzz Migration
Reviewer Name: O'Daniel, Sandy (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
WSMP deemed complete	03/23/2000	SHORT FORM

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Project Detail

Serial No: 16-00890 **Received:** 10/18/2016 **Project Type:** TANK REHABILITATION ONLY
Water System No.: NC0416198 **County:** CARTERET
Water System Name: MERRIMON WATER SYSTEM
Description: 105 JONAQUINS CREEK RD MERRIMON NC

Contacts

Applicant Name: Mr. Russell Overman **Engineer Name:**
Reviewer Name: Bhatta, Shashi

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
engineer's certification	03/02/2017	eng cert 30647
final approval	03/02/2017	tlk
project approval	10/18/2016	TLK PER SMB

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Project Detail

Serial No: 02-01788 **Received:** 11/5/2002 **Project Type:** WATER SYSTEM MANAGEMENT PLAN
Water System No.: NC0416198 **County:** CARTERET
Water System Name: MERRIMON WATER SYSTEM
Description: CARTERET COUNTY WATER SYSTEM

Contacts

Applicant Name: John Whitehurst **Engineer Name:** Zzz Migration
Reviewer Name: O'Daniel, Sandy (former employee, contact shashi.bhatta@ncdenr.gov)

Events

<u>Event</u>	<u>Event Date</u>	<u>Comments</u>
WSMP deemed complete	11/26/2002	STE A

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Central Coastal Plain Capacity Use Area Permit Data for North River Mill Creek Water Service District

Permit holder North River Mill Creek Water Service District Application Received 12/12/2016
Permit number CU1109 Application Complete 12/16/2016
Permit status Active Application Public Notice 01/06/2017
County Carteret Draft Permit Public Notice 01/06/2017
Type of Use Public Supply Issue Date 02/01/2017
Cretaceous Water Bank No Expiration Date 03/31/2022
Bank Start Date Date First Issued 04/02/2007
Withdrawals Not Subject to .0503 Reductions 676,800 Aquifer: Tch No. of Wells: 2
Permitted Maximum Daily Ground Water Withdrawal (in GPD):

Abbreviation	Aquifer
S	Surficial
Tu	Upper Tertiary
Ty	Yorktown
Tch	Castle Hayne
Tb	Beaufort
Kpd	Peedee
Kbc	Black Creek
Kucf	Upper Cape Fear
Klcf	Lower Cape Fear
Br	Basement Rock

North Carolina Aquifer Information

Ground Water Management Branch web site

This permittee has filed a Local Water Supply Plan. Click [here](#) to review their plan. Access this permit holder's withdrawal data formatted for Local Water Supply Planning for all wells and individual wells.
Access any Local Water Supply Plan [here](#).

Water Withdrawal Statistics for North River Mill Creek Water Service District (CU1109)
Wells Not Subject to .0503 Reductions

Calendar Year	Type	Year Total (gallons)	Average Day (gallons/day)	Maximum Day (gallons/day)	# of Days
1990	Well	1,834,800	35,285	164,000	52
1991	Well	493,700	5,143	10,300	96
1992	Well	510,700	5,376	13,300	95
1995	Well	8,099,000	85,253	212,000	95
1996	Well	9,637,000	90,915	303,000	106
1997	Well	10,330,000	99,327	236,000	104
1998	Well	8,532,000	95,865	216,000	89
1999	Well	8,870,000	101,954	491,000	87
2000	Well	9,695,000	118,232	586,000	82
2001	Well	10,160,000	109,247	287,000	93
2002	Well	14,468,000	88,761	266,000	163
2003	Well	28,460,000	90,927	350,000	313
2004	Well	28,413,511	80,720	283,000	352
2005	Well	44,188,000	124,825	463,000	354
2006	Well	56,982,000	156,115	364,000	365
2007	Well	87,744,700	240,396	423,000	365
2008	Well	101,496,000	277,311	527,000	366
2009	Well	98,019,200	268,546	452,000	365
2010	Well	89,307,000	245,349	431,000	364
2011	Well	108,657,000	297,690	528,000	365
2012	Well	107,779,000	294,478	476,000	366
2013	Well	90,326,000	247,468	411,000	365
2014	Well	82,965,000	227,301	527,000	365
2015	Well	84,334,000	231,052	446,000	365
2016	Well	83,372,000	264,673	506,000	315
2017	Well	102,591,000	281,071	424,000	365
2018	Well	74,516,000	231,416	434,000	322
2019	Well	87,050,000	238,493	373,000	365
2020	Well	85,378,000	235,851	412,000	362
2021	Well	87,118,000	238,679	372,000	365

North River Mill Creek Water Service District (CU1109) Well Information

Row #	Source	Land Surface Elevation (feet)	Diameter (inches)	Pump Capacity (gallons per minute)	Pump Intake Depth (feet)	Top Screen Depth (feet)	Bottom Screen Depth (feet)	Well Depth (feet)	Aquifer Top Depth (feet)	Aquifer (s)	Type	.0503 Reduction Well?	Status	.0503 Zone	Production or Monitoring Well (P or M)	Geo Logs	Well Cons Form (GW1)	Pump Diagram
1	1	3.00	10	480	86	369	408	418	1	Tch	Well	no	Existing	0	P	no	sketch	yes
2	2	8.00	10	460	86	375	395	405	1	Tch	Well	no	Existing	0	P	no	sketch	yes

pump intake below top of screen; pump intake below top of screen and top of aquifer; pump intake below top of aquifer

WELL SITE EVALUATION FORM
CALCULATED FIXED RADIUS METHOD
ONE FOR EACH WELL

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General Information

- *1) Well Owner: Carteret County (North River Community) 2) Date Drilled: 10/88
*3) Well Location (St/Rd & Town): NCSR 1163-Laurel Road (Well No. 1)
*4) Water supplied to: North River Community (Public)
5) Source Aquifer (if known): Castle Hayne
6) Well Depth: 418 ft.
7) Diameter: 10 in.
8) Depth Cased: 396 ft.
9) Open Hole/Screen from 396 to 408 ft.

Information from the Well Acceptance Test

- 10) Date: 10/88 11) Length: 24 hours
12) Pumping Rate: 135 gpm 13) Depth to Static Water Level: 11.7 ft.
14) Pumping Level: 171 ft. 15) Drawdown: 7 ft.

Well Operation

- *16) Pumping Rate: 135 gpm *17) Pump Period: 67 min/day

Well Location

- *18) Latitude: 34° 48' 56" *19) Longitude: 76° 38' 44"
20) A 1 : 24,000 scale 7.5 minute topographic map showing the well location must also be submitted.

* Minimum data required for Wellhead Protection Area delineation. Additional information will improve the accuracy of the delineation.

WHPA

Recharge Rate : 200,000 GPD
Area : 0.49 sq. miles
Radius : 2,950 ft.

WELL SITE EVALUATION FORM
CALCULATED FIXED RADIUS METHOD
ONE FOR EACH WELL

General Information

- *1) Well Owner: Carteret County (North River Community) 2) Date Drilled: 12/88
*3) Well Location (St/Rd & Town): NCSR 1300-Merrimon Road (Well No. 2)
*4) Water supplied to: North River Community (Public)
5) Source Aquifer (if known): Castle Hayne
6) Well Depth: 405 ft.
7) Diameter: 10 in.
8) Depth Cased: 375 ft.
9) Open Hole/Screen from 375 to 395 ft.

Information from the Well Acceptance Test

- 10) Date: 12/88 11) Length: 24 hours
12) Pumping Rate: 135 gpm 13) Depth to Static Water Level: 17.5 ft.
14) Pumping Level: 22.6 ft. 15) Drawdown: 10.7 ft.

Well Operation

- *16) Pumping Rate: 135 gpm *17) Pump Period: 52 min/day

Well Location

- *18) Latitude: 34° 48' 40" *19) Longitude: 76° 38' 12"
20) A 1 : 24,000 scale 7.5 minute topographic map showing the well location must also be submitted.

* Minimum data required for Wellhead Protection Area delineation. Additional information will improve the accuracy of the delineation.

WHPA

Recharge Rate : 200,000 GPD
Area : 0.49 sq. miles
Radius : 2,950 ft.

STEP TWO
DELINEATING THE PROTECTION AREA

Wellhead protection areas were defined based upon a maximum well yield (as identified for original acceptance test) and recharge rate of classified soil. The state approved calculated fixed radius method was used.

All wells have been located on a 1:24,000 USGS map (extracts included in specific well summaries) and on tax maps with radii and potential contaminant sources identified.

The following table summarizes information on each well:

<u>WELL</u>	<u>GPM</u>	<u>RECHARGE</u> <u>RATE</u>	<u>AREA</u> <u>(SQ MILE)</u>	<u>RADIUS</u>	<u>LONGITUDE</u>	<u>LATITUDE</u>
1	135	200,000 GPD	0.49 0.97	2,950 ✓	76° 38' 44"	34° 48' 56"
2	135	200,000 GPD	0.49 0.97	2,950 ✓	76° 38' 12"	34° 48' 40"

All longitude and latitude determinations were made from actual field surveys of existing wells.

The "Calculated Fixed Radius" method was used to delineate the radius around each well.

Thanks for your intensive efforts today putting this info together for me to answer Lana's questions.....very much appreciated

1. When was the county water system created? **Initially in the late 1980's**

Phase I ? **(Expansion) completed mid-2003,**

Phase II? **(Expansion) completed mid-2005**

2. Number of users and where does the system extend (service area)? **Now roughly a total 1400 customers paying.....but only ~950 actually consuming water. 450 paying minimums now from Phase 2 expansion signups will not have to pay after Sep 2010.....further deficit potential of ~\$100K if not offset by new consuming customers.**

General service areas:

- **Merrimon system -- Silver Dollar road (only)**
- **North river system plus expansions**

Hwy 70 from Beaufort limits to North River bridge area

Laurel Road

Mill Creek

All of Old Winberry Road, and from Intersection of Old Winberry Road @ Mill Creek road

Hwy 101 from Beaufort to Craven County line

Hardesty Loop Road

All of Hardesty Farm road area.

Steel Tank road to Jarretts Bay industrial park.

Deerfield subdivision

Eastman Creek subdivision (Beaufort water/sewer system buys county water.

Bridgewater and Mill Landing subdivisions

3. To the best of your knowledge, why was it created?

- **Perceived need in the beginning for Merrimon and North River areas during the 80's.**
- **Economic development interest in late 90's**
- **Perceived customer interest/support for 2003 and 2005 expansions**

4. To the best of your knowledge, how much money has gone in to creating the system?

Nearly \$8M How much of this was in the form of grants **~\$5M** , and how much was local funding? **~\$3M** For the grant money, what were the primary sources? **NC bond money and grants**

5. From what you can determine, was there much of a public outcry to create the system? Was there a particular event or series of events that led to the creation of the water system?

Merrimon and North River clearly wanted county water systems in the 80's.....and got them.

1999 expansion to serve industrial area near Steel Tank road was collaborative economic development effort by County (water) and Beaufort (sewer)

Not clear indication of public demand for expansions completed in 2003 and 2005...although well contaminations after hurricanes was a public health concern expressed by the Health Director.

Seems to me that various BOC's since 1999 were led to believe that there would be enough consumer participation to make system expansions viable with revenues balancing expenditures after a few years.....which has not yet materialized There were indications of public interest and signups for 2003 and 2005 expansions which were consistent with expectations raised by a consultant engineer contractor.....but actual usage never materialized.

=====

Here are results for intensive collaborative efforts by Jeanette, Dee, Cindy Mintz and Jack Veit sorting through historical records earlier today.....very sketchy and most probably very incomplete to a great extent past 10 years ago...largely because the County contracted with Beaufort to do water treatments and line maintenance prior to 2003. All expenses and billings were handled by the Town and the County paid the bills. Minutes in 1980's and 90's were very general with little detail. Accountability and documentation by County staff has been upgraded considerably since.

A county-wide water and sewer study was presented to the BOC on July 23, 1986. It's more than 160 pages long and I haven't studied it closely but it does not seem to examine water quality or any particular requirements for county-wide public water/sewer.....just technical engineering and other cost factors discussed then, including numbers of homes and businesses as potential customers.

It includes 12 separate area studies.

- Stella planning area
- Cape Carteret planning area
- Gales Creek/Broad Creek planning area
- Newport planning area
- Morehead City planning area
- Beaufort planning area
- **North River/Harlowe** planning area
- **Merrimon**/South River planning area
- Otway/Atlantic planning area
- Harkers Island planning area
- Cedar Island planning area

This study was apparently the genesis of developing our current limited scope/scale of county operated water systems.....2 separate water systems: the Merrimon system and the North River system. They are not connected now and there has never been any discussion about connecting them.

#1. There has been a very small system serving the Merrimon community since ~1970. It was a community venture prior to 1986. At that time it was described by a study as **a highly substandard system operating under no formal control** (i.e. private contributions solicited door-to-door to fiancé repairs and other expenses). There was only an **existing well with substandard lines and fittings and not chlorinated as required by the state. The state had ordered it to be properly upgraded....or abandoned.** Apparently required improvements were completed later to include

adding a tower and chlorinating the water. At some point in the late 80's the County may have signed a contract with Beaufort for the town to operate this water system (chlorinated treatment and maintenance) for the County....although other minutes indicate that might not have been done until later in the 90's which doesn't make sense to me entirely. I don't find evidence that there have been any substantial service upgrades or expansions since. There are only 36 current customer accounts.

Current service area – Silver Dollar Road, Merrimon

#2. The North River system originally constructed for operations beginning in 1989 [although I can't find documents indicating who operated it before an initial contract with Beaufort in 1993 . I see reference to 206 original customer accounts. It consisted of two wells, a water tower and ~5 miles of water lines primarily serving the North River community and some customers along Laurel Road..... In 1993 there was a short 4000' extension of the main line to serve ECHS

**Current dialogue is generally focused on the North River system as it has evolved.
Consultant engineer reports refer to 4 phases**

- Phase 1 was original construction completed in 1989 (~200 initial user accounts) providing only basic chlorination treatment and maintenance under contract by Beaufort prior to 2003.
- Phase 2 was a very minor expansion completed in 1999 adding slightly more than a mile of new lines to an industrial area near Steel Tank Road. Vague references indicate adding ~15 customers....presumably mostly commercial.

Note: we only had ~250 total customer accounts for both Merrimon and North River systems before the next expansion phase was put into operation

- Phase 3 [now more commonly referred to as Phase 1 of a major expansion of the North River system] added ~20 miles of water lines extending east of Core Creek into the Mill Creek and Harlowe communities.....including construction of a water treatment plant that had not previously existed. When the water treatment plant was added, the county assumed all operational control using county employees.

Note: 395 signed up for Phase 1 subsidized taps but only 175 actually hooked up for water usage. The others only paid for minimum usage and most quit paying after 2 years.

- Phase 4 [now more commonly referred to as Phase 2 of a major expansion of the North River system] was completed in 2005 adding ~23 miles of new lines, mostly lines extending back to Beaufort's town limits along highways 70 and 101.

Note: 895 signed up for subsidized taps but only 440 actually hooked up for water usage. 455 are only paying for minimum usage and won't have to pay that after 5 years.

Current service areas

- Hwy 70 from Beaufort limits to North River bridge area
- Laurel Road
- Mill Creek
- All of Old Winberry Road, and from Intersection of Old Winberry Road @ Mill Creek road
- Hwy 101 from Beaufort to Craven County line
- Hardesty Loop Road
- All of Hardesty Farm road area.
- Steel Tank road to Jarretts Bay industrial park.

- Deerfield subdivision
- Eastman Creek subdivision (Beaufort water/sewer system buys county water.
- Bridgewater and Mill Landing subdivisions

Merrimon and North River clearly wanted county water systems.....and got them

1999 expansion to serve industrial area near Steel Tank road was collaborative effort by County (water) and Beaufort (sewer)

Not indication of public demand for expansions completed in 2003 and 2005...although well contaminations after hurricanes was a public health concern expressed by the Health Director.

Most of what you may be looking for in terms of justifications for major expansions completed in 2003 and 2005 may be available as on-line records of BOC minutes between 1999-2003.

For instance, BOC discussion of 2-15-1999 is interesting.....setting the public hearing on 3-1-1999 for expanding lines to the Mill Creek-Harlowe communities. Discussion of public support on 2-15-99 was based upon single community meeting where 60 of 75 attending said they would be interested.....**but no one spoke at the 3-1-99 public hearing either for or against.**

UPDATE -- Jeanette has ID'd the following BOC (key words = water system) discussions of possible interest to you (printed for Gam pickup)

- 3-2-81 request by Merrimon for repairs assistance
- 8-3-81 request by Merrimon for repairs assistance
- 4-18-83 discussion of water/sewer for Merrimon & North River communities
- 5-2-83 public hearing for water serving Merrimon & North River communities
- 3-28-84 discussion of Merrimon water system survival
- 4-16-84 public hearing for CDBG application for Merrimon & North River communities
- 9-17-84 resolution creating a Utilities Task Force to determine needs for public water/sewer facilities
- 3-4-85 Merrimon problems discussion
- 3-25-85 CDBG public hearing
- 2-3-86 Preliminary water/sewer study report
- **7-23-86 Study Report presentation**
- 11-3-86 CDBG Project Ordinance (skimpy, no details)
- 12-8-86 Order to issue water bonds
- 12-18-86 resolution calling for a special bond referendum
- 8-3-87 discussion of proposed water system wells
- 9-8-87 administration discussion of water systems projects
- 12-7-87 well sites discussion
- 2-1-88 completion date extensions for water systems construction
- 11-7-88 completion date extensions for water systems construction
- 5-1-89 public hearing to consider proposed water ordinance for NR and Merrimon water systems
- 7-10-89 feasibility study for operations of NR and Merrimon water systems
- 2-4-91 discussion about Beaufort testing these county water systems
- 2-3-92 discussion about Beaufort operating these county water systems
- 3-9-92 discussion about Beaufort operating these county water systems
- 5-17-93 discussion of contract with Beaufort
- 11-1-93 discussion of Beaufort operating water systems
- 12-6-93 water systems budget amendment
- 7-11-94 Beaufort contract renewal

- 11-7-94 adding ECHS to the water system
- 6-5-95 Beaufort contract renewal
- 6-24-96 budget appropriations
- 7-1-96 renewal of Beaufort contract
- 8-5-96 water tank management and maintenance
- 4-7-97 amendment to operating fees to Beaufort
- 4-20-98 Water/sewer line extension agreement with Beaufort
- 2-15-99 request for Mill Creek/Harlowe water system
- 3-1-99 Public hearing prior to BOC approval for 2003 expansion.....no public comments
- 3-15-99 Establishing Reserve fund for public water system
- 4-12-99 application for Mill creek water system
- 9-13-99 discussions of possible hookups with Beaufort and Craven County.
- 12-13-99 Craven County agreement approved
- 3-13-00 resolution approving local water supply plans; sewer bond approval
- 9-18-00 **discussion of Phase 1 and 2 improvement projects
- 12-4-00 approval of project ordinance \$3.6M
- 1-22-01 land acquisition for MC/Harlowe water project
- 2-19-01 discussion of serving Jarrett Bay application
- 4-23-01 Mill Creek water system update
- 10-8-01 update on 2000 clean water project
- 11-5-01 Phase 1 improvement project advertised
- 12-17-01 resolution to construct improvements
- 5-6-02 resolution requesting 105 increase in clean water loan
- 6-3-02 estimated water system revenues and appropriations
- 8-5-02 report of construction on schedule
- 9-9-02 rules and regulations for county water system
- 10-7-02 pipes in the ground report
- 12-16-02 update on HWY 101 water project, change orders, loan application, project ordinance amendment, budget amendment increase
- 2-17-03 update on HWY 101 water project
- 3-17-03 approval of utilities positions.
- 4-7-03 billings and collections software plus budget amendment
- 5-5-03 water system update
- 6-16-03 water system budget numbers
- 7-14-03 Mill Creek water system in operation
- 10-20-03 Phase 1 close out and Phase 2 construction documents
- 12-8-03 Environmental Assessment of Phase 2 water improvements projects
- 3-15-04 Approval of Phase 2 budget ordinance, award of construction contract, and engineering services during construction
- 6-7-04 water systems update
- 6-22-04 water fund budget figures
- 7-12-04 Phase 2 early signup
- 9-13-04 Utility commission discussion and fire hydrants for Phase 2 discussion
- 11-16-04 PHASE 2 is 1/3 complete
- 11-23-04 Public Utilities Advisory Board and By-Laws established
- 3-7-05 Budget amendment
- 4-4-05 possible connection with Beaufort
- 5-23-05 water system maintenance technician budget discussion
- 6-23-05 water system budget figures
- 8-8-05 state approval of Phase 2 lines to operate
- 9-12-05 Phase 2 change order and budget amendment
- 4-17-06 water services engineering services proposal
- 5-6-06 water system deficit discussion

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- 5-23-06 discussion of expanding water system customer base
- 6-28-06 water fund budget figures
- 7-17-06 extension of water system to Bridgewater and Mill Landing subdivisions
- 9-11-06 change order for developers to connect to water system
- 1-22-07 Tracy Grove subdivision added
- 2-19-07 Tracey Grove change order
- 6-21-07 Water fund budget figures
- 11-19-07 Water shortage response plan
- 2-9-08 Strategic Planning retreat (water system upgrades discussion)

===== COSTS =====		
Phase	Cost	Source of Funds
1- Merrimon upgrades and initial North River: (Community Development Block Grant)	\$1.34M	100% CDBG
2- expansion to Steel Tower Road	\$74 K	100% CDBG funding
3- [Phase I major expansion)	~3.59M	\$3M state grants
+ \$.590M county debt		
Phase II (Additional Lines)	~\$2.9M	\$2.8M county debt
plus about \$100K sales tax refunds and some water tap revenues		

Total developmental costs were \$7.904Mtotal local debt incurred was ~\$2.9M

Essentially we have an \$8M infrastructure which we only paid \$3M for. That doesn't sound so bad until realizing that we are operating in deficit ever since the first major expansion in 2003.

The County didn't set up our water operations as separate fund until FY-2002/03. Prior to then all revenues and expenditures were in/out of the general fund but our management opinion was that prior to Phase 3 expansion into Mill Creek and Harlowe. (major expansion Phase 1), our pre-2000 operations of the North River water system was basically breaking even.

That changed in a big way when Phase 3 and 4 were added more commonly referred to as major expansion phases 1 in 2003 and 2 in 2005.

FY 2003 (02/03) deficit was **(\$84,923)**

FY 2004 (03/04) deficit was **(\$217,969)**

FY 2005 (04/05) deficit was **(\$151,240)**

FY 2006 (05/06) deficit was **(\$180,587)**

FY 2007 (06/07) deficit was **(\$200,952)**

FY 2008 (07/08) deficit was **(\$360,848)** artificially high figure because it included compilation of earlier write-offs of uncollectable bills

FY 2009 (08/09) deficit is projected to be approximately **(\$210K)**

FY-2011 (10/11) projected deficit could exceed \$300K

The fundamental problem we face is that while there may have been a substantial expectation of public demand and intent to use our water along system expansion

areas.....it has not played out that way. While we are experiencing steady 8% growth, that does not offset the number of signups for 2003 and 2005 expansions which never hooked up to our system to consume water.

The County greatly subsidized initial hook up **costs** (at great expense) to encourage people to sign up. Many took advantage of subsidized taps**2003 signups** paid (2005 **signups** still paying) minimum **monthly** fees, but they are not consuming water.

The **Phase 3** (**commonly referred to as Phase 1**) expansion required customers to pay 2 years of minimum monthly water charges if they did not hook up. **395 signed on but only 175 hooked up**. 220 customers who didn'tstopped paying any minimum usage fees in 2005 when their 2 year contracts expired.

For **Phase 4** (**commonly referred to as Phase 2**) expansion, the minimum usage billing period was extended to 5 years. Again, **895 signed up to take advantage of subsidized fees but only 440 have actually hooked up to use water**. **455 minimum monthly billing contract obligations will expire in 2010**. If they don't actually hook up and use our water, we stand to lose an additional \$90-100K in billing revenues then....putting our annual deficit figure over **\$300K**.

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Nov 22 2022

FEASIBILITY STUDY FOR WATER SYSTEM MERGER

Carteret County, NC



December 2019


DAA Project Number: 18080125-010204



Draper Aden Associates
Engineering • Surveying • Environmental Services

3RD PARTY REVIEW

This Report has been subjected to technical and quality reviews by:

Andy Dastidar		12/5/2019
Name:	Signature	Date
Project Engineer		

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Appendix A	Carteret County Water System Maps
Appendix B	Carteret County Water Rates
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EXECUTIVE SUMMARY

Carteret County (the County) retained Draper Aden Associates (DAA) to evaluate the feasibility of a "merger" of the County's water systems with Town of Beaufort's (the Town) water system. The proposed "merger" would entail the Town of Beaufort taking over the ownership and operation of the County's water systems.

The following tasks were performed:

1. Evaluated the County's water systems assets and maintenance programs.
2. Developed estimated present value of the County's water systems.
3. Reviewed current staffing and potential impacts on the Town's water system staffing, if the merger were to occur.
4. Reviewed the County's water rates, revenues, operating expenses and debt service.
5. Analyzed the projected fiscal impact on the Town of Beaufort water system, if the merger occurs.
6. Developed recommendations for a win-win merger condition for both the Town and the County.

Major findings from the study include:

1. County's water infrastructure is well documented and in good condition.
2. Estimated present value of the County's water system is approximately \$12.3 million.
3. County's current water rate (\$55.10 / 5,000 gallons) is less than the Town's out of town water rate (\$58.79 / 5,000 gallons).
4. County has outstanding water debt of \$2,066,128 (principal only) which will be retired in Fiscal Year 2051-2052.
5. The operating expenses of the County's water system have exceeded revenues in recent years and the deficits have been subsidized by the tax revenues generated from the Special Water Tax District. FY 2019 is the first year where projected expenses will be lower than the revenue. The County believes that FY 2019 will be the new normal as the water system is in good condition now, and the County does not have any need for large capital investment in the foreseeable future.
6. Currently, the County has three (3) water staff and the Town has four (4) water staff. The merged system will need services of a full-time and part time County staff in addition to the four (4) Town staff. There will be a \$165,000 savings in staff compensation. These excess funds can be used for system upgrades or capital expenditures.

DAA's findings show that a merger will be beneficial for both the County and the Town, but to make it workable for the Town, DAA made some recommendations.



Recommendations:

1. The County transfers the water systems to the Town at a cost of \$1.
2. The County continues to pay off the current debt service (\$245,800 / per year) for next 11 years to retire the debt earlier and remove or modify the water tax district after debt retirement.
3. Based on the current tax rate, the County will have excess fund (difference between water district tax revenue and debt service fee, \$177,000 per year) after merger until the debt is retired. County will work in good faith with the Town utilizing these funds for upgrades and expansions to the system during the 11-years debt pay-down period. County may also continue to participate in extensions and upgrades beyond the 11 years, for specific county needs within the existing water district boundaries.
4. The Town will maintain the water rates for the special water district at a rate that is less than the County water rates at the merger date and can increase or decrease the rates in future by the same percentage change as the in-Town water rates.

Benefits for the Town:

1. Acquisition of \$12.3 million worth of infrastructure without any financial investment.
2. Expansion of Town's water system and customer base.
3. County's financial support for at least 11 years to address special capital and maintenance issues in the system previously owned by the County.
4. Potential opportunity for annexation.

The advantages of this potential merger outweigh the few economic and financial limitations. Prior to merger of these water systems, the County and Town will need to address all legal and financial aspects of the merger, which will require good-faith negotiations from both entities.

-- End of Section --



1.0 INTRODUCTION

Carteret County and the Town of Beaufort are interested in “merging” the water systems of the two entities – with the Town taking over ownership and operation of the County’s water system.

1.1 Objectives

The objective of this feasibility study is to determine the value of Carteret County’s water systems, understand the staffing needs to operate and maintain the County’s systems, evaluate the financial condition of the County’s water department, identify the potential impact of the proposed merger on the utilities, and develop recommendations to make the merger beneficial for the Town and the County. The findings and recommendations are documented in this DRAFT report for further discussions with the County and the Town staff. This report will be updated based on the discussions between the County and the Town to be facilitated by DAA.

1.2 Report Organization

This report is organized as outlined below:

- ◆ Chapter 2.0 (Carteret County Water System Assessment) describes the County’s water system including land, physical assets, maintenance programs, and near-term capital improvement program.
- ◆ Chapter 3.0 (Estimated Current Value of Carteret County’s Water System) describes the monetary value of the assets and how the values were calculated.
- ◆ Chapter 4.0 (Organization of Carteret County Water Department) describes the current staffing structure and responsibilities.
- ◆ Chapter 5.0 (Revenues and Expenses of Carteret County Water System) describes the water rates, debt service and current financial conditions.
- ◆ Chapter 6.0 (Feasibility of Merger) describes the Town of Beaufort system, advantages to the Town in taking over the Carteret County System, and recommendations to make the merger beneficial to both the County and the Town.
- ◆ Chapter 7.0 (Conclusion) describes the outcome of this feasibility study.

-- End of Section --



2.0 CARTERET COUNTY WATER SYSTEM ASSESSMENT

2.1 System Overview

Carteret County (the County) relies on two groundwater wells for water supply. Water from the first well is treated at the Laurel Road Water Treatment Plant before it is pumped to three (3) elevated storage tanks for distribution within the community. These storage tanks are located with water lines extending to the Craven County line along NC Highway 101 and into the Mill Creek area. There are also water lines extending from the Beaufort Town limits along Highway 70 to East Carteret High School and along Merrimon Road to Laurel Road. The system serves approximately 1,206 customers.

The County also owns and operates a small water system about 20 miles north of Laurel Rd and Merrimon Rd intersection. This small system known as Merrimon Water System (MWS), serves approximately 25 – 30 customers. MWS receives water from the Jonaquins Creek well that consists of a well and an above-ground storage tank.

A map showing Carteret County's water system (including its water district boundary) is shown in Figure 1 of Appendix A. The MWS is shown at the inset of Figure 1 and in Figure 2 of Appendix A.

MWS system is an integral part of the County's water system and should be included in any potential water system merger or transfer discussions. Legalities of such a merger / transfer will be agreed upon and processed by participating agencies prior to acceptance and completion of the merger process.

2.2 Special Water Tax District

The Board of Commissioners of Carteret County established the Special Water Tax District (SWTD) in 2010. Within this district, there is a special tax assessed to taxpayers for water supply and distribution services. The tax rate in the special water district has been 5.5 cents since 2012. In addition, sales tax revenues in the SWTD are used to support the water operations. Table 1 provides the revenue and expenditures for the SWTD for FY2018, FY2019 and FY2020.



Table 1. Revenue and Expenses for the Special Water Tax District

	FY 2018 (Actual) \$	FY 2019 (Amended Budget) \$	FY2020 (Budget) \$
Expenditure Category			
Fees	1,240	3,000	3,000
Transfer to Water Fund	433,600	400,000	420,000
Total	434,840	403,000	423,000
Revenue Sources			
Ad Valorem Taxes	299,136	292,000	292,000
Sales Tax	96,329	95,000	100,000
Interest	1,505	1,000	6,000
Appropriated Fund Balances	0	15,000	25,000
Total	396,969	403,000	423,000

2.3 Water System Assets

The County water system assets include water mains, valves, water meters, fire hydrants, tanks, booster pump stations, a Supervisory Control and Data Acquisition (SCADA) system and land parcels. These assets are listed in Table 2.

Table 2. Water System Assets of Carteret County

Items	Quantity		Description
Water Plant	1		
Land	8 Parcels	16.49 acres	
Pump Stations/Pump Houses	3		Booster Pumps 1, 2, and 3
Water Tanks	4		3 elevated tanks and one ground tank
Valves	599		
Water Meters	1,206		
Fire Hydrants	175		
Water Lines	5 miles	2 inches	
	0.25 miles	4 inches	



Items	Quantity	Description
	29.6 miles	6 inches
	20.4 miles	8 inches
	0.6 miles	10 inches
SCADA System	1	Management of elevated water tanks and Jonaquins Creek well house

2.3.1 Storage Tanks

Details for the three elevated storage tanks are provided in Table 3.

Table 3. Elevated Water Tanks

Types of Tanks	Capacity (gallons)	Manufacturer	Design Type	Year Constructed
Taylor Farm Road Tank	200,000	Caldwell	Torus Bottom	2012
Laurel Road Tank	200,000	Phoenix	Double Ellipsoidal	1988
Mayflower Drive Tank	200,000	Phoenix	Torus Bottom	2012

2.3.2 Pump Stations

The County has three booster pump stations. Details of these pump stations are shown in Table 4.

Booster Pump 2 provides water at the emergency connection between the Town of Beaufort and the County.

Table 4. Pump Stations

Types of Pump	Cat No/Model Number	Manufacturer	Horsepower (HP)	Design Type (RPM)	Installation Date
Booster Pump #1	R5P 3D/H317	Emerson Motor Co.	5	1170	2012*
Booster Pump #2	EM3774T	Baldor Electric Co.	10	1760	2012
Booster Pump #3	EM3770T	Baldor Electric Co.	7.5	1770	2012

*Estimated, actual date of installation is not available.



2.3.3 Land

The total acreage utilized by the County's water system is approximately 16.49 acres. Table 5 summarizes the properties, the street address and the acreage.

Table 5. Carteret County Water System Property

Property	Address	Total Acres
Laurel Road Aerial Tank	524 Laurel Road	2.04
Laurel Road Treatment Plant	526 Laurel Road	8.12
Jonaquins Creek Water House	150 Jonaquins Creek Road	0.82
Taylor Farm Elevated Tank	209 Taylor Farm Road	1.01
Booster Pump Station #1	142 Shell Landing Road	0.47
Booster Pump Station #2	1109 Hwy 101	0.60
Booster Pump Station #3	3510 Hwy 101	2.56
Mayflower Drive Elevated Tank	104 Mayflower Drive	0.87
Total		16.49

2.4 Asset Maintenance

2.4.1 Pipeline Maintenance

The County's Public Works Department (PWD) performs system maintenance including, but limited to, the following:

- ◆ Detection and repair of leaks in the pipe lines
- ◆ Maintenance of booster pumps and other associated components of the water distribution system
- ◆ Maintenance and replacement of water meters, valves and fire hydrants
- ◆ Water service installations and / or inspections

2.4.2 Tank Maintenance

Southern Corrosion Inc (SCI) has an existing water tank management addendum to contract with the County until year 2030. Per contract, the tanks will be inspected every year and will be washed-out at five (5) year intervals. The tank interior will be recoated at fifteen (15) year intervals, and the exterior will be recoated at five (5) year intervals. The next wash-out is scheduled for year eight (8) of the service



(year 2023), repainting of the tank exterior is scheduled for year twelve (12) of the service (year 2027)
repainting of tank interior is scheduled for year twelve (12) of the service (2027).

The contract does not include the complete abrasive blasting of tank exterior nor the pressure washing of tank exterior as a stand-alone apart from a surface preparation for painting.

SCI provides the following services to the County in accordance with the tank's maintenance program:

- ◆ Emergency services (tank leaks, tank failures, etc.)
- ◆ Scheduled cleaning/washout of tanks interiors
- ◆ Inspection of interior and exterior surfaces of tanks
- ◆ Application of protective coatings
- ◆ Maintenance, upkeep and long-term maintenance needs

Table 6 below indicates the scheduled maintenance activities that have taken place under this contract for the last four years. Based on the 2018 inspection results as shown in Table 6, all three tanks are in good condition without any serious deficiencies that require immediate attention.

2.5 Carteret County Water System Capital Improvement Plan

In 2013, the County completed a \$3.51 million water system improvement project. Since 2013, there has been little need for significant capital projects; there were no capital projects scheduled in FY2019 and the FY2020 budget does not include any. The County continues to fund "pay as you go" capital projects, as needed. Recent capital investments include:

- ◆ Fiscal Year 2011: WTP Telemetry Base Upgrade, Addition of 10-inch Color MMI, Replace Tank Level Meter/Digital DSP-MMI, Use Existing Probe Relays-Raw Well Control, and Replace Remotes /Upgrade Phone Line and Radio. Total cost for upgrade was \$27,998.
- ◆ Fiscal Year 2016: BPS Flow Meter and RTU Repair. Total cost for repair was \$4,697.
- ◆ Fiscal Year 2017: Discharge Pump Station SCADA TIE-IN. Total cost for this implementation was \$3,309.
- ◆ Fiscal Year 2018: Softener and filter refurbishment. The total cost was \$121,446

Overall, the water system is in good condition and the County is not expecting any major capital investment in the near future.



Table 6. Tank Maintenance Report (2015-2018)

Tank	Year Constructed	Year-2015	Year-2016	Year-2017	Year-2018
Taylor Farm Road Tank	2012	The tank, its components, and coating systems are in good condition. The interior coating system deficiencies ranged between 0% and 10%, whereas, the exterior coating deficiencies ranged between 0%-2%. Some of the exterior deficiencies included; Pin Point Rust, and Irregular Surface Deterioration. No visual deficiencies were observed pertaining to internal coating system. The safety inspection yielded satisfactory and compliant results pertaining to structural integrity of exterior, storage, safety, and other associated components	The tank, its components, and coating systems are in good condition. The interior coating system is free of any premature failure and provides adequate protection to the structure. The upper portions of the leg ladder, sway rods, and shell wall ladder are showing signs of premature coating failure causing surface corrosion. Repair and scheduled maintenance maybe required	There was no maintenance required during this time. The coating in the exterior and interior are in excellent condition	No deficiencies or touchups were noted, and the overall visual appearance of the water tank is satisfactory
Laurel Road Tank	1988	The tank, its components, and coating systems are in good condition. The interior coating system deficiencies ranged between 0% and 10%, whereas, the exterior coating deficiencies ranged between 0%-2%. Some of the exterior deficiencies included; Irregular Surface Deterioration, Mildew, Peeling Multiple Coats, and Undercutting. Deficiencies pertaining to internal coating system included Pin Point Rust, and Irregular Surface	There were no deficiencies or touch ups noted and the overall visual appearance of the water tank (internal and external) is satisfactory. The obstruction light on tank roof was repaired	Both exterior and interior protective coating seems to be in excellent condition. The interior and exterior coating systems are free of any serious deficiencies and provides adequate protection to the structure.	The water tank, its components, and coating systems are in good condition. The interior and exterior coating systems are free of any serious deficiencies and provides adequate protection to the structure.



		Deterioration. The safety inspection yielded satisfactory and compliant results pertaining to structural integrity of exterior, safety, and other associated components. The side wall coating of the storage exterior needs to be monitored as per the report.			
Mayflower Drive Tank	2010	The tank, its components, and coating systems are in good condition. The interior coating system deficiencies ranged between 0% and 10%, whereas, the exterior coating deficiencies ranged between 0%-2%. Some of the exterior deficiencies included; Pin Point Rust, Irregular Surface Deterioration, etc. No visual deficiencies were observed pertaining to internal coating system. The safety inspection yielded satisfactory and compliant results pertaining to structural integrity of exterior, storage, safety, and other associated components	The tank, its components, and coating systems are in good condition. The interior coating system is free of any premature failure and provides adequate protection to the structure. On the exterior, such as the ladder and sway/spider rods, are showing signs of premature failure and surface corrosion. Repair and a scheduled maintenance may be required.	Exterior deficiencies included Mildew, Fading, Chalking, Irregular Surface Deterioration, Undercutting, Peeling Paint to Substrate. Adhesion failures and surface corrosion present on 20% of the surfaces. 10% Adhesion failures and surface corrosion observed on the rods and struts. And close to 2% adhesion failure and surface corrosion observed on the catwalk and handrails. The interior protective coating system seems to be in excellent condition	Structural wise, the tank is in good condition, but a planned renovation needs to be scheduled by the County Officials. A weathered and weakened coating system is nearing the end of its protective cycle

-- End of Section --



3.0 ESTIMATED CURRENT VALUE OF THE CARTERET COUNTY WATER SYSTEM

3.1 Theory of Asset Valuation

DAA estimated the value of the County's water system using an asset evaluation approach as described below.

Book Value (BV) approach was used in estimating the value of the fixed assets. The BV approach uses equation (1) to estimate the present worth of an asset as stated below:

$$\text{Present BV of Asset (\$)} = \text{Historical Cost (\$)} - ((\text{Accumulated Depreciation (\$)} + \text{Current Depreciation (\$)})) \quad (1)$$

Traditionally, straight line depreciation (SLD) technique is used to estimate depreciated value of water system assets. Historical cost represents the cost of the assets on the day of acquisition. DAA was able to locate financial records pertaining to purchase prices on some of these assets from the County's finance department.

Accumulated depreciation is calculated using equation (2), and incorporates useful life of the water distribution system component:

$$\text{Accumulated depreciation (\$)} = (\text{Net Amount to be depreciated} / \text{Total useful life in months}) \times ((\text{Fiscal year beginning date} - \text{date of acquisition}) / 30.4167)) \quad (2)$$

The value of 30.4167 is used for converting days to months.

Depreciation value (\$) for each asset for the current year is estimated using the following equation:

$$\text{Current Depreciation (\$)} = \text{Net amount to be depreciated (\$)} / \text{Total useful life (months)} \quad (3)$$

The equation (3) may be modified if the depreciation amount (\$) in equation (3) exceeds the difference of net amount to be depreciated and accumulated depreciation. The revised equation for Current Depreciation is stated below:

$$\text{Depreciation Current Year (\$)} = \text{Net Amount to be depreciated (\$)} - \text{Accumulated depreciation (\$)} \quad (4)$$



The Net amount to be depreciated (\$) is calculated using the equation (5)

$$\text{Net Amount to be depreciated (\$)} = \text{Historical Cost (\$)} - \text{Salvage Value (\$)} \quad (5)$$

For purpose of estimation, the salvage value of each system component was assumed at zero dollar (\$0). With this assumption, the net amount to be depreciated was equaled to the historical cost of the asset.

3.2 Estimated Value of the County's Water Systems

The County provided detailed asset data and historical costs for the pump stations and the water tanks. Book Value (BV) of these assets was calculated and is documented in Table 7. Historical cost data for other assets such as fire hydrants, the water treatment plant, water mains, and the SCADA system installed at Booster Pump 1 were not available, but the County provided financial data that detailed the present book value of the assets as listed in Table 8. Adding the total book values listed in the Tables 7 and 8, the net worth of the water system assets owned by the County was calculated to be approximately \$12,335,392.



*Feasibility Study for
Water System Merger*

Table 7. Estimated Book Value of Carteret County Water System

Assets	Date of Acquisition	Design Life (yrs)	Historical Cost (\$)	Total Useful life (months)	Net Amount to Be Depreciated (\$)	Accumulated Depreciation (\$)	Current Depreciation (\$)	Total Depreciation (\$)	Present Book value of Asset (\$)
Booster Pump 1	2012	50	174,284	600	174,284	19,462	3,486	22,947	151,337
Booster Pump 2	2012	50	253,111	600	253,111	28,264	5,062	33,326	219,785
Booster Pump 3	2012	50	<u>253,111</u>	600	253,111	28,264	5,062	<u>33,326</u>	<u>219,785</u>
Subtotal			680,507				Subtotal	89,600	590,907
Water Tank 1	1988	50	619,263	600	619,263	366,397	12,385	378,783	240,480
Water Tank 2	2012	50	689,091	600	689,091	76,949	13,782	90,730	598,361
Water Tank 3	2012	50	<u>765,262</u>	600	765,262	85,454	15,305	<u>100,759</u>	<u>664,502</u>
Subtotal			2,073,616				Subtotal	570,272	1,503,344
Total			2,754,123				Total	659,872	2,094,250

See Section 3.1 for the equations used in BV calculations



Table 8. Present Book Value of Carteret County Water System

System No	Description	Present Book value of Asset (\$)
SCADA		
Booster Pump House1	SCADA System*	280,000
Land		
Laurel Road Aerial Tank	Land Property	25,428
Laurel Road Treatment Plant	Land Property	57,220
Jonaquins Creek Water House	Land Property	26,097
Aerial Tank	Land Property	130,312
Booster Pump Station-1	Land Property	40,578
Booster Pump Station-2	Land Property	35,312
Booster Pump Station-3	Land Property	34,160
Elevated Tank	Land Property	20,615
	Sub Total	369,722
Well House	Water withdrawal house*	200,000
Jonaquins Creek Well House and Storage	Merrimon Water System*	400,000
Fire Hydrants	Fire rescue purposes	300,000
Water Treatment Plants	Supply/Distribution*	1,500,000
Piping System		
2" PVC	(26,400 ft, \$10/ft)	264,000
4" PVC	(1,320 ft, \$16/ft)	21,120
6" PVC	(151,588 ft, \$24/ft)	3,638,112
6" Ductile	(4,700 ft, \$28/ft)	131,600
8 " PVC	(104,477 ft, \$28/ft)	2,925,356
8" Ductile	(3,235 ft, \$32/ft)	103,520
10" PVC	(3,168 ft, \$34/ft)	107,712
	Sub Total	7,191,420
	Total (\$)	10,241,142

*Estimated value

--End of Section --



4.0 ORGANIZATION OF CARTERET COUNTY WATER DEPARTMENT

The County's water system is managed by the Public Works Department (PWD) Director. Water operations are managed by a lead water plant operator and utilities technician who report to the PWD Director. The PWD Directors reports to General Service Director who in turn is managed by the Assistant Manager of the County. The Assistant Manager reports to the County Manager. Billing and collection responsibilities for the systems are provided by the County Finance Office. An organizational chart for the Water Department is shown in Figure 1.

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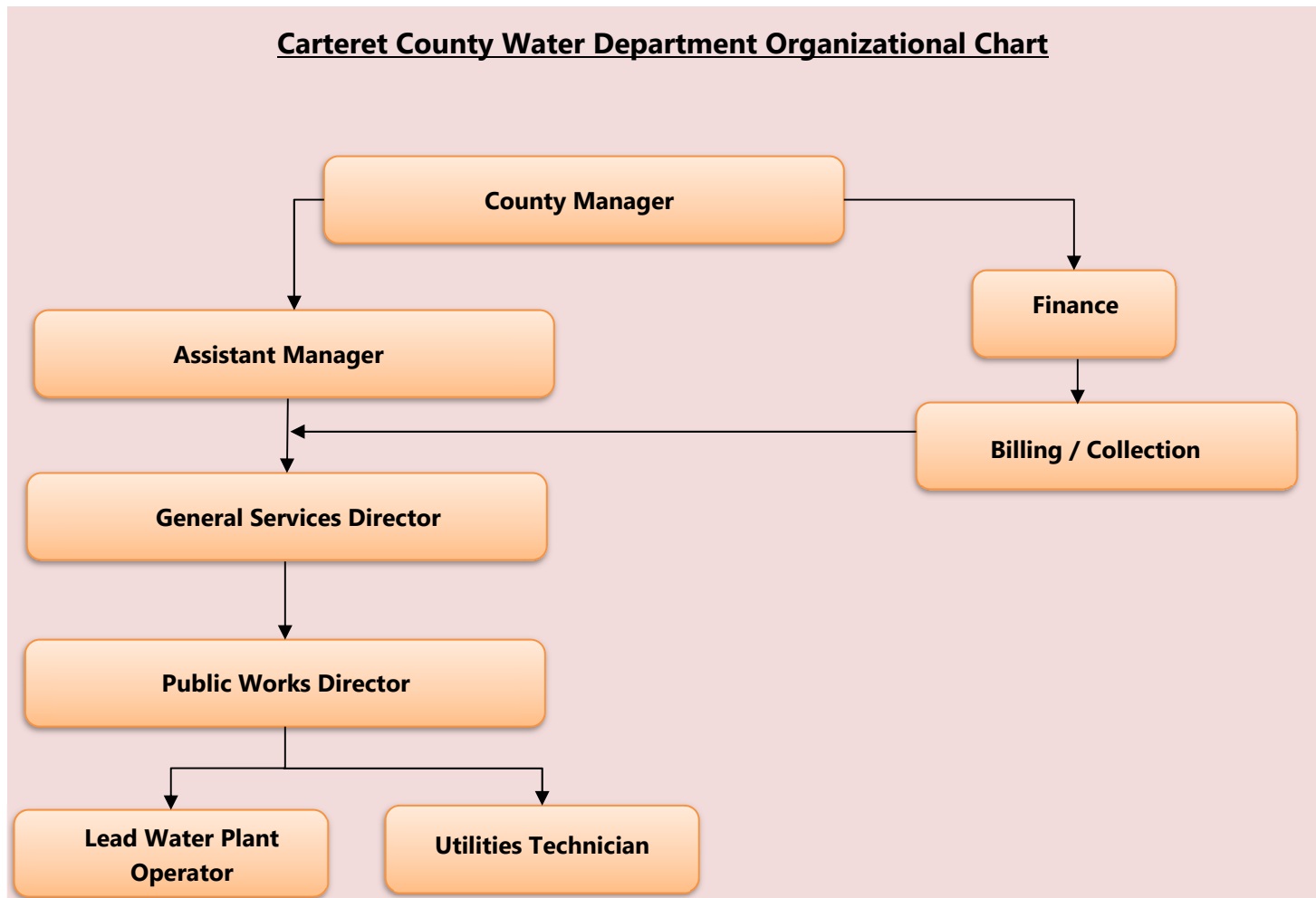


Figure 1. Carteret County Organizational Chart



5.0 REVENUES AND EXPENSES OF CARTERET COUNTY WATER SYSTEM

5.1 Water Rates

Currently, the County charges \$55.10 for every 5,000 gallons of water to customers who are billed per measurements recorded on a three-fourth (3/4) inch meter (See the County's Water Rate Sheet in Appendix B). There is a separate water rate structure for customers served by 1, 2, and 4-inch meters. The County has also developed a specific readiness to serve rate for the Merrimon water system customers. For this study, only three-fourth (3/4) inch meter is used to conduct comparative analysis of the water rates for both the County and the Town system.

The Town charges \$35.72 for every 5,000 gallons to in-town customers using three fourth (3/4) inch meters (See the Town's Water Rate Schedule in Appendix C). The comparative out-of-town water rate is \$58.79.

5.2 Outstanding Debts and Repayment Schedule

Current utility debt for the County is at \$2,066,128 with an estimated interest of \$619,319 until the loan amount is retired by the year 2052. Table 9 and Figure 2 below show the debt payment schedule for each year. The debt payment amount for each year will significantly lower after FY 2025-26 and the debt amount per year will remain relatively constant until the loans are completely retired.

Table 9. Water Utility Debt Payment Schedule for Carteret County

FY Year	Principal (\$)	Interest (\$)	Total Utility Debt (\$)	Years
FY 19-20	\$189,032	\$55,202	\$244,234	1
FY 20-21	\$190,032	\$49,835	\$239,867	2
FY 21-22	\$190,032	\$44,442	\$234,474	3
FY 22-23	\$191,032	\$39,047	\$230,079	4
FY 23-24	\$160,000	\$33,626	\$193,626	5
FY 24-25	\$161,000	\$29,989	\$190,989	6
FY 25-26	\$161,000	\$26,322	\$187,322	7
FY 26-27	\$22,000	\$22,660	\$44,660	8
FY 27-28	\$23,000	\$22,055	\$45,055	9
FY 28-29	\$23,000	\$21,423	\$44,423	10



*Feasibility Study for
Water System Merger*

FY Year	Principal (\$)	Interest (\$)	Total Utility Debt (\$)	Years
FY 29-30	\$24,000	\$20,790	\$44,790	11
FY 30-31	\$25,000	\$20,130	\$45,130	12
FY 31-32	\$25,000	\$19,443	\$44,443	13
FY 32-33	\$26,000	\$18,755	\$44,755	14
FY 33-34	\$27,000	\$18,040	\$45,040	15
FY 34-35	\$27,000	\$17,298	\$44,298	16
FY 35-36	\$28,000	\$16,555	\$44,555	17
FY 36-37	\$29,000	\$15,785	\$44,785	18
FY 37-38	\$30,000	\$14,988	\$44,988	19
FY 38-39	\$31,000	\$14,163	\$45,163	20
FY 39-40	\$31,000	\$13,310	\$44,310	21
FY 40-41	\$32,000	\$12,458	\$44,458	22
FY 41-42	\$33,000	\$11,578	\$44,578	23
FY 42-43	\$34,000	\$10,670	\$44,670	24
FY 43-44	\$35,000	\$9,735	\$44,735	25
FY 44-45	\$36,000	\$8,773	\$44,773	26
FY 45-46	\$37,000	\$7,783	\$44,783	27
FY 46-47	\$38,000	\$6,765	\$44,765	28
FY 47-48	\$39,000	\$5,720	\$44,720	29
FY 48-49	\$40,000	\$4,648	\$44,648	30
FY 49-50	\$42,000	\$3,548	\$45,548	31
FY 50-51	\$43,000	\$2,393	\$45,393	32
FY 51-52	\$44,000	\$1,210	\$45,210	33
Total	\$2,066,128	\$619,139	\$2,685,267	

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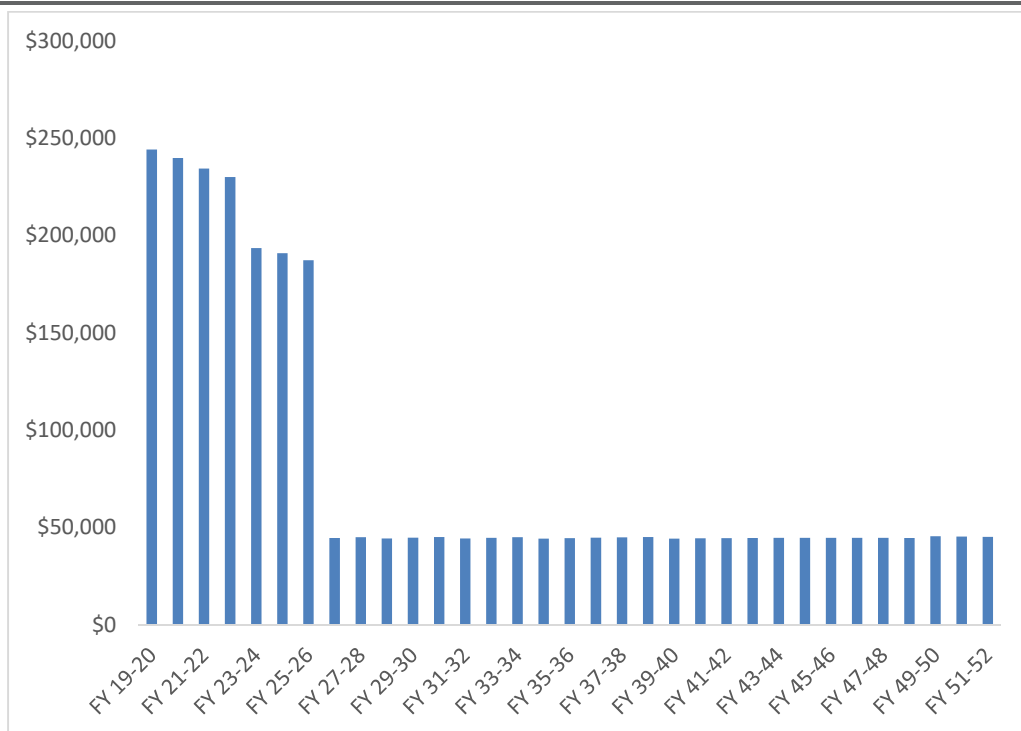


Figure 2. Carteret County Water Utility Debt Payment Schedule

5.3 Revenue and Expenses

5.3.1 Review of Historical Revenue and Expenses

A review of the County's historical water system budget (including the debt services) between FY 2016 and FY 2019 listed in Table 10 shows significant water system operating expenses beyond the revenue earned. This data indicates that the County has been losing money with the water system and needed to subsidize the system with the SWTD funds to keep the system solvent. The deficit margin widened in 2018 considering the additional capital improvement expense for that year. However, for 2019, there was a marginal decline in the water system operating expense which lead to the deficit being similar to that of 2016 and 2017 respectively.



Table 10. Budget for F2016-FY2019

Year	Water System Revenue	Water System Operating Expense	Water System Debt Service Fee	Water System Capital Outlay	Net Income (Deficit)
2016	\$576,598	\$554,733	\$263,589	-	(\$241,724)
2017	\$584,344	\$668,215	\$259,277	-	(\$343,148)
2018	\$678,879	\$828,412	\$253,939	\$37,898	(\$441,370)
2019	\$711,732	\$726,384	\$249,600	\$25,500	(\$289,752)
Total	\$2,551,553.00	\$2,777,744.00	\$1,026,405.00	\$63,398.00	(\$1,315,994)

5.3.2 Review of FY 2020 Finances

The projected fiscal budget for the County in the year 2020 is presented in Table 11. Per projected water fund revenue and water fund expenses for FY 2020, there is a net fiscal deficit of \$162,990. This deficit may be eliminated by using revenue generated from the SWTD. Using this fund to eliminate the deficit leaves a net balance of \$14,130 that may be used for other operational expenses.

Table 11. Projected Fiscal Budget for year 2020

Items Description	Budget
Water Distribution System Value ¹	\$12,335,392
Total Utility Debt (including interests) ²	\$2,685,267
Debt Pay Off Period	2051-2052
FY 2020 Debt Service Fee ³	\$245,880
Water Tax District Revenue (FY 2020 Projected) ⁴	\$423,000
Water Fund Revenue (FY 2020 Budget) ⁴	\$710,400
Water Fund Expense (FY 2020 Budget) ⁴	\$873,390
Water Fund Loss ⁵	(\$162,990)
Water Tax District Revenue Balance ⁶	\$14,130

Notes:

1. See Section 3.2 for reference
2. See Table 9 for reference
3. See Tables 9 for reference. The difference between the monetary value of \$245,880 in Table 11 compared to the fiscal value of \$244,234 in Table 9 for FY2020 may due to budgetary discretion
4. Projected FY 2020 Budget
5. Water Fund Loss/Deficit is estimated using the equation: Water Fund Revenue (\$710,400) - Water Fund Expense (\$873,390)
6. Water Tax District Revenue Balance is estimated using the equation: Water Tax District Revenue – (FY20 Debt Service Fee + Water Fund Loss)



5.4 Opportunity to Eliminate Deficit

The expense in 2019 shows significant reduction over the previous years and is expected to be the norm as the County's system does not anticipate significant capital investment in near future.

A moderate projection of 2% yearly increase in both water district tax revenue and water system expense may be adequate to run the system sustainably. Table 12 lists the yearly revenue and expenses from 2020 to 2025 using 2019 as the base year for projection. This projection shows a positive yearly cash flow. Thus, if the water system in its current condition (with a value of \$12.3 million) can be separated from the debt services, it would offer an attractive acquisition option for any utility.

Table 12. Fiscal and Projected Budget for FY 2019-FY 2025

Year	Water Tax District Revenue	Water System Expense	Cash Flow
2019	\$711,555	\$704,255	\$7,300
2020	\$725,786	\$718,340	\$7,446
2021	\$740,302	\$732,707	\$7,595
2022	\$755,108	\$747,361	\$7,747
2023	\$770,210	\$762,308	\$7,902
2024	\$785,614	\$777,554	\$8,060
2025	\$801,327	\$793,106	\$8,221

-- End of Section --



6.0 FEASIBILITY OF MERGER

6.1 Water System of Town of Beaufort

The Town of Beaufort provides water and sewer services to its residents through established water rates that covers existing financial debts and other operational costs pertaining to these enterprise funds. The Town purchases water from the County for distribution in Eastman Creek subdivision. Currently the Town provides limited sewer service to approximately 200 customers located within County's SWTD with water purchased from the District at its existing rate. The Town has sewer force mains along NC Highway 70 serving sewer needs to East Carteret High School, also extending along NC Highway 101 serving sewer needs to Eastman's Creek and Jarrets Bay Industrial Park. This existing layout of the sewer force mains provides an opportunity to serve sewer needs within a large area of the County's SWTD which could offer an attractive condition to grow the customer base for the Town's sewer system.

Current water and sewer rate for an out-of- town customer is approximately double the rate of in-town customer. Acquiring the County's water system would increase the Town's customer base by approximately 34% with no cost for infrastructure. The potential opportunity to grow both water and sewer services within the County, at a lower rate will encourage businesses and developers to seriously consider annexation when planning growth within the merged service area.

6.2 Organizational Impact of Merger

Currently, the County's PWD has three personnel who are directly responsible for water operations. The organizational responsibilities of these people have been described in Chapter 3. If a merger is executed, one and possibly two of these employees could be transferred to Town's Public Utilities Department, which now has a total of four (4) full time employees. For the purpose of this report we will calculate the Town's additional personnel needs to support the merger at service provided by a full-time and a part-time employees. The County would transfer the remaining employee to another area of need with their other operations. Based on 2020 budget, salaries for the County's 3 water staff are approximately \$330,000, including benefits. The merger could provide an opportunity to save a



minimum of half (\$165,000) that expense. With other redundancies within the budgets, this number could very well be higher.

Water billing, collection and customer service support would be completely transferred from the County to the Town. As the Town is already managing its own billing, it is assumed that no additional employee is needed for billing the merged system.

6.3 Key Advantages of Merger for Town of Beaufort

There are several advantages for the Town to acquire the County's water distribution system. Some of the key benefits are listed below:

- ◆ The Town will acquire approximately \$12.3 million worth of infrastructure from the County.
- ◆ The Town will be able to operate the system largely with existing personnel plus 1.5 additional staff and equipment.
- ◆ The merged water systems would provide an opportunity not only for system growth but could also spur business and residential growth in the Town's tax base through potential annexations.
- ◆ With the merger, a new rate structure may be proposed to attract developers and business that are near the existing sewer force mains to consider annexation to avoid out-of-town rates.

6.4 Recommendation for Carteret County

As shown in Table 9, the water district system has an existing debt of \$2,066,128 (principal only) that will be fully retired by the year 2052. This debt poses a liability and concern for the Town if they acquire the County's water distribution system. For a successful merger of the two water distribution systems, the following are recommended measures for the County:

- ◆ The County would maintain the SWTD for a minimum of eleven (11) years until FY 2031. The debt service for FY 2020 is \$245,800 (adopted by the County Commissioner) which will be paid using the revenue generated from special water district funds. The County should pay this same debt service fee amount for the next eleven (11) years to retire the debt. Once this existing debt is retired, the County may no longer need to maintain this special water tax district and can either eliminate the tax altogether or modify it for future needs within the district for health and safety.
- ◆ If the County transfers ownership of its water systems to the Town and agrees to continue pay \$245,880 per fiscal year toward the debt, there will be a net balance of \$177,120 (Table 11; \$423,000-\$245,880) every year, in the special water district funds. The County may use



these remaining funds to participate in capital improvement upgrades and replacements of the existing infrastructure transferred to the Town. However, capital improvements directly benefiting the Town would be subject to negotiation.

- ◆ The County would maintain the right to request upgrades to the existing system within the SWTD boundaries with mutual understanding that the cost for such an upgrade will be paid by the County for a negotiated number of years. A potential negotiated period may include the next 11 years when the County would continue to collect the SWTD revenue to pay off the debt service. It is also expected that both the Town and the County will work together to accomplish these projects through a fair assessment of capital project benefits to each entity.

6.5 Recommendation for Rate Modification

Existing out-of-town rates (Appendix C) established by the Town are currently seven percent (7%) higher than rates charged by the County (Appendix B). In exchange for the County's commitment to transfer ownership of the system, participate in capital costs for a period of eleven (11) years and retire the existing debt, it is recommended that the Town adopts a readiness to serve charge for the SWTD that is the same as that for the out of town customers but keep the water use rate as that of in town customers, shown in Table 13.

Table 13. Proposed Out of Town Water Rates

Description	Amount (\$)
Readiness to Serve Charge ¹	\$20.74
Variable Rate for Water ²	\$5.07/1,000 gallons
Cost for 5,000 gallons ³	\$46.09

Notes:

1. Out of Town Readiness to Serve
2. Water Usage rate for in Town customers (Appendix c)
3. Cost = \$20.74 + (\$5.07*5) = \$46.09

This rate is a recommendation only that still keeps the water rate for the current County customers below their present water rate. For this report, only the rate for 3/4 inch meters was considered; the rates for other size meters serving customers within the water district boundary can be set using similar logic.



Accepting this water rate structure in addition to acquiring the County water system infrastructure, would not limit the Town's right to maintain another out-of-town rate for customers outside the County's current water district boundary.

6.6 Financial Advantages for Town

The proposed rate structure (for 3/4-inch meters) shown in Table 13 would save County customers an estimated \$9.01 per month compared to the existing county water rate of \$55.10 per month. Though the new rate structure would reduce water sales revenues generated from the County customers, the savings in operating expense through reductions in salaries (1.5 persons instead of 3 persons) and other redundant expenses needed for operation would more than compensate for any losses. As described in Section 6.2, the merger would save nearly \$165,000 per year in salaries and benefits. Considering that saving, water system revenues and expenses for before and after merger conditions are calculated and shown in Table 14.

Table 14. Comparison of Cash Flow - Before and After Merger

Year	Projected Special Water District Revenue (Before Merger) ¹	Projected Special Water District Revenue (After Merger) ²	Projected Water System Expense (Before Merger) ¹	Water System Expense (After Merger) ³
2020	\$725,786	\$606,757	\$718,340	\$553,340
2021	\$740,302	\$618,892	\$732,707	\$567,707
2022	\$755,108	\$631,270	\$747,361	\$582,361
2023	\$770,210	\$643,896	\$762,308	\$597,308
2024	\$785,614	\$656,773	\$777,554	\$612,554
2025	\$801,327	\$669,909	\$793,106	\$628,106
Total	\$4,578,346.51	\$3,871,471	\$3,827,121	\$3,354,376

Notes:

1. From Table 12
2. 83.6% of Revenue (Before Merger); 83.6% is based on Current County rate of \$55.1 and proposed rate of \$46.09 as calculated in Table 13
3. Expense (Before Merger) minus savings in staff compensation (\$165,000)

Projected after-merger revenue and expense show positive cash flow for the County system that would be acquired by the Town. The higher out-of-town rate for the acquired system would encourage



customers and developers to strongly consider the option of annexation. The annexation would lead to lowering of utility rates and eventually increase tax base for the Town.

-- End of Section --

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7.0 CONCLUSION

The merger of the two water systems will be beneficial for both the County and the Town. Acceptance of merger conditions would benefit the Town from acquiring \$12.3 million of water system assets. This would also lead to expansion of their customer base without the expenditure of major funds for years to come.

Acquiring the County's water system would require periodic upgrades and capital improvement investments, however, the capital associated with such an upgrade is not a concern due to the following reasons:

- ◆ Potential for growth in utility revenues and tax base.
- ◆ Recommended agreement for County participation in costs for a period of a minimum of eleven (11) years after transfer of the water distribution system for capital improvements to the existing system.
- ◆ County participation toward "county specific" upgrades and extensions within the district.

Considering the advantages and disadvantages of this potential merger, DAA recommends transfer of the County's water distribution system to the Town, for the sum of one dollar and other valuable considerations. The acceptance of the merger conditions by the Town will be based on refinement of these conditions and other concessions by both parties. All legal issues regarding such transfer will need to be addressed before the merger of the two water systems can be completed and executed.

-- End of Section --



8.0 REFERENCES

Blank Depreciation Worksheet Developed for City of Dogwood Depreciation Calculation Worksheet-Government Capital Assets.

Laurel Park / Hendersonville Water System Merger Feasibility Study, Town of Laurel Park, North Carolina, June 2017.

Jordan Lake Water Supply Storage Allocation Request, City of Raleigh and Merger Partners, January 13, 2015.



Appendix A

Carteret County Water System Maps

Figure 1

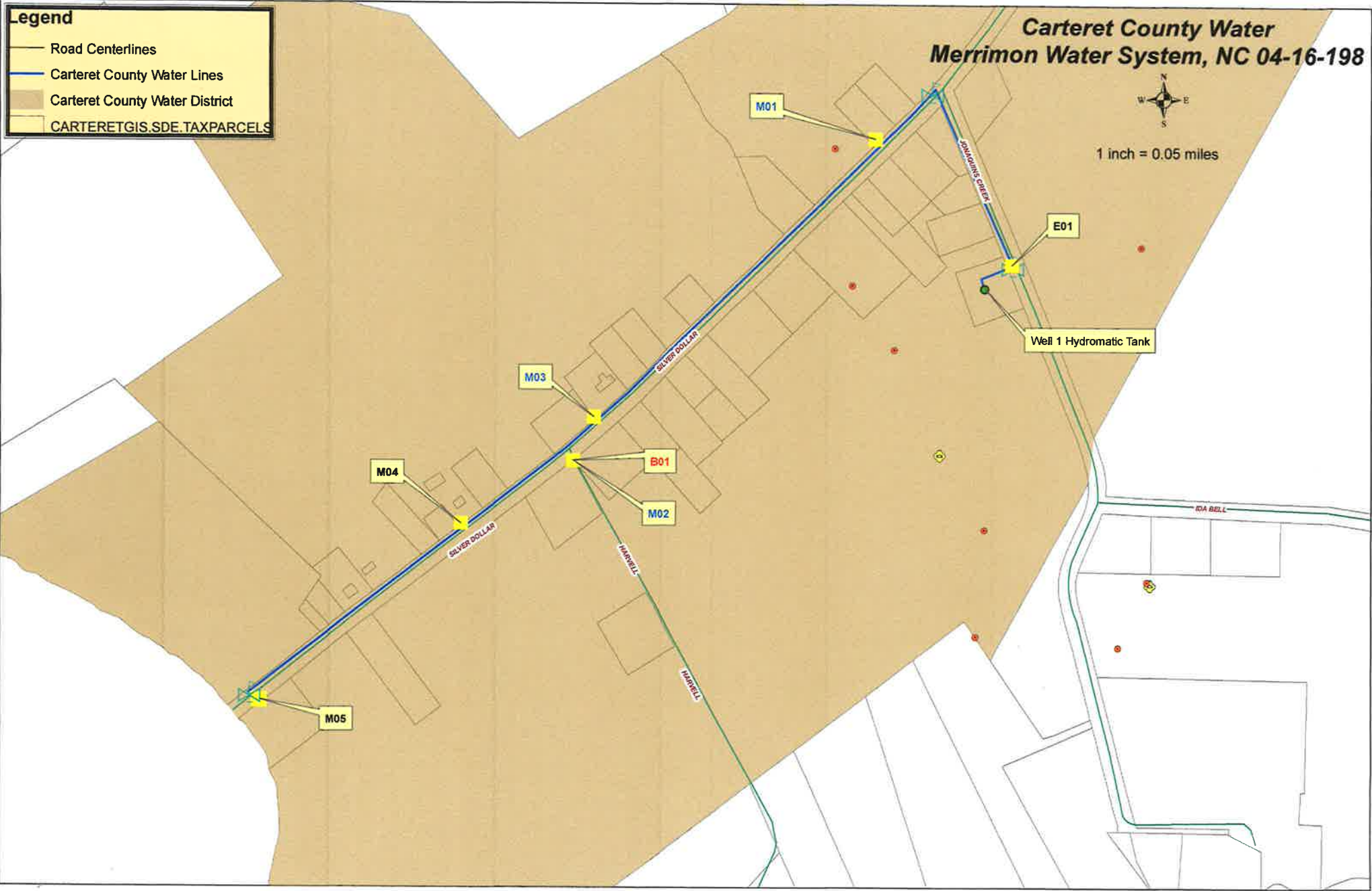
Carteret County's Water System

Cartier Fair Value Determination
 Faint Map - South River



Figure 2

Merrimon Water System





Appendix B

Carteret County Water Rates

Water Service Fee Schedule FY 2018-2019

3/4" Meter

Basic Charge (No Usage) Flat Fee \$27.50 / mo. Covers 1st 1,000 gals.
Volume Charge \$6.90 per 1,000 gals

1" Meter

Basic Charge (No Usage) Flat Fee \$38.00 / mo. Covers 1st 1,000 gals.
Volume Charge \$6.90 per 1,000 gals

2" Meter

Basic Charge (No Usage) Flat Fee \$110.00 / mo. Covers 1st 15,000 gals.
Volume Charge \$6.90 per 1,000 gals

4" Meter

Basic Charge (No Usage) Flat Fee \$340.00 / mo. Covers 1st 53,000 gals.
Volume Charge \$6.90 per 1,000 gals

Merrimon System (3/4" Meter)

Basic Charge (No Usage) Flat Fee \$16.00 / mo. Covers 1st 1,000 gals.
Volume Charge \$6.90 per 1,000 gals

Town of Beaufort (Eastman's Creek)

Basic Charge (No Usage) Flat Fee \$27.50 / mo. Covers 1st 1,000 gals.
Volume Charge \$6.90 per 1,000 gals

Fire Hydrant Usage

Hookup & Service Charge: \$75.00/Monthly
Mobilization to hydrant site and employee on site during tank fill.
\$200.00 Deposit
\$8.75 per 1,000 gallons.

Hydrant & Hydrant Meter Tampering \$250.00 1st offense
\$500.00 2nd offense (and Legal Action)
Damage Fee – Fire Hydrant \$2,500.00

Fire Line – Sprinkler Fee

Size	Monthly fee
2"	\$27.50
4"	\$32.50
6"	\$75.00
8"	\$105.00

Tap Fees

Meter Size	Tap Fee**
3/4 "	\$1,000.00
1"	\$1,150.00
2"	Cost + 10%
4"	Cost + 10 %

**Additional \$900.00 Tap Fee for any meter requiring road bore work

Any meter 2 inch or larger will be engineered by Mc David & Associates and County will charge cost of materials and installation, engineering fees and additional 10%.

Security Deposits

Property Owner	\$100.00
Renter/Lease holder	\$200.00

Damage and Tampering Fees

Tampering Fee - Meters	\$100.00
2 nd Offense (and Legal Action)	\$500.00
Damage Fee – Meters	\$135.00
Damage Fee – MXU Remote Unit	\$135.00

Other Fees

Non-Sufficient Check Fee	\$25.00
--------------------------	---------

Bank Inspections	\$30.00
------------------	---------

Late Charges	10% of balance
--------------	----------------

Service Fee*	\$30.00
--------------	---------

*At the time of reconnection the deposit on account must be equal to the deposit amount required for new accounts as of that date.

*All accounts subject to disconnection that have not been paid by 5:00 pm on the day prior to disconnections will be charged the service fee.



Appendix C

Town of Beaufort Water Rates

Fee Schedule

Water & Sewer Rates & Fees

All water and sewer taps made outside Town limits are double in-town rates shown above. Water or sewer capacity fees outside Town limits are negotiable but will not exceed 2X rates shown above.

Upgrades in service, i.e., changing from a 3/4" meter to a 1" meter, are subject to a difference in the water tap, water capacity, and sewer capacity fees.

All taps larger than 2" shall be installed at developer's cost in accordance with Town of Beaufort standards and developers shall pay a tap-on fee as shown above.

► Tap & System Development Fees

TAP FEES			SYSTEM DEVELOPMENT FEES		
SIZE	WATER	SEWER	SIZE	WATER	SEWER
¾"	\$ 700	\$ 750	¾"	\$ 476	\$ 5,524
1"	800	750	1"	793	6,207
1 ½"	1,075	750	1 ½"	1,585	7,015
2"	1,375	750	2"	2,536	8,064
3"	575	750	3"	4,755	10,445
4"	625	750	4"	7,925	15,875
6"	850	750	6"	15,850	22,550
8"	1,175	750	8"	25,360	26,240

FY 2020 Budget

► **Water & Sewer Usage Rates**

WATER USAGE RATES

<u>TYPE</u>	<u>SIZE</u>	<u>IN TOWN</u>	<u>OUTSIDE</u>
BASE	¾"	\$ 10.37	\$ 20.74
	1"	17.32	37.33
	1 ½"	34.53	82.96
	2"	55.27	147.25
	3"	110.65	333.91
	4"	172.87	NA
	6"	345.63	1,327.36
VARIABLE	1000 gal	5.07	7.61

SEWER USAGE RATES

<u>TYPE</u>	<u>SIZE</u>	<u>IN TOWN</u>	<u>OUTSIDE</u>
BASE	¾"	\$ 21.17	\$ 42.34
	1"	35.85	70.01
	1 ½"	70.50	140.99
	2"	112.20	225.67
	3"	225.88	451.77
	4"	352.90	705.81
	6"	705.60	1,411.19
VARIABLE	1000 gal	16.80	33.60

Fee Schedule

► **Water & Sewer Service Charges**

WATER & SEWER SERVICE CHARGES

New Account Service Fee	\$20	Waived with bank draft
Application Fee	5	
<i>SECURITY DEPOSITS</i>		
3/4" meter	\$75-225, based on credit score	
1" meter	100	
1 1/2" meter	140	
2" meter	275	
Transfer Account	25	
Returned Check Fee	25	
Late Fees	10% added to late portion	
Reconnect Fee - Business Hours	25	
Reconnect Fee - After Hours	75	
After Hours Service Calls	75	
Temporary Connection (for cleaning, renovation inspection, etc.)	25	available for a 2-week period, plus water and sewer usage charges
Fire Hydrant Meters	75	mobilization, on site-employee, and 5,000 gal of water; additional \$.01/gal
Irrigation/Dock Meter	700	tap fee
Meter-Only Install	400	no new tap fee
Meter Testing	30	
Meter Tampering	100	

Carteret County, NC
Laurel Road / Merrimon Water Systems

UPDATE TO PRESENT VALUE OF WATER SYSTEM

DRAFT

December 2021

Prepared by:




Draper Aden Associates
Engineering ♦ Surveying ♦ Environmental Services


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DAA PN: 2102326

3RD PARTY REVIEW

This Report has been subjected to technical and quality reviews by:

Ethan Gartin		12/20/2021
Name:	Signature	Date
Project Engineer		

Steven R. Gandy		12/20/2021
Name:	Signature	Date
Project Manager		

C. Tyrus Clayton, Jr		12/20/2021
Name:	Signature	Date
Quality Reviewer		

Background

Carteret County owns and operates two groundwater wells for water supply. The first well is located just East of Sowers Drive on Laurel Road, Beaufort, NC 28516, and the extracted groundwater is treated at the onsite Laurel Road Water Treatment Plant (WTP) before is it pumped to three (3) elevated storage tanks for distribution within the community. The system serves approximately 1,226 customers. The County also owns and operates a small water system known as the Merrimon Water System, approximately 20 miles north of Laurel Rd and Merrimon Rd intersection. The water system consists of the Jonaquins Creek Well and an above-ground water storage tank, and it serves approximately 27 customers. (The attached Appendix A system map further details the layout and location of the system and components.)

Draper Aden performed a water system feasibility study in 2019 to look at a merger with a local municipality which established a monetary value for the County's water system assets, among other conclusions. This document is meant to update that number to a more current value.

Assumptions / Limitations

In order to assess the changes to the value of the water systems owned by Carteret County, the following was assumed:

- Conditions of Carteret County's water system assets stated in the 2019 Feasibility Study have not significantly changed are still an accurate depiction of current conditions.
- Book Value approach was used in estimating the value of fixed assets. Straight Line Depreciation was used to estimate depreciated value of water system assets. For the purpose of estimation, the salvage value of each system component was assumed to be zero dollars (\$0).
- The analysis done in 2019 for the projected 2020 fiscal budget is accurate to current financial conditions; an updated analysis for 2020 and 2021 budgets and expenses was not performed.
- To account for inflation since the 2019 feasibility study, several present book values which were estimated in the 2019 report have been increased by approximately 5%.

Results / Conclusions

The water system assets owned by Carteret County have an estimated value of approximately \$12.7 million. A detailed breakdown of this value can be found in Tables 1 and 2.

The remainder of the major findings and recommendations reported in the 2019 feasibility study hold true.

Attachments:

Table 1: Estimated Book Value of Carteret County Water System

Table 2: Present Book Value of Carteret County Water System

System MapAppendix A: Figure 1 Carteret County Water System Map

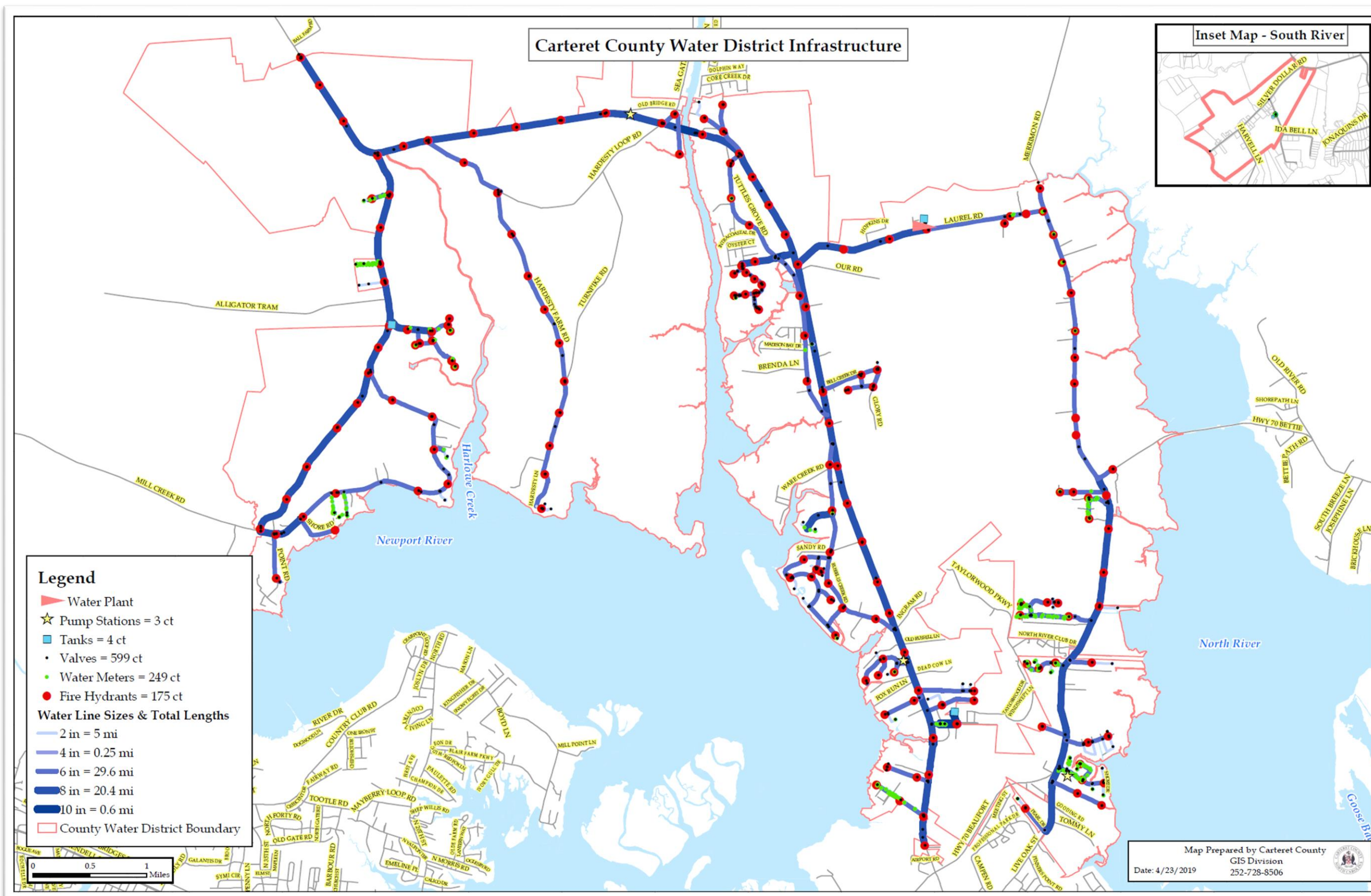
Table 1. Estimated Book Value of Carteret County Water System

Assets	Date of Acquisition	Design Life (yrs)	Historical Cost (\$)	Total Useful life (months)	Net Amount to Be Depreciated (\$)	Accumulated Depreciation (\$)	Current Depreciation (\$)	Total Depreciation (\$)	Present Book value of Asset (\$)
Booster Pump 1	2012	50	174,284	600	174,284	26,433	3,486	29,919	144,365
Booster Pump 2	2012	50	253,111	600	253,111	38,389	5,062	43,451	209,661
Booster Pump 3	2012	50	<u>253,111</u>	600	253,111	38,389	5,062	<u>43,451</u>	<u>209,661</u>
Subtotal			680,507				Subtotal	116,820	563,686
Water Tank 1	1988	50	619,263	600	619,263	391,168	12,385	403,553	215,710
Water Tank 2	2012	50	689,091	600	689,091	104,512	13,782	118,294	570,797
Water Tank 3	2012	50	<u>765,262</u>	600	765,262	116,065	15,305	<u>131,370</u>	<u>633,892</u>
Subtotal			2,073,616				Subtotal	653,217	1,420,399
Total			2,754,123				Total	770,037	1,984,085

Table 2. Present Book Value of Carteret County Water System

System No	Description	Present Book value of Asset (\$)
SCADA		
Booster Pump House1	SCADA System*	294,000
Land		
Laurel Road Aerial Tank	Land Property	25,428
Laurel Road Treatment Plant	Land Property	57,220
Jonaquins Creek Water House	Land Property	26,097
Aerial Tank	Land Property	130,312
Booster Pump Station-1	Land Property	40,578
Booster Pump Station-2	Land Property	35,312
Booster Pump Station-3	Land Property	34,160
Elevated Tank	Land Property	20,615
	Sub Total	369,722
Well House	Water withdrawal house*	210,000
Jonaquins Creek Well House and Storage	Merrimon Water System*	420,000
Fire Hydrants	Fire rescue purposes	300,000
Water Treatment Plants	Supply/Distribution*	1,575,000
Piping System		
2" PVC	(26,400 ft, \$10/ft)	264,000
4" PVC	(1,320 ft, \$16/ft)	21,120
6" PVC	(151,588 ft, \$24/ft)	3,638,112
6" Ductile	(4,700 ft, \$28/ft)	131,600
8 " PVC	(104,477 ft, \$28/ft)	2,925,356
8" Ductile	(3,235 ft, \$32/ft)	103,520
10" PVC	(3,168 ft, \$34/ft)	107,712
	Sub Total*	7,550,991
	Total (\$)	10,719,713

*Value has been increased by ~5% from the 2019 feasibility study



8. The estimated valuation fees and transaction and closing costs incurred by the acquiring public utility.

Response:

(a) Valuation Fee- CWSNC \$36,000

(b) Mill Creek Environmental Services Water Assessments \$10,675

(c) Regulatory transaction fees

Actual: \$11,666 from January 2022---June 2022

Estimate to close of docket: \$19,000

(d) Title Searches: \$1,600

(e) Easement Verifications: \$3,500

(f) Surveys: \$24,719

(g) Engineering Assessment: TBD

(h) Valuation Fee---Public Staff-- \$29,467.72

/A

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10. Current number of water and sewer customers by type of customer (residential, commercial, etc.).

Response:

Residential	1164
Commercial	44
Public Building	21
Bulk	3

Water Service Fee Schedule FY 22

September 21, 2021- June 30, 2022

/A

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3/4" Meter

Basic Charge (No Usage) Flat Fee	\$40.25 / mo. Covers 1 st 1,000
gals.Volume Charge	\$10.10 per 1,000 gals

1" Meter

Basic Charge (No Usage) Flat Fee	\$55.60 / mo. Covers 1 st 1,000
gals.Volume Charge	\$10.10 per. 1,000 gals

2" Meter

Basic Charge (No Usage) Flat Fee	\$160.90 / mo. Covers 1 st 15,000
gals.Volume Charge	\$10.10 per 1,000 gals

4" Meter

Basic Charge (No Usage) Flat Fee	\$497.25 / mo. Covers 1 st 53,000
gals.Volume Charge	\$10.10 per 1,000 gals

Merrimon System (3/4" Meter)

Basic Charge (No Usage) Flat Fee	\$23.40 / mo. Covers 1 st 1,000
gals.Volume Charge	\$10.10 per 1,000 gals

Town of Beaufort (Eastman's Creek)

Basic Charge (No Usage) Flat Fee	\$40.25 / mo. Covers 1 st 1,000
gals.Volume Charge	\$10.10 per 1,000 gals

Fire Hydrant Usage

Hookup & Service Charge: \$109.70/Monthly
Mobilization to hydrant site and employee on site during tank fill.
\$200.00 Deposit
\$12.80 per 1,000 gallons.

Hydrant & Hydrant Meter Tampering	\$250.00 1 st offense
	\$500.00 2 nd offense (and Legal Action)
Damage Fee – Fire Hydrant	\$2,500.00

Fire Line – Sprinkler Fee

Size	Monthly fee
2"	\$40.25
4"	\$47.55
6"	\$109.70
8"	\$153.55

Tap Fees

Meter Size	Tap Fee**
3/4 "	\$1,000.00
1"	\$1,150.00
2"	Cost + 10%
4"	Cost + 10 %

****Additional \$900.00 Tap Fee for any meter requiring road bore work**

Any meter 2 inch or larger will be engineered by Mc David & Associates and County will charge cost of materials and installation, engineering fees and additional 10%.

Security Deposits

Property Owner	\$100.00
Renter/Lease holder	\$200.00

Damage and Tampering Fees

Tampering Fee - Meters	\$100.00
2nd Offense (and Legal Action)	\$500.00
Damage Fee – Meters	\$135.00
Damage Fee – MXU Remote Unit	\$135.00

Other Fees

Non-Sufficient Check Fee	\$25.00
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Bank Inspections	\$30.00
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Late Charges	10% of balance
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Service Fee*	\$30.00
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*At the time of reconnection the deposit on account must be equal to the deposit amount required for new accounts as of that date.

*All accounts subject to disconnection that have not been paid by 5:00 pm on the day prior to disconnections will be charged the service fee.

Proposed
SCHEDULE OF RATES
for
CAROLINA WATER SERVICE, INC. OF NORTH CAROLINA
for providing water utility service
in

CARTERET COUNTY NORTH CAROLINA
(North River / Mill Creek & Merrimon)

Monthly Metered Water Service (Residential and Commercial):

Base Facility Charge

North River / Mill Creek:

¾" meter	\$40.25- includes first 1,000 gallons
1" meter	\$55.60- includes first 1,000 gallons
2" meter	\$160.90- includes first 15,000 gallons
4" meter	\$497.25- includes first 53,000 gallons

Town of Beaufort (Eastman's Creek)

\$40.25- includes first 1,000 gallons

Merrimon:

¾" meter	\$23.40- includes first 1,000 gallons
----------	---------------------------------------

Usage Charge (all systems): \$10.10 / 1,000 gallons over base

Meter Testing Fee: (1) \$20.00

Fire Line- Monthly Sprinkler Fee:

2"	\$40.25
4"	\$47.55
6"	\$109.70
8"	\$153.55

(1) If a customer requests a test of a meter more frequently than once in a 24-month period, the Company will collect a \$20 service charge to defray the cost of the test. If the meter is found to register in excess of the prescribed accuracy limits, the meter testing fee will be waived. If the meter is found to register accurately or below prescribed accuracy limits, the charge shall be retained by the Company. Regardless of the test results, customers may request a meter test once in a 24-month period without charge.

Connection Fees:

County:

Tap Fees-

¾"	\$1,000
1"	\$1,150
2"	Cost + 10%
4"	Cost + 10%

* Add \$900 for all road bores

Security Deposit-

Property Owner	\$100
Renter	\$200

CWS:

Meter Fee

<1"	\$50
>1"	Actual Cost

New Customer Charge \$27

Other Fees:

County:

Meter Tampering	\$100
2 nd Offense	\$500 + Legal Action
Meter Damage	\$135
MTU Damage	\$135
Late Charge	10%
Reconnect Charge	NA

CWS:

NA
NA
NA
NA
1% (NCUC Rule R12-9)
\$42

/A

REVISED FORM APPLICATION EXHIBIT 5d

Please see attached permits.

PAT MCCRORY

Governor

MICHAEL S. REGAN

Secretary

S. JAY ZIMMERMAN



October 4, 2017

Tommy R. Burns, County Manager
c/o John W. Simons Jr, Water Plant Supervisor, ORC
302 Courthouse Square
Beaufort, North Carolina 28516

Subject: **Issuance of NPDES Permit NC0086975**
Laurel Road WTP, Class 1
534 Laurel Road, Beaufort
Carteret County

Dear Mr. Burns:

The Division of Water Resources (the Division or DWR) hereby issues the attached NPDES permit for the subject facility. We issue this permit pursuant to the requirements of North Carolina General Statute 143-215.1 and the Memorandum of Agreement between North Carolina and the U.S. Environmental Protection Agency dated October 15, 2007, or as subsequently amended.

Changes to Your Previous Permit. The Division notes from your renewal application that you have made no significant changes to your wastewater treatment processes since last renewal. We also acknowledge your written comments on the permit draft received August 17, 2017 from Tyndall Lewis of McDavid-Inc. Accordingly, we have updated your permit conditions, format and site map, consistent with current permitting strategies and WTP guidance, incorporating the following:

1. Per your written request [of 17Aug2017], DWR hereby reinstated TSS limits Monthly Average and Daily Maximum [from 10/15 to 15/30 mg/L], noting that the pervious permit should not have applied stricter TSS limits at renewal [a permitting error] because this facility's flow was not at the time "new or expanding," as defined under NCAC 02B .0224 (1) (b) (ii);
2. Discontinued monitoring for Total Manganese [required only of WS class waters];
3. Added permit limits for Total Copper, Total Lead and Total Zinc, in accord with databases showing *reasonable potential*; increased monitoring from Quarterly and 2/Month to **Monthly**; please note that North Carolina groundwater conditions often exceed surface water-quality standards; i.e., if you use it, you assume responsibility for its treatment and discharge;
4. Added a Compliance Period for metals [Pb, Cu, and Zn] to allow the Permittee time to research and establish methods for treatment; permit limits become active five (5) years from the permit effective date [see new footnote #5, A. (1.), and Special Condition A. (3.)];
5. Updated Supplement to Permit Cover Sheet narrative (see page 2);
6. Updated Acute Toxicity narrative and footnote amended for current versions [see A. (1.) and A. (2.)];
7. Added eDMR requirements narrative [A. (3.)];
8. Changes to the Permit Draft – Updated Fact Sheet text detailing *dissolved metals* calculations and requirements;
9. Changes to the Permit Draft – no longer require *concurrent sampling* of metals with WET-test sampling; removed previous footnote #5 [see draft A. (1.)];

Records show that you have successfully registering with the *Electronic Discharge Monitoring Report (eDMR)* Program. Please be reminded that until the state's eDMR application is approved by the Department as compliant with EPA's *Cross-Media Electronic Reporting Regulation* (CROMERR), all permittees must continue to submit hardcopy of DMR as backup to eDMR reporting [see permit section A. (5.)].

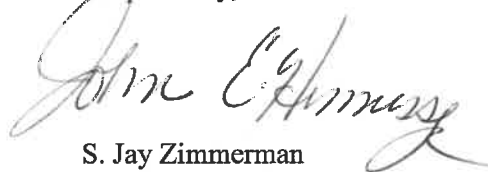
Please be reminded that this facility discharges to waters classified SA; HQW [habitat-critical area; High Quality Water].

If any parts, measurement frequencies, or sampling requirements contained in this permit are unacceptable, you have the right to an adjudicatory hearing, upon written request, submitted within thirty (30) days after receiving this letter. Your request must take the form of a written petition conforming to Chapter 150B of the North Carolina General Statutes, and you must file it with the office of Administrative Hearings, 6714 Mail Service Center, Raleigh, North Carolina 27699-6714. Unless such a demand is made, this permit shall be final and binding.

This permit is not transferable except after notifying the Division of Water Resources. The Division may modify, revoke or re-issue this permit. Please note that this permit does not affect your legal obligation to obtain other permits required by the Division of Water Resources, the Division of Land Resources, the Coastal Area Management Act, or any other federal or local government.

If you have questions, or if we can further assist you, please contact Joe R. Corporon, L.G. at joe.corporon@ncdenr.gov or call his direct line (919) 807-6394.

Respectfully,



S. Jay Zimmerman

Enclosure: NPDES Permit NC0086975 (issuance final)

hc: Central Files
WiRO/SWPS Supervisor, Jim Gregson
NPDES Program Files

ec: WiRO, Jim Gregson
ATB, Susan Meadows, Cindy Moore (Draft and Fact Sheet)
OCU, Maureen Kinney (Draft and Fact Sheet)

STATE OF NORTH CAROLINA
DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF WATER RESOURCES

PERMIT

TO DISCHARGE WASTEWATER UNDER THE
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
(NPDES)

In compliance with the provision of North Carolina General Statute 143-215.1, other lawful standards and regulations promulgated and adopted by the North Carolina Environmental Management Commission, and the Federal Water Pollution Control Act, as amended, the

County of Carteret

is hereby authorized to discharge wastewater from a facility located at the

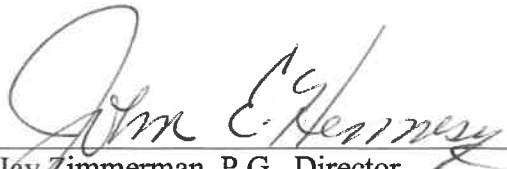
Laurel Road WTP
534 Laurel Road, Beaufort
Carteret County

to receiving waters designated as Feltons Creek within the White Oak River Basin in accordance with effluent limitations, monitoring requirements, and other conditions set forth in Parts I, II, III, and IV hereof.

This permit shall become effective on November 1, 2017.

This permit and authorization to discharge shall expire at midnight on July 31, 2022.

Signed this day October 4, 2017


S. Jay Zimmerman, P.G., Director
Division of Water Resources
By Authority of the Environmental Management Commission

SUPPLEMENT TO PERMIT COVER SHEET

All previous NPDES Permits issued to this facility, whether for operation or discharge are hereby revoked. As of this permit issuance, any previously issued permit bearing this number is no longer effective. Therefore, the exclusive authority to operate and discharge from this facility arises under the permit conditions, requirements, terms, and provisions included herein.

County of Carteret

is hereby authorized to:

1. continue to operate a wastewater treatment system in support of potable-water production, discharging *Ion-Exchange* (IE) backwash/rinsate wastewater, with potential to discharge *Greensand Filter* backwash, a system currently designed to produce 0.300 MGD potable water, and a wastewater discharge reported as 0.0072 MGD (max. monthly average), utilizing treatment components including;
 - two (2) each 10 ft-diameter greensand filters with potassium permanganate [KMnO₄] feed system
 - two (2) each 8 ft-diameter water softeners (with brine regeneration system)
 - chemical-feed systems for zinc ortho-polyphosphate [Zn PO₄] inhibitor and chloramines disinfection (aqueous ammonia, chlorine)
 - two (2) each 20 ft x 20 ft settling basins with decant pumps, recycle pumps (for *greensand* filter backwash)
 - settling basin (9,000-gallon for softener-backwash wastewater)
 - collection basin with effluent transfer pumps
 - liquid chemical feed system for dechlorination
 - backwash pumps and controls for sandfilter and softener operation
 - sample port and appurtenant piping to outfall

these facilities located at the Laurel Road WTP, 534 Laurel Road, Beaufort, Carteret County, and

2. discharge from said treatment works via Outfall 001, a location specified on the attached map, into Feltons Creek [stream segment 21-35-1-1], a waterbody currently classified SA HQW; PNA within subbasin 03-05-04 [HUC: 03020301] of the White Oak River Basin.

A. (1.) EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

[15A NCAC 02B.0400 et seq., 02B.0500 et seq.]

During the period beginning on the effective date of this permit and lasting until expiration, the Permittee is authorized to discharge *Ion-Exchange* filter backwash/rinse wastewater from Outfall 001. Such discharges shall be limited, monitored and reported ¹ by the Permittee, as specified below:

EFFLUENT CHARACTERISTICS (Parameter Code)		LIMITS		MONITORING REQUIREMENTS		
		Monthly Average	Daily Maximum	Measurement Frequency	Sample Type	Sample Location ²
Flow, MGD ³	50050			Weekly	Estimate ³	E
Total Suspended Solids	00530	10.0 mg/L	15.0 mg/L	2/Month	Grab	E
pH	00400	Not > 6.8 or < 8.5 s. u.		2/Month	Grab	E
pH	00400			2/Month	Grab	S1
Total Residual Chlorine ⁴	50060		13 µg/L ⁴	2/Month	Grab	E
Total Lead	01051	4.25 µg/L ⁵	110 µg/L ⁵	Monthly	Grab	E
Total Copper, µg/L	01042	1.85 µg/L ⁵	2.9 µg/L ⁵	Monthly	Grab	E
Total Zinc, µg/L	01092	42.8 µg/L ⁵	47.2 µg/L ⁵	Monthly	Grab	E
Dissolved Oxygen, mg/L	00300			Monthly	Grab	E
Dissolved Oxygen, mg/L	00300			Monthly	Grab	S1
Salinity, ppt	00480			Monthly	Grab	E
Salinity, ppt	00480			Monthly	Grab	S1
Conductivity, µmohs/cm	00094			Monthly	Grab	E
Total Dissolved Solids, mg/L	70295			Monthly	Grab	E
Ammonia [NH ₃ as N] mg/L	00610			Monthly	Grab	E
Turbidity, NTU	00070			Monthly	Grab	E
WET Acute Toxicity ⁶	TGE3E	Monitor & Report		Quarterly	Grab	E

Footnotes:

1. The permittee shall submit discharge monitoring reports (DMRs) *electronically* using the Division's eDMR system [see A. (3.)].
2. E = Effluent; Instream S1 = center of Feltons Creek, east side of bridge; Outfall 001 at west side of bridge.
3. Discharge Estimate shall be based on both flow rate and duration, both to be recorded in log book.
4. The Division shall consider compliant all effluent TRC values reported below 50 µg/L. However, the Permittee shall continue to record and submit all values reported by North Carolina-certified test methods (including field certified), even if these values fall below 50 µg/L.
5. Compliance to this limit begins on **November 1, 2022**, five (5) years from the permit effective date [see Special Condition A. (3.)].
6. Whole Effluent Toxicity (WET) testing; Acute 24-hour Pass/Fail Monitoring: (*January, April, July, and October*). Permittee shall use mysid shrimp or other approved test organism [See special condition A. (2)].

Conditions: All samples shall accurately represent the physical and chemical character of the discharge event. The Permittee shall discharge no floating solids or foam visible in other than trace amounts.

A. (2.) ACUTE TOXICITY PASS/FAIL MONITORING (QUARTERLY)
[15A NCAC 02B.0500 et seq.]

The permittee shall conduct acute toxicity tests on a *quarterly* basis using protocols defined in the North Carolina Procedure Document entitled "*Pass/Fail Methodology for Determining Acute Toxicity in A Single Effluent Concentration*" (Revised December 2010 or subsequent versions). The monitoring shall be performed as a Mysid Shrimp (*Mysidopsis bahia*) 24-hour static test. The effluent concentration at which there may be at no time significant mortality is 90% (defined as treatment two in the procedure document). Effluent samples for self-monitoring purposes must be obtained during representative effluent discharge below all waste treatment. The tests will be performed during the months of *January, April, July and October*. These months signify the first month of each three-month toxicity testing quarter assigned to the facility.

All toxicity testing results required as part of this permit condition will be entered on the Effluent Discharge Monitoring Form (MR-1) for the month in which it was performed, using the parameter code **TGE3E**. Additionally, DWQ Form AT-2 (original) is to be sent to the following address:

Attention: North Carolina Division of Water Resources
Water Sciences Section
1621 Mail Service Center
Raleigh, N.C. 27699-1621

Completed Aquatic Toxicity Test Forms shall be filed with the Environmental Sciences Section no later than 30 days after the end of the reporting period for which the report is made.

Test data shall be complete and accurate and include all supporting chemical/physical measurements performed in association with the toxicity tests, as well as all dose/response data. Total residual chlorine of the effluent toxicity sample must be measured and reported if chlorine is employed for disinfection of the waste stream.

Should there be no discharge of flow from the facility during a month in which toxicity monitoring is required, the permittee will complete the information located at the top of the aquatic toxicity (AT) test form indicating the facility name, permit number, pipe number, county, and the month/year of the report with the notation of "No Flow" in the comment area of the form. The report shall be submitted to the Environmental Sciences Section at the address cited above.

Should the permittee fail to monitor during a month in which toxicity monitoring is required, then monthly monitoring will begin immediately. Upon submission of a valid test, this monthly test requirement will revert to quarterly in the months specified above. Assessment of toxicity compliance is based on the toxicity testing quarter, which is the three-month time interval that begins on the first day of the month in which toxicity testing is required by this permit and continues until the final day of the third month.

Should any test data from this monitoring requirement or tests performed by the North Carolina Division of Water Quality indicate potential impacts to the receiving stream, this permit may be re-opened and modified to include alternate monitoring requirements or limits.

If the Permittee monitors any pollutant more frequently than required by this permit, the results of such monitoring shall be included in the calculation and reported data submitted on the DMR and AT Form.

NOTE: Failure to achieve test conditions as specified in the cited document, such as minimum control organism survival and appropriate environmental controls, shall constitute an invalid test and will require immediate follow-up testing to be completed no later than the last day of the month following the month of the initial monitoring.

USE OF A DIFFERENT TEST ORGANISM

The permittee with **acute WET-test requirements**, discharging to either fresh water or salt water, may request the use of a different test organism upon documentation that the alternate test organism would provide an equal or greater level of protection. This test must be appropriately based on the characteristics of the discharge and receiving stream. Such documentation must consist of one of the following:

1. For saltwater classified streams, a fathead minnow may be assigned as the acute testing species if the salinity of the receiving stream at the point of discharge is <5 ppt throughout the tidally influenced cycle. This determination may be based on the best professional judgment of DWQ staff or data collection provided by the permittee and approved by DWQ staff. This evaluation should include vertical profiles of salinity/conductivity measurements at both high tide and low tide over several 24-hr cycles.
2. Three consecutive "side-by-side" tests with results indicating that the alternate test organism is as or more sensitive to the facility's effluent. Each test series would consist of two separate toxicity tests conducted on the same sample of effluent with the length of exposure specified by the permit, the only difference between the tests being the organism used.
3. An alternate plan developed by the permittee and approved by the Aquatic Toxicology Unit that demonstrates an equal level of protection is offered by the test organism.

For items 2 and 3, it must also be demonstrated that viable and standardized culture techniques are available for that organism and standardized testing methodologies have been developed and validated. This demonstration should meet guidance provided by EPA in Section 6 of EPA-821-R-02-012, "*Short Term Methods for Estimating the Acute Toxicity of Effluents and Receiving Waters to Freshwater Organisms, Fifth Edition 2002*".

Requests to use a different test organism and supporting documentation should be sent to North Carolina Division of Water Resources, Water Sciences Section (at the above-listed address).

A. (3.) SPECIAL CONDITION – COMPLIANCE FOR METALS LIMITS [NCGS 143-215.1 (b)]

Compliance to permit limits for dissolved metals shall begin five (5) years from the permit effective date on **November 1, 2022**. This compliance period affords the Permittee time to research, establish and implement methods adequate to treat effluent metals. The Permittee shall submit **annually** a written progress report to the Division, due on the anniversary of the permit effective date [copy both the Division's Central Office and the Wilmington Regional Office]. Failure to comply with this Special Condition subjects the facility to civil penalty assessment.

Submit Annual Progress Reports - copies to both:

DWR/SWPS/NPDES Expedited Permitting
Attention: John Hennessy
1617 Mail Service Center,
Raleigh, North Carolina 27699

DWR/SWPS/NPDES
Wilmington Regional Office (WiRO)
Attention: Dean Hunkele
127 Cardinal Drive Extension
Wilmington, North Carolina 27889

A. (4.) ELECTRONIC REPORTING OF DISCHARGE MONITORING REPORTS [NCGS 143-215.1 (b)]

Federal regulations require electronic submittal of all discharge monitoring reports (DMRs) and program reports. The final NPDES Electronic Reporting Rule was adopted and became effective on December 21, 2015.

NOTE: This special condition supplements or supersedes the following sections within Part II of this permit (*Standard Conditions for NPDES Permits*):

- Section B. (11.) Signatory Requirements
- Section D. (2.) Reporting
- Section D. (6.) Records Retention
- Section E. (5.) Monitoring Reports

1. Reporting Requirements [Supersedes Section D. (2.) and Section E. (5.) (a)]

The permittee shall report discharge monitoring data electronically using the NC DWR's Electronic Discharge Monitoring Report (eDMR) internet application.

Monitoring results obtained during the previous month(s) shall be summarized for each month and submitted electronically using eDMR. The eDMR system allows permitted facilities to enter monitoring data and submit DMRs electronically using the internet. Until such time that the state's eDMR application is compliant with EPA's Cross-Media Electronic Reporting Regulation (CROMERR), permittees will be required to submit all discharge monitoring data to the state electronically using eDMR and will be required to complete the eDMR submission by printing, signing, and submitting one signed original and a copy of the computer printed eDMR to the following address:

NC DENR / Division of Water Resources / Water Quality Permitting Section
ATTENTION: Central Files
1617 Mail Service Center
Raleigh, North Carolina 27699-1617

If a permittee is unable to use the eDMR system due to a demonstrated hardship or due to the facility being physically located in an area where less than 10 percent of the households have broadband access, then a temporary waiver from the NPDES electronic reporting requirements may be granted and discharge monitoring data may be submitted on paper DMR forms (MR 1, 1.1, 2, 3) or alternative forms approved by the Director. Duplicate signed copies shall be submitted to the mailing address above. See "How to Request a Waiver from Electronic Reporting" section below.

Regardless of the submission method, the first DMR is due on the last day of the month following the issuance of the permit or in the case of a new facility, on the last day of the month following the commencement of discharge.

Starting on **December 21, 2020**, the permittee must electronically report the following compliance monitoring data and reports, when applicable:

- Sewer Overflow/Bypass Event Reports;
- Pretreatment Program Annual Reports; and

- Clean Water Act (CWA) Section 316(b) Annual Reports.

The permittee may seek an electronic reporting waiver from the Division (see “How to Request a Waiver from Electronic Reporting” section below).

2. Electronic Submissions

In accordance with 40 CFR 122.41(l)(9), the permittee must identify the initial recipient at the time of each electronic submission. The permittee should use the EPA’s website resources to identify the initial recipient for the electronic submission.

Initial recipient of electronic NPDES information from NPDES-regulated facilities means the entity (EPA or the state authorized by EPA to implement the NPDES program) that is the designated entity for receiving electronic NPDES data [see 40 CFR 127.2(b)].

EPA plans to establish a website that will also link to the appropriate electronic reporting tool for each type of electronic submission and for each state. Instructions on how to access and use the appropriate electronic reporting tool will be available as well. Information on EPA’s NPDES Electronic Reporting Rule is found at: <http://www2.epa.gov/compliance/final-national-pollutant-discharge-elimination-system-npdes-electronic-reporting-rule>.

Electronic submissions must start by the dates listed in the “Reporting Requirements” section above.

3. How to Request a Waiver from Electronic Reporting

The permittee may seek a temporary electronic reporting waiver from the Division. To obtain an electronic reporting waiver, a permittee must first submit an electronic reporting waiver request to the Division. Requests for temporary electronic reporting waivers must be submitted in writing to the Division for written approval at least sixty (60) days prior to the date the facility would be required under this permit to begin submitting monitoring data and reports. The duration of a temporary waiver shall not exceed 5 years and shall thereupon expire. At such time, monitoring data and reports shall be submitted electronically to the Division unless the permittee re-applies for and is granted a new temporary electronic reporting waiver by the Division. Approved electronic reporting waivers are not transferrable. Only permittees with an approved reporting waiver request may submit monitoring data and reports on paper to the Division for the period that the approved reporting waiver request is effective.

Information on eDMR and the application for a temporary electronic reporting waiver are found on the following web page:

<http://deq.nc.gov/about/divisions/water-resources/edmr>

4. Signatory Requirements [Supplements Section B. (11.) (b) and Supersedes Section B. (11.) (d)]

All eDMRs submitted to the permit issuing authority shall be signed by a person described in Part II, Section B. (11.) (a) or by a duly authorized representative of that person as described in Part II, Section B. (11.) (b). A person, and not a position, must be delegated signatory authority for eDMR reporting purposes.

For eDMR submissions, the person signing and submitting the DMR must obtain an eDMR user account and login credentials to access the eDMR system. For more information on North Carolina’s eDMR system, registering for eDMR and obtaining an eDMR user account, please visit the following web page:

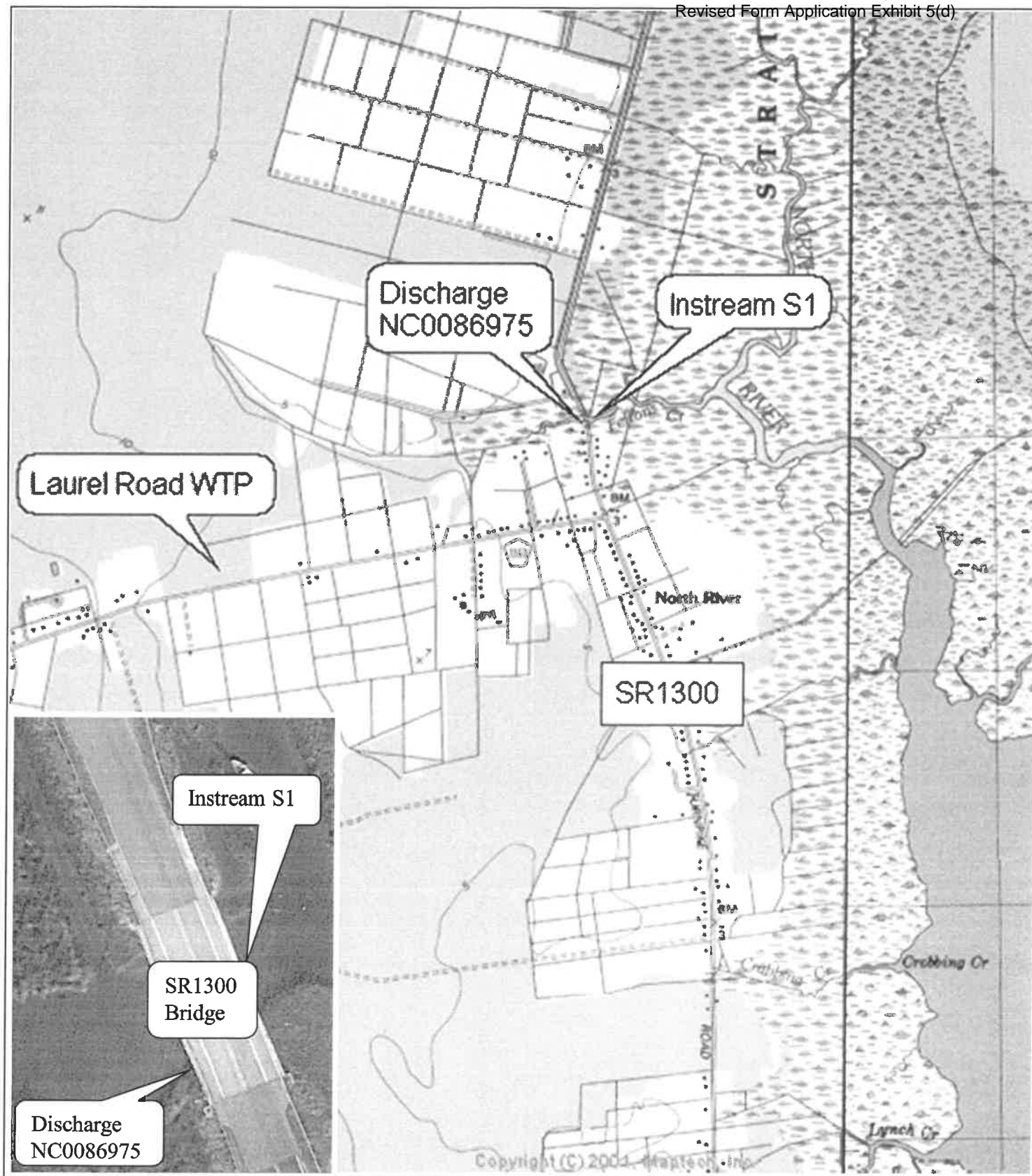
<http://deq.nc.gov/about/divisions/water-resources/edmr>

Certification. Any person submitting an electronic DMR using the state's eDMR system shall make the following certification [40 CFR 122.22]. NO OTHER STATEMENTS OF CERTIFICATION WILL BE ACCEPTED:

"I certify, under penalty of law, that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

5. Records Retention [Supplements Section D. (6.)]

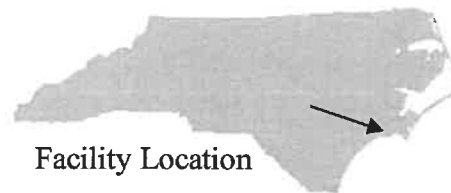
The permittee shall retain records of all Discharge Monitoring Reports, including eDMR submissions. These records or copies shall be maintained for a period of at least 3 years from the date of the report. This period may be extended by request of the Director at any time [40 CFR 122.41].



USGS Quad: H32SW Core Creek, NC

	<u>Outfall</u>	<u>Facility</u>
Latitude:	34° 49' 12.2" N	34° 48' 50.5" N
Longitude:	76° 38' 13.2" W	76° 39' 15.2" W

White Oak Drainage Basin - Stream Class: SA, HQW
Subbasin: 03-05-04 HUC: 03020301
Receiving Stream: Feltons Creek



Facility Location
Laurel Road WTP NC0086975
Carteret County



State of North Carolina
Department of Environmental Quality
Division of Water Resources
Public Water Supply Section
1634 Mail Service Center, Raleigh, NC
Telephone (919) 707-9100

CARTERET COUNTY UTILITIES
302 COURTHOUSE SQ
ATTN: EUGENE FOXWORTH
BEAUFORT, NC 28516

SYSTEM NAME: MERRIMON WATER SYSTEM

RESPONSIBLE PERSON: CAHOON, TONY
5231 BUSINESS DRIVE
ATTN: CARTERET CO UTILITIES
NEWPORT, NC 28570

PWS ID: NC0416198 Carteret County
OWNER ID: 78019

2022 PERMIT TO OPERATE A COMMUNITY PUBLIC WATER SYSTEM

POPULATION SERVED: 71

The above named Community or Non-Transient Non-Community Public Water Supply System is granted a permit to operate this facility for the calendar year 2022. The permit expires at midnight on December 31, 2022.

The permit signifies that the annual fee has been paid in full and that a completed annual operating permit application has been submitted.

All permitted community and non transient non-community water systems shall comply with 15A NCAC 18C, which are the Rules Governing Public Water Systems. Rule .02102(f) requires that the supplier of water who holds a current operating permit shall inform the Department of any changes of address or transfer of ownership within 30 days of the changes.

Payment of the 2023 operating permit fee is due by November 2022. Administrative Penalties will be assessed for payments not received by December 31, 2022. Renewal notices will be sent in September 2022.

Sincerely,

A handwritten signature in black ink, appearing to read "R.W. Midgette".

R.W. (Bob) Midgette, P.E.
Section Chief

cc: HEIDI COX, Regional Engineer

OFFICIAL COPY
Nov 22 2022



State of North Carolina
Department of Environmental Quality
Division of Water Resources
Public Water Supply Section
1634 Mail Service Center, Raleigh, NC
Telephone (919) 707-9100

CARTERET COUNTY UTILITIES
302 COURTHOUSE SQ
ATTN: EUGENE FOXWORTH
BEAUFORT, NC 28516

SYSTEM NAME: NORTH RIVER/MILL CREEK WATER SERVICE I

RESPONSIBLE PERSON: CAHOON, TONY
5231 BUSINESS DRIVE
ATTN: CARTERET CO UTILITIES
NEWPORT, NC 28570

PWS ID: NC0416197 Carteret County
OWNER ID: 78019

2022 PERMIT TO OPERATE A COMMUNITY PUBLIC WATER SYSTEM

POPULATION SERVED: 2,950

The above named Community or Non-Transient Non-Community Public Water Supply System is granted a permit to operate this facility for the calendar year 2022. The permit expires at midnight on December 31, 2022.

The permit signifies that the annual fee has been paid in full and that a completed annual operating permit application has been submitted.

All permitted community and non transient non-community water systems shall comply with 15A NCAC 18C, which are the Rules Governing Public Water Systems. Rule .02102(f) requires that the supplier of water who holds a current operating permit shall inform the Department of any changes of address or transfer of ownership within 30 days of the changes.

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Sincerely,

A handwritten signature in black ink, appearing to read "R.W. Midgette".

R.W. (Bob) Midgette, P.E.
Section Chief

cc: HEIDI COX, Regional Engineer

OFFICIAL COPY

Nov 22 2022

/A

REVISED FORM APPLICATION EXHIBIT 8

Actual and Estimated Costs.

Carteret County Water System Acquisition Incurred and Estimated Costs

Actuals as of 08/09/2022

Supplier	Service	Total
Hartman Consultants	CWSNC Valuation	\$38,000.00
John Tanum, Attorney at Law	Title / Easement Verifications	\$5,100.00
Mill Creek Environmental	Phase 1 Environmental Study	\$10,675.00
Poyner Spruill	Real Estate Legal Consultation	\$1,416.30
Sanford Law Office, PLLC	Legal	\$27,660.00
FMV Clerk Filing	NCUC Clerk Filing	\$100.00
CPCN Clerk Filing	NCUC Clerk Filing	\$100.00
Stroud Engineering	Surveys	\$24,719.90
NewGen Strategies & Solutions	NC Public Staff Valuation	\$29,509.54

Estimates through Closing

Supplier	Service	Total
Draper Aden	1/2 Engineering Assessment	\$2,000.00
Sanford Law Office, PLLC	Legal	\$25,000.00
Hartman Consultants	Valuation support through hearing	TBD
NewGen Strategies & Solutions	Valuation support through hearing	TBD
Poyner Spruill	Title and Easement Searches	\$5,000.00
Investor's Title	Title Insurance	\$800.00
NCUC Expenses		
	Public Hearing Notice	\$710.50
	Court Reporter - Two Days	\$2,938.00
	Notice on Final Order	\$710.50
Total		<u><u>\$174,439.74</u></u>

/A

REVISED FORM APPLICATION EXHIBIT 12

Please see attached tariff.

/A

PROPOSED SCHEDULE OF RATES

for

CAROLINA WATER SERVICE, INC. OF NORTH CAROLINA

for providing water utility service

in

CARTERET COUNTY NORTH CAROLINA

(North River / Mill Creek & Merrimon)

WATER RATES AND CHARGES

Monthly Metered Water Service (Residential and Commercial):

Base Facility Charge (includes first 1,000 gallons of usage)

North River / Mill Creek:

3/4" meter	\$40.25
1" meter	\$55.60
2" meter	\$160.90
4" meter	\$497.25

Town of Beaufort (Eastman's Creek) \$40.25

Merrimon

3/4" meter \$23.40

Usage Charge (all systems): \$10.10 / 1,000 gallons over base

Fire Hydrant Usage

Hookup & Service Charge: \$109.70/month

Mobilization to hydrant site and employee on site during tank fill.

\$200.00 Deposit

\$12.80 per 1,000 gallons.

Hydrant & Hydrant Meter Tampering \$250.00 1st offense
\$500.00 2nd offense

Damage Fee – Fire Hydrant \$2,500.00

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Fire Line - Sprinkler Fee

<u>Size</u>	<u>Monthly Fee</u>
2"	\$40.25
4"	\$47.55
6"	\$109.70
8"	153.55

Tap Fees

<u>Meter Size</u>	<u>Tap Fee**</u>
3/4"	\$1,000
1"	\$1,150
2"	Cost + 10%
4"	Cost + 10%

**Additional \$900.00 Tap Fee for any meter requiring road bore work

Any meter 2 inch or larger will be charged cost of materials and installation, engineering fees, and an additional 10%.

Damage and Tampering Fees

Tampering Fee – Meters	\$100.00
2 nd Offense (and Legal Action)	\$500.00
Damage Fee – Meters	\$135.00
Damage Fee – MXU Remote Unit	\$135.00

Meter Testing Fee: ^{1/} \$20.00

Reconnection Charge: ^{2/}

If water service is cut off by utility for good cause	\$30.00
If water service is discontinued at customer's request	\$30.00

New Water Customer Charge \$30.00

MISCELLANEOUS UTILITY MATTERS

Charge for processing NSF Checks: \$ 25.00

Bills Due: On billing date

Bills Past Due: 21 days after billing date

Billing Frequency: Bills shall be rendered monthly in all service areas.

Finance Charge for Late Payment:

1% per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.

Notes:

^{1/} If a customer requests a test of a water meter more frequently than once in a 24-month period, the Company will collect a \$20.00 service charge to defray the cost of the test. If the meter is found to register in excess of the prescribed accuracy limits, the meter testing charge will be waived. If the meter is found to register accurately or below prescribed accuracy limits, the charge shall be retained by the Company. Regardless of the test results, customers may request a meter test once in a 24-month period without charge.

^{2/} Customers who request to be reconnected within nine months of disconnection at the same address shall be charged the base facility charge for the service period they were disconnected.