

WATER AND SEWER AUTHORITY OF CABARRUS COUNTY
APRIL 20, 2023
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, April 20, 2023 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. Jim Sells
Mr. Mike Legg	Mr. Lynn Shue

Mr. Donham was 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; Ms. Robin Moore, Deputy Executive Director/Administration; Mr. Chad VonCannon, Engineering Director; Ms. Wendi Heglar, Finance Director; Mr. Thomas Jakubisin, IT Manager; Mr. Thomas Hahn, Assistant Engineering Director; Mr. William Isenhour, Johnston, Allison & Hord, P.A. (“JAH”); and Mr. Randy Holloway, Town of Mt. Pleasant.

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

UNFINISHED BUSINESS

Request for Approval of the Minutes of March 16, 2023

Mr. Ritchie made a motion to approve the minutes of March 16, 2023. Mr. Hinnant seconded the motion and the Board approved by unanimous vote.

Allocation of Wastewater Capacity from RRRWWTP Expansion – Requested Alternative Methods Impacts (for discussion only)

At WSACC’s March 16, 2023 Board meeting, the Board asked Mr. Wilson and WSACC staff to look at alternative methods and impacts for allocating wastewater capacity from the RRRWWTP and calculate the impact of allocating an additional 20,000 gallons per day (GPD) to the Town of Mt. Pleasant (Mt. Pleasant). Mr. Wilson said he used two different methods for calculating the capacity allocation. He included in the agenda packet a spreadsheet with details of the calculation on gallons allocated and related debt service. Mr. Wilson reminded the Board that an additional 2.1 MGD of new capacity will be coming online in the spring of 2024. He made note that in the agenda pack the spreadsheet only looks at the 2.1 MGD from the 26.5 MGD to 30 MGD expansion.

The Board had a lengthy discussion about an upcoming community project funded by Cabarrus County but located in Mt. Pleasant's service area. The project would take a significant amount of Mt. Pleasant's capacity. Because the project would be considered a community project, the Board discussed methods for Cabarrus County to be allocated capacity as a way of having available capacity for allocation for future county projects.

Mr. Wilson and Mr. VonCannon will prepare a new list of capacity allocation calculations for the Board to review and discuss at the next meeting.

NEW BUSINESS

Request for Approval to set the Sewer Variable and Fixed Charges for the Fiscal Year 23-24 Budget

Mr. Wilson asked the Board to adopt a seven-point nine percent (7.9%) increase in the variable sewer rate from \$1.636 to \$1.766 per 1,000 gallons and set the fixed charges to the jurisdictions for the fiscal year 2023-2024 budget. He said adopting the rates and charges now would give the jurisdictions advance notification of the new rates and charges as required by the Wastewater Service Agreements.

Mr. Wilson said a public hearing for the fiscal year 2023-2024 budget has been set for June 15, 2023, along with the adoption of the fiscal year 2023-2024 annual budget ordinance in conjunction with adoption of the new System Development Fees.

Mr. Hinnant made a motion to approve the sewer variable and fixed charges for the Fiscal Year 2023-2024 budget. Mr. Sells seconded the motion and the Board approved by unanimous vote.

Request for Approval of the Updated Travel Policy

Ms. Heglar presented WSACC's updated Travel Policy. The updated policy establishes guidelines to assist employees and Board Members in receiving reimbursement for their allowable expenses pertaining to official travel and subsistence.

A copy of the updated Travel Policy is available to view and is filed in the Secretary to the Board's office.

Mr. Marshall made a motion to approve the updated Travel Policy. Mr. Ritchie seconded the motion and the Board approved by unanimous vote.

For Discussion Only – Debt Issuance for the RRRWWTP Expansion to 34 MGD

Ms. Heglar gave a presentation showing how the RRRWWTP expansion to 34 million gallons per day (MGD) would impact future budgets based on information received from Crowder Construction and from WSACC's Financial Advisors.

Ms. Heglar reported that the current cost estimate for the 34 MGD expansion, including design and pre-construction costs, is \$143 million. After Charlotte Water pays its portion, WSACC estimates the bond issuance to be \$89,950,000.

A copy of the debt issuance presentation is available to view and is filed in the Secretary to the Board's office.

REPORTS

RRRWWTP Expansion Update

Mr. VonCannon provided pictures and an update of the most recent construction progress for the RRRWWTP Expansion. In his report, he listed the following information:

- Crowder Construction continues with multiple crews on site working on both the electrical replacement project and the Phase 3 RRRWWTP expansion.
- The concrete pours for the aeration basin are complete and the large crane has been disassembled and removed from the site.
- Prep work has continued for the equalization basin concrete pours.
- The Maintenance Canopy building has begun.
- Continued work on the new effluent flume.
- Continued work on the blower building slab and began concrete placement.
- Continued excavation for box 101 that will tie in the equalization basin discharge to the influent line for the main pump station.
- The team has continued to work to mitigate potential issues with sourcing equipment for Phase 3 and the electrical upgrades effort.

Work planned for next month:

- Continue to work on the EQ Basin with the concrete pours.
- Continue work within Aeration Basin 6.
- Continue work at Chlorine Contact Basin/Effluent Flume 103.
- Continue work at the new Maintenance Canopy.
- Continue work at the new blower building to prepare for installation of the new building structure.

Mr. VonCannon then informed the Board that WSACC is working with Crowder Construction to begin planning the Phase 4 RRRWWTP expansion.

Mr. Marshall suggested that WSACC hold a Board meeting at the RRRWWTP in August or September to see the construction progress. The Board agreed.

PUBLIC COMMENTS

Mr. Holloway, Town Manager of the Town of Mt. Pleasant thanked the Board for their continued discussion and planning of allocating capacity to the jurisdictions.

CLOSED SESSION

At 6:19 P.M., **Mr. Hinnant made a motion to go in to 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 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. Ms. Hubbard seconded the motion and the Board approved by unanimous vote.

At 6:44 P.M., Mr. Hinnant made a motion to come out of closed session. Ms. Hubbard 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.