

WATER AND SEWER AUTHORITY OF CABARRUS COUNTY

MAY 19, 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, May 19, 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. Jonathan Marshall
Mr. Darrell Hinnant	Mr. Robert Ritchie
Ms. Jennifer Parsley-Hubbard	Mr. Lynn Shue
Mr. Mike Legg	

Mr. Rob Donham and Mr. Jim Sells were unable to attend due to a prior commitment.

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. Thomas Hahn, Assistant Engineering Director; Mr. William Isenhour, Johnston, Allison & Hord, P.A. (“JAH”); and Mr. BJ Christman and Mr. Brock Wortman, Crowder Construction Company.

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

UNFINISHED BUSINESS

Request for Approval of the Minutes of April 21, 2022

Mr. Marshall made a motion to approve the April 21, 2022 minutes. Mr. Shue seconded the motion and the Board approved by unanimous vote.

NEW BUSINESS

Request for Approval of the Full Guaranteed Maximum Price (GMP) #3 for the Rocky River Regional Wastewater Treatment Plant (RRRWWTP) Expansion

At WSACC’s April 21, 2022 Board meeting, the Board approved the interim GMP #3 for an amount of \$13,538,261 to enable Crowder Construction to purchase construction supplies that were needed to complete Phase 3 of the RRRWWTP expansion.

Mr. VonCannon said WSACC has thoroughly reviewed the final GMP #3 and discussed the cost sharing for the RRRWWTP Phase 3 expansion with Charlotte Water.

Mr. VonCannon then requested approval of the remaining GMP #3 in the amount of \$64,228,086 which would bring the total GMP #3 for Phase 3 of the RRRWWTP expansion to \$77,766,347.

Mr. Hinnant made a motion to approve the full GMP #3 for the RRRWWTP expansion. Mr. Shue seconded the motion and the Board approved by unanimous vote.

Request for Approval of an Increase in the Capital Project Ordinance (CPO) for the RRRWWTP Expansion CPO Budget by \$65,787,120 to a Total of \$105,153,673

Mr. Wilson presented the CPO for the RRRWWTP expansion budget. He said the CPO includes the final negotiated contribution from Charlotte Water for \$38,985,223, and the CPO recognizes the remainder of the GMP #3 required to complete the construction of the RRRWWTP expansion to 30 MGD.

Mr. Wilson said System Development Fee (SDF) revenues had been reduced from \$8,412,000 to \$378,450, freeing up \$8,033,550 SDF's and he would like to move that to the Lower Coddle Creek Parallel Interceptor CPO.

Mr. Wilson then requested the Board's approval of the amendment to the CPO for the RRRWWTP expansion.

Mr. Ritchie made a motion to approve the increase in the CPO for the RRRWWTP expansion CPO budget by \$65,787,120 to a total of \$105,153,673. Ms. Hubbard seconded the motion and the Board approved by unanimous vote.

The CPO was approved as follows:

AN ORDINANCE TO AMEND A CAPITAL PROJECT FUND ORDINANCE

WHEREAS, the Board of Directors of the Water and Sewer Authority of Cabarrus County, North Carolina (WSACC) did on the 18th day of March, 2021, adopt the **RRRWWTP Expansion Design and Construction Project Ordinance**; and

WHEREAS, the Board of Directors of WSACC has determined that it is appropriate to amend the Capital Project Ordinance for the reasons stated below; and

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. 159-13.2, the ordinance is amended as shown and that the total amounts are herewith appropriated for the purposes shown.

Water and Sewer Authority Capital Project Fund

Account	Account Title	Amount	From	To
6038021-4965	Transfer From SDF Fund	\$ (8,033,550)	\$ 8,412,000	\$ 378,450
6038021-4810	Contrib. Charlotte Water	\$ 33,811,223	\$ 5,174,000	\$ 38,985,223
6038021-4910	Revenue Bonds	\$ 40,009,447	\$25,780,553	\$ 65,790,000
6048021-5198	Engineering	\$ 987,070	\$ 1,010,000	\$ 1,997,070
6048021-6565	Capital Outlay-Other	\$ 272,894	\$ 112,529	\$ 385,423
6048021-6560	Capital Outlay-Plant	\$64,227,156	\$37,994,024	\$102,221,180
6048021-8726	Issuance Costs	\$ 300,000	\$ 250,000	\$ 550,000

REASON: To recognize revenue bond proceeds, Charlotte Water contribution, GMP #3 expense and other costs.

Adopted this 19th day of May 2022.

WATER AND SEWER AUTHORITY OF
CABARRUS COUNTY, NORTH CAROLINA

Michael B. Legg, Chairman

ATTEST:

Tammy M. Garifo, Secretary

Request for Approval of the Capital Project Ordinance for the Lower Coddle Creek Parallel Interceptor Budget, Increasing System Development Fees (SDF) and Removing Bond Proceeds

Mr. Wilson said the purpose of the Lower Coddle Creek Parallel Interceptor CPO amendment was to recognize transferring \$8,033,550 of SDFs over to the RRRWWTP expansion project. He explained that after issuing bonds for the RRRWWTP expansion and determining the final participation amount from Charlotte Water, it was determined that \$8,033,550 in SDFs could be moved to the Lower Coddle Creek Parallel Interceptor project and not incur any additional debt by issuing bonds.

The CPO was approved as follows:

AN ORDINANCE TO AMEND A CAPITAL PROJECT FUND ORDINANCE

WHEREAS, the Board of Directors of the Water and Sewer Authority of Cabarrus County, North Carolina (WSACC) did on the 17th day of January 2019, adopt the initial **Lower Coddle Creek Parallel Interceptor Project Ordinance (CPO)**; and on the 21st day of April 2022 did readopt the CPO to include American Rescue Plan Act (ARPA) monies; and

WHEREAS, the Board of Directors of WSACC has determined that it is appropriate to amend the Capital Project Ordinance for the reasons stated below; and

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. 159-13.2, the ordinance is amended as shown and that the total amounts are herewith appropriated for the purposes shown.

Water and Sewer Authority Capital Project Fund

Account	Account Title	Amount	From	To
6038191-4965	Transfer From SDF Fund	\$ 8,033,550	\$ 1,834,000	\$ 9,867,550
6038191-4925	State ARPA Grant	\$ 0	\$35,000,000	\$35,000,000
6038191-4910	Proceeds Revenue Bonds	\$(8,033,550)	\$ 8,033,550	\$ 0
6048191-5198	Engineering	\$ 0	\$ 1,080,395	\$ 1,080,395
6048191-5440	Contract Services	\$ 0	\$ 45,055	\$ 45,055
6048191-6565	Capital Outlay-Other	\$ 0	\$ 158,550	\$ 158,550
6048191-6570	Capital Outlay-Lines	\$ 0	\$43,033,550	\$43,033,550
6048191-6585	Capital Outlay-Easements	\$ 0	\$ 550,000	\$ 550,000

REASON: To recognize the transfer of SDF from the Plant Expansion Project and the reduction of proceeds from revenue bonds by the same amount.

Adopted this 19th day of May 2022.

WATER AND SEWER AUTHORITY OF
CABARRUS COUNTY, NORTH CAROLINA

Michael B. Legg, Chairman

ATTEST:

Tammy M. Garifo, Secretary

REPORTS

RRRWWTP Expansion Update

Mr. VonCannon provided the following update from Crowder Construction on the RRRWWTP expansion project.

- Crowder Construction completed the installation of approximately 3000 liner feet of electrical duct bank.
- Crowder Construction completed the drilling for the new aeration basin.
- The RRRWWTP expansion project received authorization to construct from NCDEQ.

Mr. VonCannon said throughout the next month, Crowder Construction expects to continue with the duct bank rebar tying and the utility locates for duct bank installations. Crowder Construction will begin the work on pads for pad mounted electrical equipment. Excavation for the new aeration basin is expected to begin in June 2022.

Capacity Historical Trends and Current Information

Mr. Wilson provided data with information on WSACC's historical capacity trends for wastewater flows and for allocated but not yet connected flows. He also provided data showing the historic average rainfall compared to the actual rainfall in Cabarrus County.

A copy of the presentation is filed in the Secretary to the Board's office.

PUBLIC COMMENTS

There were no public comments.

CLOSED SESSION

At 5:40 P.M., Mr. Ritchie 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 Statutes; and closed session - G.S.143-318.11 (a)(3) - to consult with WSACC's attorney in order to preserve the attorney-client privilege for consideration of and to give instructions to WSACC's attorney concerning the handling or settlement of a claim, judicial action or administrative procedure. Mr. Hinnant seconded the motion and the Board approved by unanimous vote.

At 5:57 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.

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

The meeting was adjourned until the next meeting scheduled for June 16, 2022.