

WATER AND SEWER AUTHORITY OF CABARRUS COUNTY
JANUARY 20, 2022
5:00 P.M.

The Board of Directors (the “Board”) of the Water and Sewer Authority of Cabarrus County (“WSACC”) met in regular session on Thursday, January 20, 2022 at the Administrative Offices. The meeting was also set up for virtual attendance administered by Zoom and streamed on YouTube.

Public access to the meeting could be obtained by calling into the conference bridge at 1-(267) 930-4000 and using the participant access code.

The following Board Members were present:

Mr. Jeff Corley	Mr. Robert Ritchie
Mr. Darrell Hinnant	Mr. Jim Sells (virtual attendance)
Mr. Mike Legg	Mr. Lynn Shue (virtual attendance)
Mr. Jonathan Marshall	

Ms. Jennifer Parsley-Hubbard and Mr. Rob Donham, incoming Board members replacing Mr. David Phillips and Chairman Steve Sciascia were also present.

Also present were: Mr. Michael Wilson, Executive Director; Ms. Tammy Garifo, Executive Secretary/Secretary to the Board; Mr. Chad VonCannon, Engineering Director; Ms. Robin Moore, Deputy Executive Director/Administration; Mr. Thomas Jakubisin, Network Administrator; Mr. Mark Fowler, Facilities Director; Mr. Thomas Hahn, Assistant Engineer Director; and Mr. William Isenhour, Johnston, Allison & Hord, P.A. (“JAH”).

At 5:00 P.M., Vice Chairman Legg called the meeting to order.

OATHS OF OFFICE

Oaths of Office – Jennifer Parsley-Hubbard and Rob Donham

Ms. Garifo gave the oath of office to Ms. Jennifer Parsley-Hubbard, City of Concord and Mr. Rob Donham, Town of Harrisburg for their appointment to WSACC’s Board of Directors.

UNFINISHED BUSINESS

Request for Approval of the Minutes of December 16, 2021

Mr. Marshall made a motion to approve the minutes of December 16, 2021. Mr. Hinnant seconded the motion and the Board approved by unanimous vote.

NEW BUSINESS

Consideration of Appointing a New Chairman to the Board of Directors

Steve Sciascia, WSACC’s former Chairman to the Board of Directors, completed his term of office on December 31, 2021. After reviewing the bylaws with WSACC’s attorney, Mr. Wilson said the Board could either vote on a new Chairman or allow Mike Legg, Vice-Chairman to serve as Chairman until the election at WSACC’s annual meeting in July.

Mr. Marshall made a motion to elect Mike Legg as Chairman to WSACC’s Board of Directors. Mr. Ritchie seconded the motion and the Board approved by unanimous vote.

Mr. Ritchie then made a motion to elect Jeff Corley as Vice Chairman to WSACC’s Board of Directors. Mr. Marshall seconded the motion and the Board approved by unanimous vote.

Request for Approval to the Amendment to the FY 21-22 Annual Budget Ordinance to Recognize Settlement Payment and Consent Payment to WSACC in the Amounts of \$8.25 Million and \$125,000 Respectively and Appropriate \$545,475 for Attorney Fees and the Remaining \$7,829,525 to Contribution to Retained Earnings

Mr. Wilson presented an amendment to the Annual Budget Ordinance to add the settlement payment for the Heat to Energy Lawsuit in the amount of \$8.25 million and \$125,000 from the Prime Beverage Consent Agreement. Mr. Wilson requested that \$545,475 be appropriated to cover various legal fees and the remaining \$7,829,525 be contributed to retained earnings.

Mr. Wilson explained that the \$125,000 was Prime Beverage’s compensation to WSACC for legal fees.

Mr. Hinnant made a motion to approve the amendment to the FY 21-22 Annual Budget Ordinance to recognize settlement payment and consent payment to WSACC in the amounts of \$8.25 million and \$125,000 respectively, and appropriate \$545,475 for attorney fees and the remaining \$7,829,525 to be contributed to retained earnings. Mr. Corley seconded the motion and the Board approved by unanimous vote.

The Budget Amendment was approved as follows:

AN ORDINANCE TO AMEND FY 2021-2022 BUDGET ORDINANCE

WHEREAS, the Board of Directors of the Water and Sewer Authority of Cabarrus County, North Carolina did on the 15th day of April, 2021, adopt the Water and Sewer Authority Budget for the fiscal year beginning July 1, 2021, and ending on June 30, 2022; and

WHEREAS, it is appropriate to amend the accounts in the fund listed for the reason stated;

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Water and Sewer Authority of Cabarrus County, that in accordance with the authority contained in G.S. 159-15, the following accounts are hereby amended as shown and that the total amounts are herewith appropriated for the purposes shown.

Operating Fund

Account No.	Account Title	Amount	From	To
1031010-4724	Settlement	\$8,250,000	\$ 0	\$8,250,000
1031010-4724	Settlement	\$ 125,000	\$ 0	\$ 125,000
1041010-5192	Admin-Legal Fees	\$ 125,000	\$70,000	\$ 195,000
1049995-7990	Contrib- Retained Earnings	\$7,829,525	\$ 0	\$ 7,829,525
1049995-5192	Nondepart-Legal Fees	\$ 420,475	\$ 0	\$ 420,475

REASON:

To recognize the receipt of \$8.25 million settlement, \$125,000 from consent agreement and appropriate \$545,475 in legal fees with remainder going to retained earnings.

Adopted this 20th day of January, 2022.

WATER AND SEWER AUTHORITY OF
CABARRUS COUNTY, NORTH CAROLINA

Mike Legg, Vice-Chairman

ATTEST:

Tammy M. Garifo, Secretary

Request for Approval of the Resolution Adopting the Local Water Supply Plan

Mr. Hahn stated that the North Carolina Department of Environmental Quality (the state) requires WSACC to submit a Local Water Supply Plan (LWSP) similar to the LWSP submitted by the member jurisdictions. The LWSP includes information about water supply sources and wastewater connections and flow rates. After WSACC submitted the LWSP to the state in early 2021, the state responded with comments and clarification on WSACC's process of managing the Lake Don T. Howell reservoir without treating or distributing water from the reservoir. The state requested that WSACC's LWSP be adopted with a resolution from WSACC's Board of Directors and then subsequently submit the resolution to the state.

A copy of the resolution was included in the agenda for the Board to review and consider for approval.

Mr. Marshall made a motion to approve the Resolution Adopting the Local Water Supply Plan. Mr. Ritchie seconded the motion and the Board approved by unanimous vote.

The Resolution for the Local Water Supply Plan was approved as follows:

A RESOLUTION TO APPROVE THE LOCAL WATER SUPPLY PLAN

WHEREAS, North Carolina General Statute 143-355 (l) requires that each unit of local government that provides public water service or that plans to provide public water service and each large community water system shall, either individually or together with other units of local government and large community water systems, prepare and submit a Local Water Supply Plan; and

WHEREAS, as required by the statute and in the interests of sound local planning, a Local Water Supply Plan for the Water and Sewer Authority of Cabarrus County, has been developed and submitted to the Board of Directors of the Water and Sewer Authority of Cabarrus County for approval; and

WHEREAS, the Board of Directors of the Water and Sewer Authority of Cabarrus County finds that the Local Water Supply Plan is in accordance with the provisions of North Carolina General Statute 143-355 (l) and that it will provide appropriate guidance for the future management of water supplies for Water and Sewer Authority of Cabarrus County, as well as useful information to the Department of Environmental Quality for the development of a state water supply plan as required by statute;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Water and Sewer Authority of Cabarrus County that the Local Water Supply Plan, dated December 13, 2021, is hereby approved and shall be submitted to the Department of Environmental Quality, Division of Water Resources; and

BE IT FURTHER RESOLVED that the Board of Directors of the Water and Sewer Authority of Cabarrus County intends that this plan shall be revised to reflect changes in relevant data and projections at least once every five years or as otherwise requested by the Department, in accordance with the statute and sound planning practice.

This the _____ day of _____, 20_____.

Name: _____

Title: _____

Signature: _____

Request for Approval of the Selection of Black & Veatch to Perform the WSACC Master Plan Project

Mr. VonCannon said WSACC sent request for qualifications (RFQ) to several engineering firms to perform an updated Master Plan for WSACC. He said the previous Master Plan was completed in the fiscal year 2012-2013.

WSACC received RFQ packages from GHD Engineering, Willis Engineering and Black & Veatch. After completing the interview process and thoroughly reviewing the submitted RFQ's, WSACC unanimously selected Black & Veatch to perform the Master Plan.

Mr. VonCannon said Black & Veatch has extensive Master Planning experience and WSACC is confident in their ability to successfully deliver the Master Plan in a timely manner.

Mr. VonCannon noted that one of the primary task to be included in the updated Master Plan would be to assure that WSACC's facilities and interceptors are prepared to support the 34 million gallons per day permit level for the RRRWWTP expansion.

WSACC anticipates presenting the Scope of Service for the Master Plan at the February 17, 2022 Board meeting

Mr. Ritchie made a motion to approve the selection of Black & Veatch to perform the WSACC Master Plan Project. Mr. Shue seconded the motion and the Board approved by unanimous vote.

WSACC Wastewater Capacity Distributions – January 2022

Mr. VonCannon said WSACC staff along with staff from the member jurisdictions, legal counsel and the capacity allocation committee put a lot of work in planning the distributions of available wastewater capacity to the member jurisdictions. Mr. VonCannon explained that the Interlocal Wastewater Agreement that was approved by each member jurisdiction outlines the procedure for allocating available flow to the jurisdictions. Mr. VonCannon went over the first distributions of available wastewater capacity that went to each member jurisdiction. The table below summarizes the total flow allocated to the jurisdictions.

	First Division, Part 1	First Division, Part 2	Initial Future Division	Total Allocated Flow
Concord	-14,075 gpd	261,486 gpd	504,095 gpd	751,506 gpd
Kannapolis	24,767 gpd	170,637 gpd	320,270 gpd	515,674 gpd
Harrisburg	8,905 gpd	60,015 gpd	80,409 gpd	149,329 gpd
Mt. Pleasant	1,429 gpd	27,822 gpd	12,209 gpd	41,460 gpd

The Board briefly discussed capacity needed for projects in the Town of Mt. Pleasant and then capacity needed for future projects within each jurisdiction.

PUBLIC COMMENTS

There were no public comments.

CLOSED SESSION

At 5:36 P.M. **Mr. Hinnant made a motion to go into closed session - G.S.143-318.11 (a)(1) - to prevent the disclosure of information that is privileged or confidential pursuant to the law of this State or of the United States, or not considered a public record within the meaning of Chapter 132 of the General Statues. Mr. Ritchie seconded the motion and the Board approved by unanimous vote.**

At 5:39 P.M. **Mr. Hinnant made a motion to come out of closed session. Mr. Marshall seconded the motion and the Board approved by unanimous vote.**

Mr. Shue then made a motion to adjourn. Mr. Corley seconded the motion and the Board approved by unanimous vote.

The Board meeting adjourned until the next Board meeting scheduled for February 17, 2022.