

Water & Sewer Authority of Cabarrus County

Annual Operating Budget
Fiscal Year 2023-2024

Prepared

By:

Michael Wilson
Executive Director

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WATER & SEWER AUTHORITY
OF CABARRUS COUNTY

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March 14, 2023

Subject: Recommended FY 2023-2024 Budget

Dear Chairman Legg and Members of the Board of Directors:

I am pleased to present to you the recommended Fiscal Year 2023-2024 (FY 24) Budget for the Water and Sewer Authority of Cabarrus County (WSACC). The budget was prepared in accordance with the requirements of the North Carolina Local Budget and Fiscal Control Act. I would like to thank the managers, supervisors, and staff of WSACC for their many hours spent in developing, justifying, and discussing the numerous items contained within this proposed budget.

Preparation of this budget has been extremely difficult due to rampant inflation, supply chain issues, and concerns related to employee retention and recruitment. After careful consideration, I am recommending a seven-point nine percent (7.9%) increase in the variable sewer rate from \$1.636 to \$1.766 per thousand gallons. The monthly impact of this increase on a residential customer using 5,000 gallons per month would be \$0.65 per month.

The total proposed FY 24 budget for the Operating Fund is \$21,668,220, a 5.93% increase or \$1,212,944 more than prior year budget. The vast majority of increase is associated with utilities, chemicals, and employee salaries and benefits. Retained earnings (fund balance or reserves) have not been used to balance the budget.

Operating Expenses

The total operating expense (excluding capital outlay and debt service) increased by 10.08% or \$1,369,227. I have addressed the major items below.

Utilities increased by \$464,811 or 27.175%. The increase is a direct result of the City of Concord passing down a “purchased power adjustment” related to natural gas prices impacting their rates.

Chemicals increased by \$314,838 or 24.19%. Inflation and supply chain issues have caused suppliers to increase their prices and limit commitments to future prices that causes us to be at the mercy of current market pricing.

Salary and benefits have increased by \$430,396 or 6.37%. I am recommending a three percent (3%) across the board pay scale adjustment be given to all employees and up to a four (4%) merit increase based on employee performance evaluation. A summary of the items impacting salary and benefits is shown below:

- Pay scale and merit \$346,975.
- Health insurance premium increase \$48,750.
- Local Government Retirement System rate increase from 12.10% to 12.85% \$34,671.

All other line items in operating expenses net out to only a \$159,182 increase.

Debt Service-Fixed Charges

WSACC issued \$65.5 million in revenue bonds in May of 2022 for the expansion of the Rocky River Regional Wastewater Treatment Plant (RRRWTP) from 26.5 MGD to 30 MGD. An interest only debt payment of \$2,098,685 has been included in the budget. Through careful planning over the past five years, it appears that WSACC will be able to fully fund debt service on the \$65.5 million in FY 25 when the first principal payment comes due without an increase in the fixed charges.

Revenues

As mentioned above, I am recommending a seven-point nine percent (7.9%) increase in the variable sewer rate from \$1.636 to \$1.766 per thousand gallons of treated wastewater. This increase will generate an additional \$915,850 in revenue.

Cabarrus County has experienced a moderation in the amount of rainfall it has received over the past several months. After several years of above historical average rainfall, forecasting accurate sewer flows has been challenging. It is difficult to identify impacts from growth versus annual rainfall. I have not increased the projected FY 24 annual sewer flows from the prior fiscal year of 7.045 billion gallons. Total variable revenue is \$12.441 million on 7.045 billion gallons.

I also recommend that we increase the Septage Hauler Rate from \$0.055 per gallon to \$0.06 per gallon. Budgeted Septage Hauler revenue has been increased from \$400,000 to \$450,000.

Anticipated investment earnings have been increased due to actions signaled by the Federal Reserve that they will push short term interest rates higher. Therefore, I have increased investment earnings from \$150,000 to \$500,000.

Personnel

No new positions are recommended for the budget year.

As all employers are experiencing, it has become difficult to keep and attract qualified employees. Out of 59 employees, WSACC saw seven positions open and be filled last calendar year. We currently have three out of fourteen wastewater operator positions open and are desperately seeking candidates to apply for these positions.

As in the past, I am also recommending the inclusion of \$20,000 to continue the career ladder program previously approved by the Board that offers certain employee classifications the opportunity to advance based on completing specified training and demonstrating proficiency in essential skills.

System Development Fee

Raftelis Financial Consultants has prepared the draft report of SDF recalculated rates that I will be presenting during the March 16th Board meeting. The draft report includes amounts for the Buy-In, Incremental and Hybrid approaches. These calculations establish the maximum SDF that can be charged but allows the Board to set a lower rate if it so chooses.

Due to the uncertainty of the current economic climate and the impact that raising SDFs will have on building starts, the proposed budget for the System Development Fee (SDF) Reserve Fund will remain at the previous year budgeted level of \$3.2 million. The entire amount of SDF collected is budgeted to go into reserves until the Board approves the transfer to capital projects.

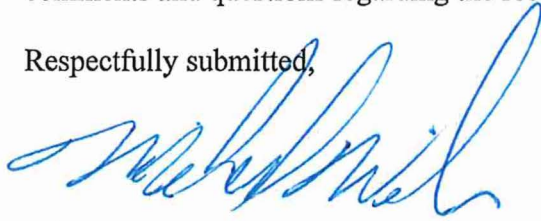
Capital Improvement Program (CIP)

The Master Plan will not be completed until mid-summer and until that time, we will not be able to prepare a comprehensive CIP. Due to the requirement to recalculate the SDF for FY 24, WSACC required the contractor of the Master Plan, Black & Veatch, to provide a "Expansion Project Only CIP" by mid-January.

Our ten-year "Expansion Projects Only CIP" will be presented at the March 16th Board meeting. The CIP identified 15 projects totaling \$642.834 million of expansion projects related to treatment and transportation of wastewater that will be needed in the next ten years to provide capacity for continued growth in Cabarrus County. Based on our Master Agreement and Amendments, Charlotte Water is estimated to fund \$105.776 million of the above needs.

I would like to thank the Board for giving me the opportunity to serve as your Executive Director. I continue to be overwhelmed by the dedication and assistance provided by staff. Putting together this budget has provided us many opportunities to plan for the future. I look forward to your comments and questions regarding the recommended budget.

Respectfully submitted,



Michael Wilson, CPA
Executive Director

**Water and Sewer Authority of Cabarrus County
Budget Summary
Fiscal Year 2023 - 2024**

Operating Fund

Revenues

Variable Flow- Operation and Maintenance	\$ 12,441,470
Fixed Shares-Treatment	4,859,342
Fixed Shares-Interceptor	1,857,100
Surcharges	550,000
Program Fees	85,380
Sample & Lab Fees	191,688
Lake Howell Charges	306,029
Import Biosolids Charges	400,000
Septage Haulers	450,000
Investment Earnings	500,000
Other	<u>27,211</u>

Total Revenues Operating Fund \$ 21,668,220

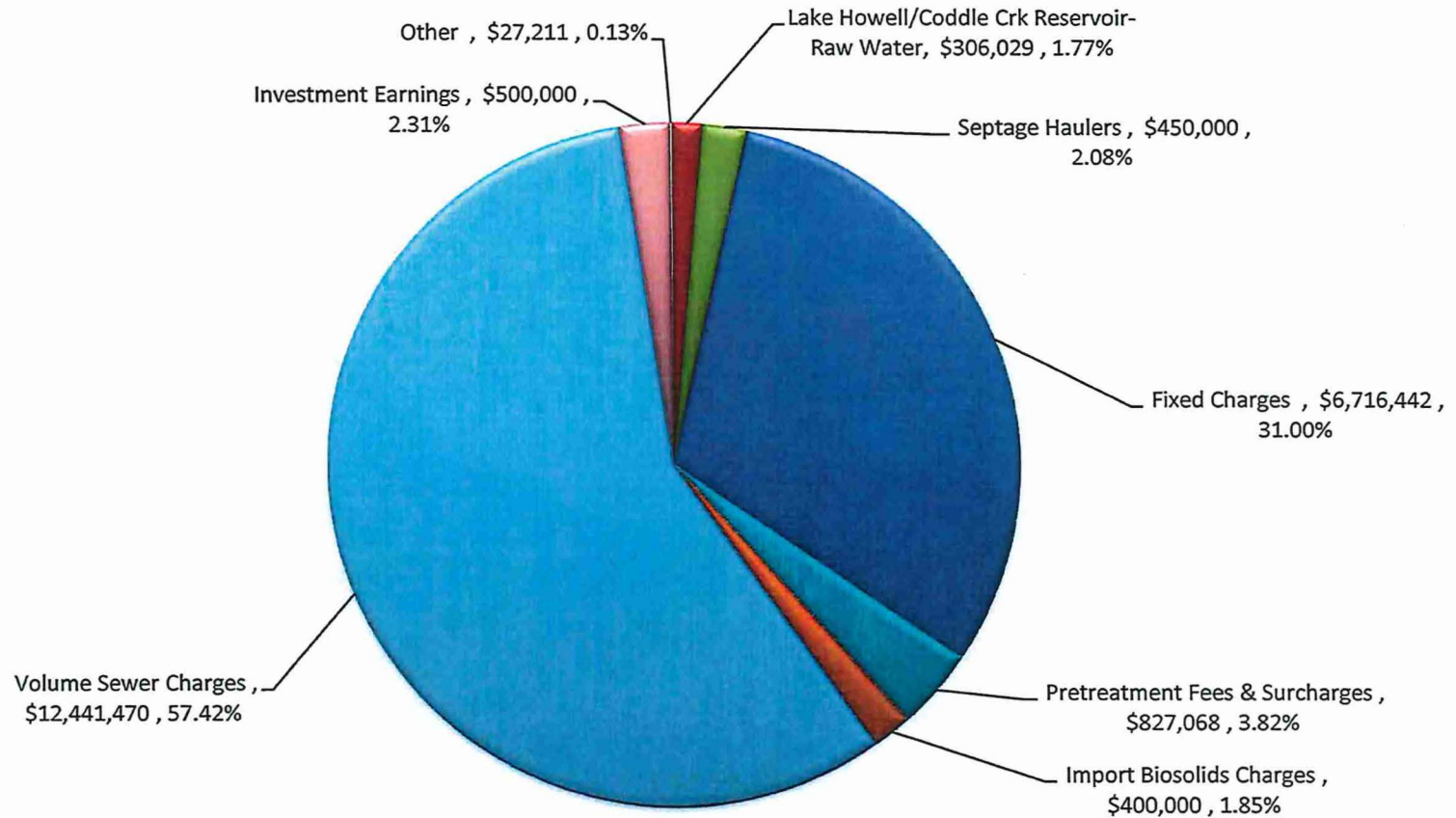
Expenses

Administration	\$ 1,754,069
Engineering	823,116
Rocky River Regional Waste Water Treatment Plant	7,240,339
Biosolids Import/Incineration	2,130,513
Laboratory	620,810
Pretreatment	237,181
Muddy Creek Waste Water Treatment Plant	279,202
Interceptors	1,913,358
Lake Howell Reservoir	306,029
Debt Service-Treatment	4,454,542
Debt Service-Interceptor	1,322,099
Nondepartmental	<u>586,962</u>

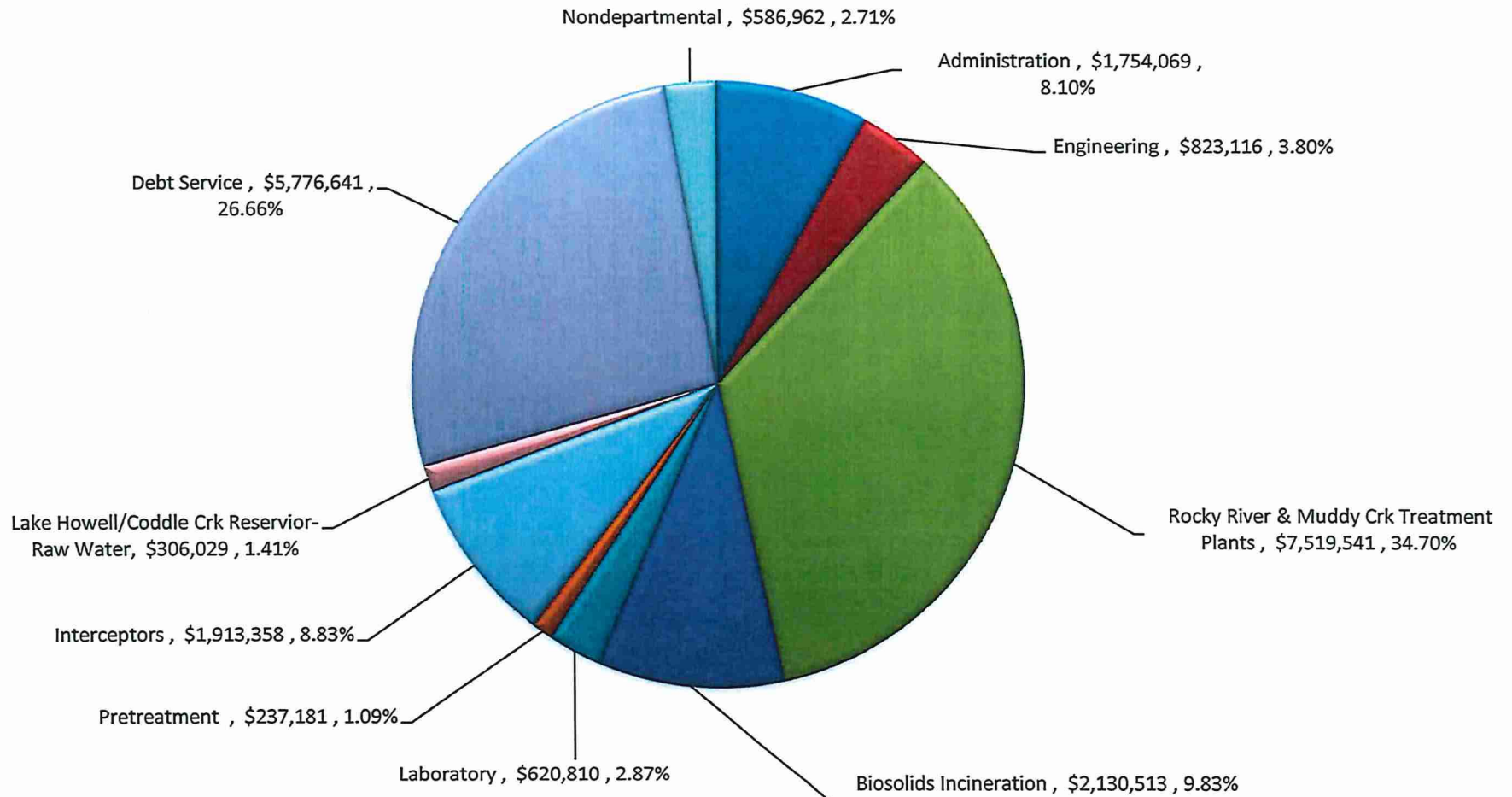
Total Expenses Operating Fund \$ 21,668,220

2/10/2023

Operating Fund Revenues-- By Source FY 2023-2024



Operating Fund Expenses-- By Department FY 2023-2024



Graph Expense 23 24

**Water and Sewer Authority of Cabarrus County
Budget Summary
2023 - 2024**

System Development Fee Fund

Revenues

System Development Fee \$ 3,200,000

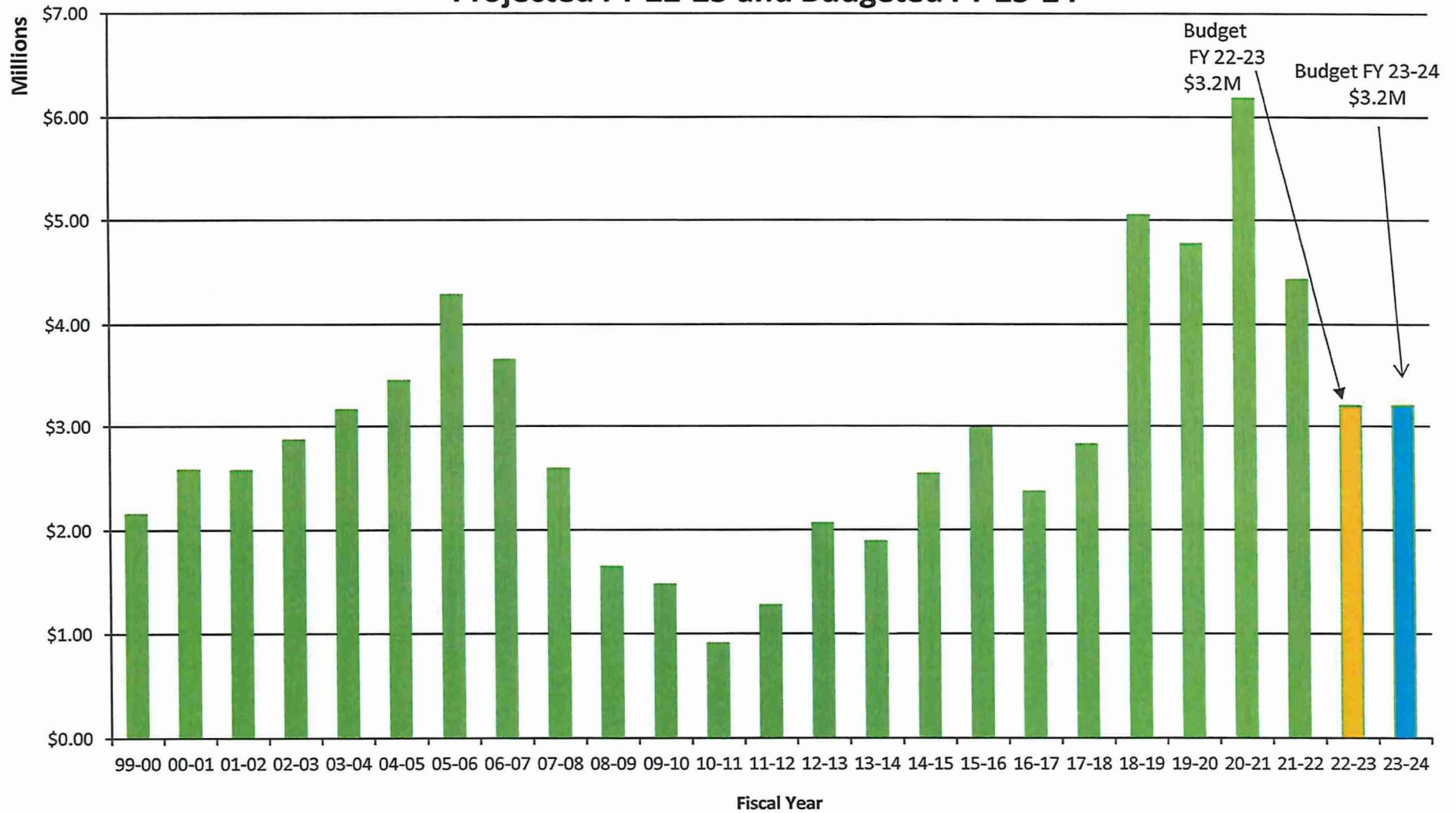
Total Revenues System Development Fee Fund \$ 3,200,000

Expenses

Contribution to System Development Fee Reserve \$ 3,200,000

Total Expenses System Development Fee Fund \$ 3,200,000

Actual System Development Fee Collections for Prior Years and Projected FY 22-23 and Budgeted FY 23-24



Water and Sewer Authority of Cabarrus County

Operating Budget

Fiscal Year 2023-2024

Revenue and Flow Highlights

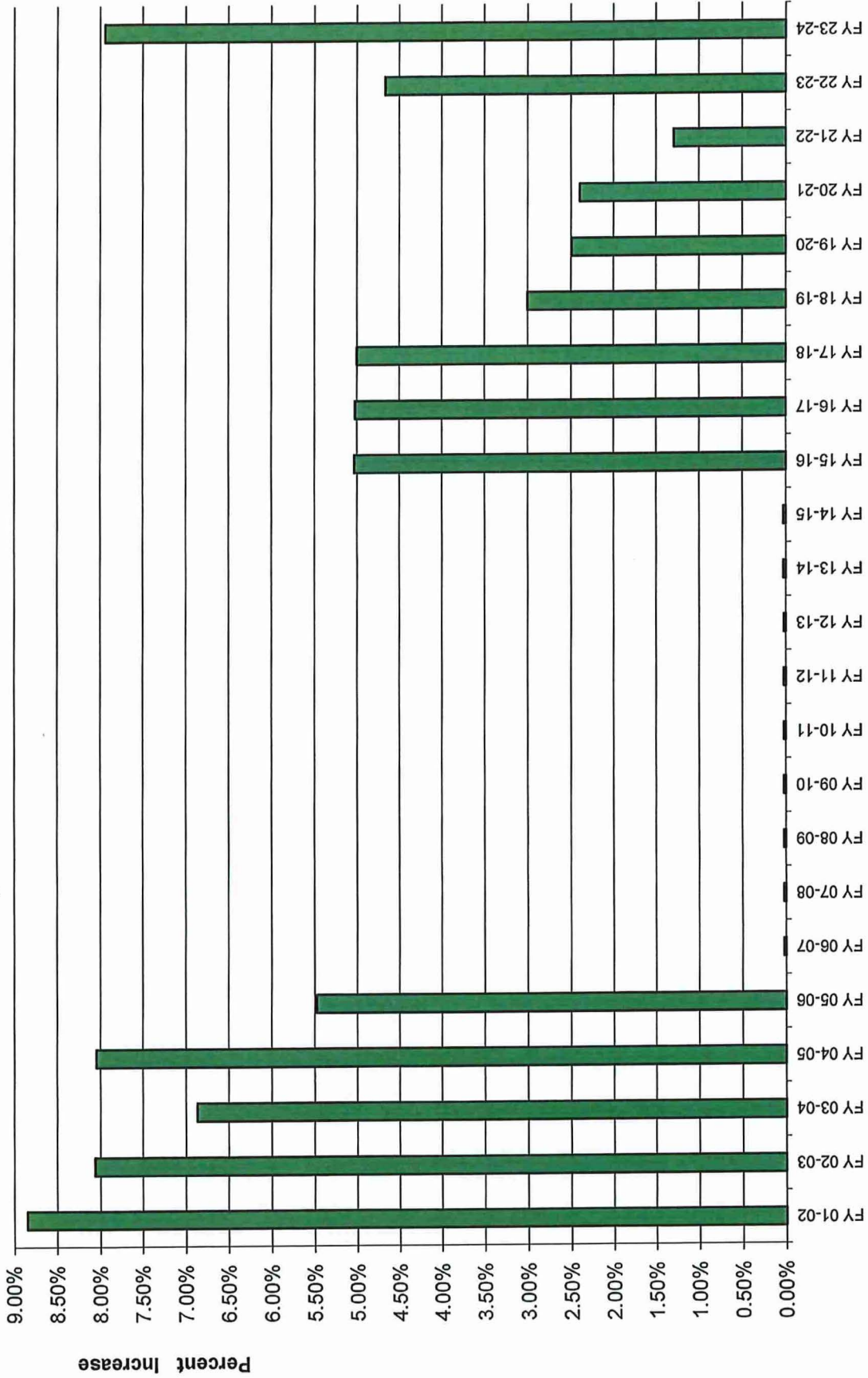
- Variable Sewer Rate - A seven-point nine percent (7.9%) increase in the variable sewer rate is proposed for the upcoming year. The variable sewer rate increase is expected to generate \$915,850 in additional revenue.
- Budgeted Sewer Flows - Budgeted sewer flows remained at the prior year amount of 7.045 billion gallons. Mt. Pleasant budgeted sewer flow has been reduced from 80 million gallons to 65 million gallons and the Harrisburg has been increased from 570 million gallons to 585 million gallons all other have remained at last year amounts based on recent metered flows.
- Fixed Charge Revenues - have decreased by \$156,284. This decrease is associated with the payoff of SRF debt for the RRRWWTP Phase 1 upgrade.

Expense Highlights

- Salary Adjustments – I am recommending a 3% across the board increase for all employees and up to a 4% increase in merit pay based on personal evaluations. I have included approximately 7% of current salaries and benefits in a pool of \$346,975 has been included within the budget.
- Salary Adjustments-Career Ladder - A pool of \$20,000 plus fringe benefits has been included in the budget for implementation of the career ladder for certain classes of employees.
- Retirement Contribution Increase – The Board of Trustees of the Local Governmental Employees' Retirement System (LGERS) voted to continue the policy of increases in the required employer contribution rate that would be needed to maintain the financial soundness of the LGERS. For FY 22-23, the employer required contribution rate increased from 12.10% to 12.85%. The direct budgeted impact of this increase is \$34,671 for WSACC. Employees will continue to contribute their mandatory 6% of covered payroll.
- Health Insurance Premiums - Based on discussions with our insurance broker, we are projecting a 5% increase in premiums representing an additional \$48,750 in cost for 58 full-time employees and 9 retirees. We are expecting renewal quotes in late April or early May.

- Chemicals – We have experienced price increases of approximately 15% during the year for chemicals. Across all budgets we are seeing estimates from vendors for future delivery of chemicals to increase in the 10% range. We have included an additional \$314,838 in both pretreatment and effluent chemicals associated with both increased flow volumes and maintaining compliance with discharge limits.
- Utilities – The RRRWWTP, Biosolids and Interceptor departments budgeted an additional \$464,811 based on the purchase power adjustment passed down from the City of Concord.

Historic Summary of WSACC Annual Variable Rate Increases

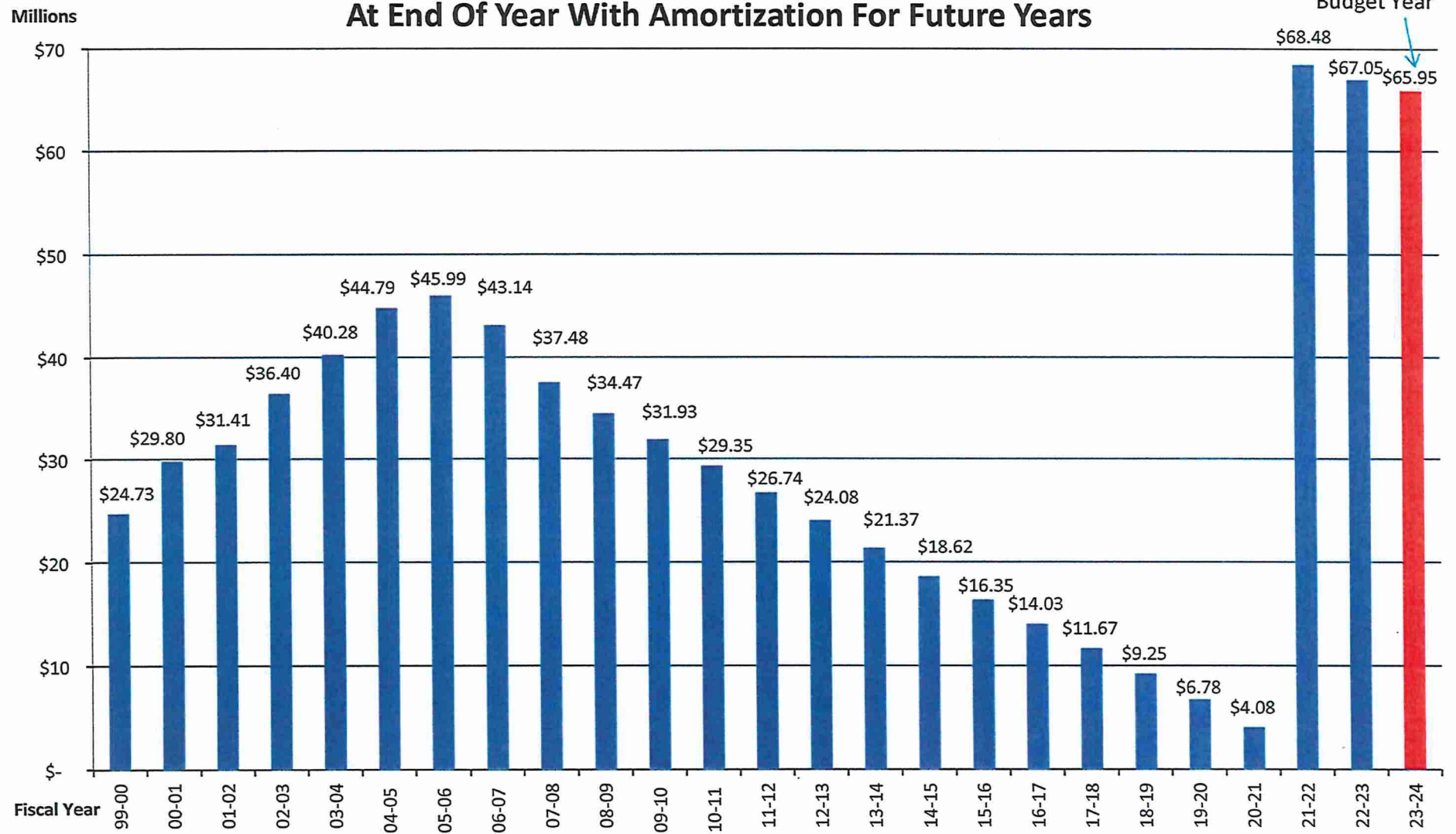


All Increases Expressed As A Percentage.

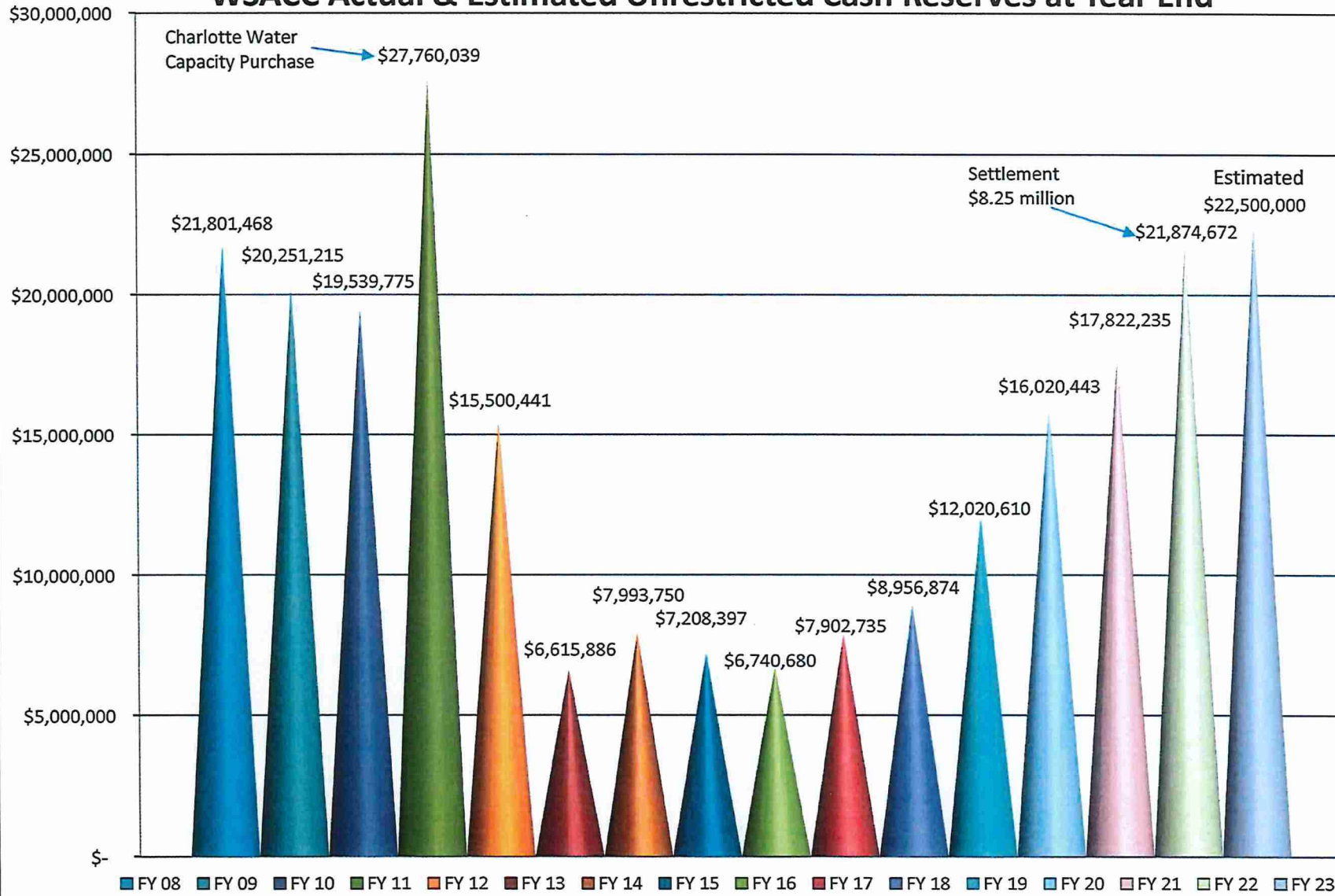
Actual Historic WSACC Billable Flows With Budgeted Flow Projections For FY 2022-2023 and FY 2023-2024



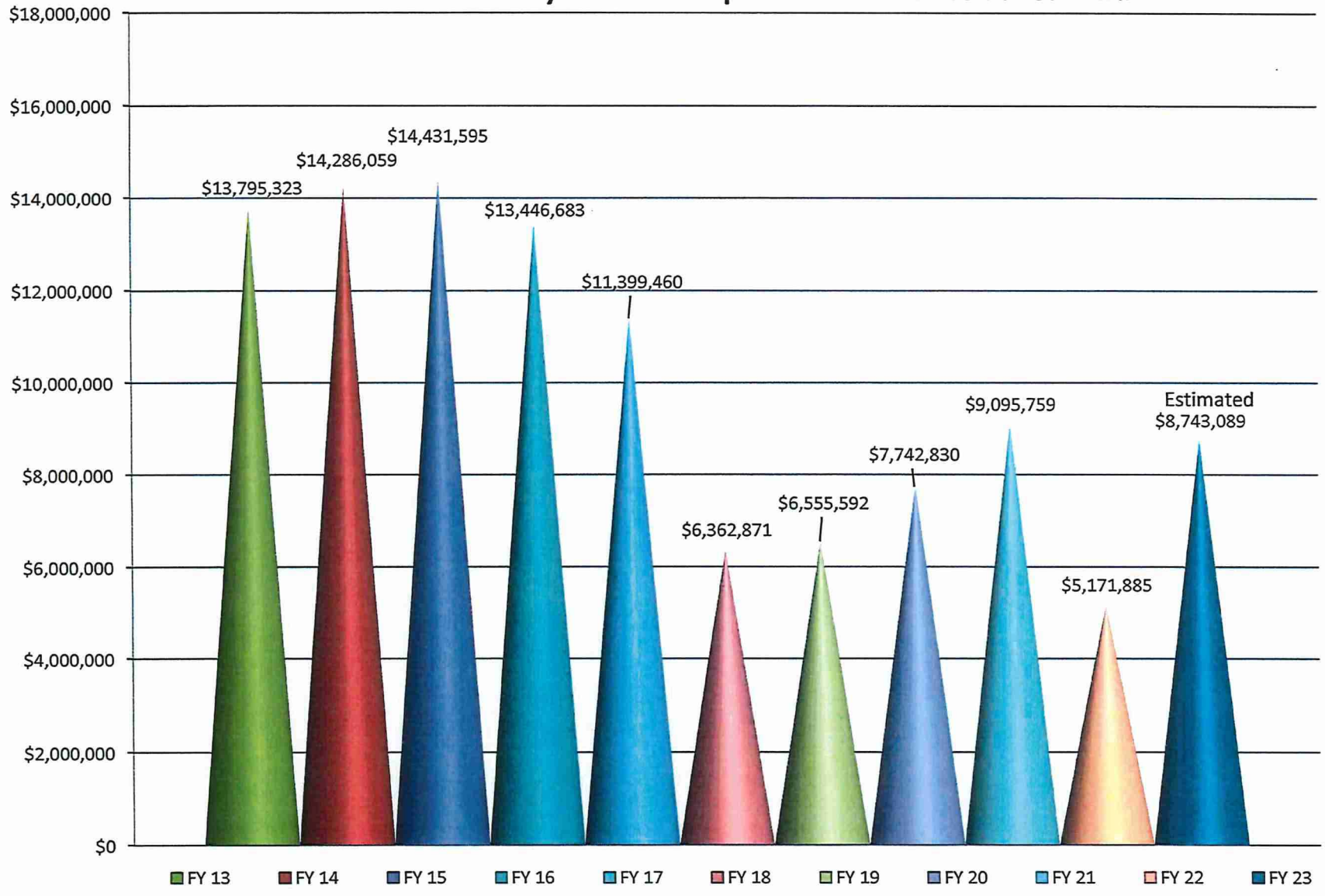
WSACC Historic Annual Total Outstanding Debt (In \$ Millions) At End Of Year With Amortization For Future Years



WSACC Actual & Estimated Unrestricted Cash Reserves at Year End



WSACC Actual & Estimated System Development Fee Balance at Year End



**Water & Sewer Authority of Cabarrus County
 Operation & Maintenance Variable Sewer Rate
 2023-2024 Fiscal Year**

	<u>Proposed Rate /1,000 gallons</u>	<u>Prior Year Rate /1,000 gallons</u>	<u>Percent Increase</u>
Operation & Maintenance Rate/ 1,000 gal.	\$ 1.766	\$1.636	7.90%
Budgeted Sewer Flow in Million Gallons	7,045.0		
Average Daily Flow in Million Gallons 19.301			
Cost to Recover Through O&M Variable Rate	\$ 12,441,682		
Revenue generated for each penny in variable rate	<u>\$ 70,451</u>		
<i>Increase on Customer with 5,000 gallons per month</i>		\$0.65	
<i>Increase on Customer with 60,000 gallons per year</i>		\$7.80	

**Water & Sewer Authority of Cabarrus County
Rates and Charges-Septage, Liquid and Cake Biosolids
For Fiscal Year 2023-2024**

Septage Haulers

For liquid septage of household strength and volatility	\$	0.060	per gallon
	\$	60.00	per 1,000 gallons

Bulk Haulers-Liquid Biosolids

For bulk haulers the charge will be determined on a case by case basis by the Engineering Director based on the percent solids, volatility, impact on the plant and the need for additional volume.

Bulk Haulers-Cake Biosolids

For bulk haulers the charge will be determined on a case by case basis by the Engineering Director based on the percent solids, volatility, impact on the plant and the need for additional volume.

Water & Sewer Authority of Cabarrus County
Rates and Charges
For Fiscal Year 2023-2024

LABORATORY FEES

BOD		\$26.00	OTHER ANALYSES:	
COD		\$29.00	OIL & GREASE	\$58.00
TSS		\$15.00	MERCURY	\$28.00
VSS		\$22.00	CYANIDE	\$43.00
NH3-N		\$23.00	CHLORIDES	\$20.00
pH		\$9.00	FECAL COLIFORM	\$33.00
ALKALINITY		\$17.00	TKN	\$32.00
SS		\$15.00	T PHOSPHORUS	\$25.00
CONDUCTIVITY		\$16.00		

METALS - ICP-MS:

COPPER		\$26.00	SDWA DRINKING WATER ANALYSES:	
SILVER		\$26.00	T COLIFORM	\$29.00
ZINC		\$26.00		
ARSENIC		\$26.00	SAMPLER RENTAL DAILY	\$41.00
BERYLLIUM		\$26.00	Containers	\$4.76
CADMIUM		\$26.00		
CHROMIUM		\$26.00	Inconvenience Fee/Day	\$ 29.00
LEAD		\$26.00		
NICKEL		\$26.00		
SELENIUM		\$26.00		

**HIGH STRENGTH SURCHARGE RATES
(PER LB)**

BOD	\$0.059
COD	\$0.105
TSS	\$0.280
NH3-N	\$0.341
*OTHERS	\$0.431

APPLICATION/ADMIN FEES

Pretreatment Permit	\$ 350
Septage Haulers Permit	\$ 250

*All sewer users shall be surcharged for concentrations exceeding the limitation established by the Sewer Use Ordinance.

SEPTAGE HAULER RATES

\$0.060 per gallon

Water & Sewer Authority of Cabarrus County

Rates and Charges

For Fiscal Year 2023-2024

PROGRAM FEE SCHEDULE

Following is a list of the known industries and the Program Fees assessed to each. Other industries added to the program during the year will be required to pay a Program Fee as specified in the Sewer Use Ordinance and prorated for the months remaining in the fiscal year.

					MONTHLY PROGRAM COST	MONTHLY SAMPLING FEE
Americhem					\$ 100.00	\$ 411.12
Atruim Cabarrus 1					\$ 100.00	\$ 411.12
Atruim Cabarrus 2					\$ 100.00	\$ 411.12
Carvana					\$ 45.00	\$ 290.73
Celgard LLC					\$ 75.00	\$ 285.89
CMS Landfill V BFI					\$ 110.00	\$ 908.11
Charlotte Water-CMUD					\$ 1,935.00	\$ 1,286.52
City of Concord - Hillgrove					\$ 990.00	\$ 790.20
City of Kannapolis -Water Trmt Plant					\$ 75.00	\$ 285.89
Corning-Concord Facility					\$ 100.00	\$ 411.12
Galvan Industries					\$ 100.00	\$ 411.12
HeiQ Chem-Tex					\$ 100.00	\$ 411.12
Heritage-Crystal Clean					\$ 1,485.00	\$ 1,072.78
Intertape Polymer- MCWWTP					\$ 100.00	\$ 1,033.36
Krispy Kreme					\$ 180.00	\$ 430.45
NC Research Pipe 1					\$ 75.00	\$ 285.89
NC Research Pipe 2					\$ 75.00	\$ 285.89
Oldcastle Precast					\$ 45.00	\$ 163.86
Owens Corning					\$ 100.00	\$ 520.45
Perdue Farms					\$ 335.00	\$ 784.69
Prime Beverage					\$ 160.00	\$ 1,050.69
S&D Main					\$ 75.00	\$ 285.89
S&D Commercial Park					\$ 280.00	\$ 912.03
Star America					\$ 100.00	\$ 411.12
Stericycle 1					\$ 100.00	\$ 411.12
Stericycle 2					\$ 75.00	\$ 285.89
Tegra					\$ 100.00	\$ 411.12
				Monthly Total	\$ 7,115.00	\$ 14,659.29
				Yearly Total	\$ 85,380.00	\$ 175,911.48

WATER AND SEWER AUTHORITY OF CABARRUS COUNTY						
2023- 24 RATE CALCULATIONS						
Lake Howell Reservoir -- Raw Water Permitted Capacity Rates						
Rate Calculation						
Total Budgeted Expense						\$ 306,029
Total Permitted Raw Water Withdrawal in MGD's						14.600 MGD's
Raw Water Permitted Capacity Rate Per Million Gallons						\$ 20,961
Allocation of Lake Howell Expense To Concord and Kannapolis						
Based on Allocated Permitted Raw Water Capacity						
			<u>Permitted Flows In MGD</u>	<u>Yearly Charge</u>	<u>Monthly Charge</u>	
Concord Share			12.000	\$ 251,525	\$ 20,960.44	82.19%
Kannapolis Share			<u>2.600</u>	<u>\$ 54,504</u>	\$ 4,541.98	17.81%
Total			<u>14.600</u>	<u>\$ 306,029</u>		
By agreement between the Cities of Concord and Kannapolis, the methodology used to allocate expenses will be on a proportional basis.						
Allocated Permitted Flows per 2006 Settlement Agreement						
			<u>Permitted Flows In MGD</u>	<u>Percentage of Permitted Flow</u>		
Concord Share			12.000	82.1918%		
Kannapolis Share			<u>2.600</u>	<u>17.8082%</u>		
Total			<u>14.600</u>	<u>100.0000%</u>		

**WATER AND SEWER AUTHORITY OF CABARRUS COUNTY
BUDGETED CHARGES TO CUSTOMERS/MUNICIPALITIES 2023-2024**

								2/1/2023
FY 2022-2023				FY 2023-2024				Difference
	Fixed	Fixed		Fixed	Fixed		Increase	
	Treatment	Interceptor	Total	Treatment	Interceptor	Total	(Decrease)	
Concord	\$ 2,748,949	\$ 955,640	\$ 3,704,589	\$ 2,651,846	\$ 1,024,178	\$ 3,676,024	\$ (28,565)	
Mt. Pleasant	\$ 66,662	\$ 23,369	\$ 90,031	\$ 63,927	\$ 23,842	\$ 87,769	\$ (2,262)	
Harrisburg	\$ 438,746	\$ 156,361	\$ 595,107	\$ 451,243	\$ 178,089	\$ 629,332	\$ 34,225	
Kannapolis	\$ 1,337,202	\$ 460,838	\$ 1,798,040	\$ 1,295,612	\$ 494,298	\$ 1,789,910	\$ (8,130)	
Charlotte Wtr	\$ 555,185	\$ 129,774	\$ 684,959	\$ 396,714	\$ 136,693	\$ 533,407	\$ (151,552)	
	\$ 5,146,744	\$ 1,725,982	\$ 6,872,726	\$ 4,859,342	\$ 1,857,100	\$ 6,716,442	\$ (156,284)	
FY 2022-2023				FY 2023-2024				Difference
Budgeted	Variable			Variable			Increase	
	Combined	Total		Combined	Total		(Decrease)	
Concord	\$ 5,137,040	\$ 5,137,040		\$ 5,545,240	\$ 5,545,240		\$ 408,200	
Mt. Pleasant	\$ 130,880	\$ 130,880		\$ 114,790	\$ 114,790		\$ (16,090)	
Harrisburg	\$ 932,520	\$ 932,520		\$ 1,033,110	\$ 1,033,110		\$ 100,590	
Kannapolis	\$ 2,380,380	\$ 2,380,380		\$ 2,569,530	\$ 2,569,530		\$ 189,150	
Charlotte Wtr	\$ 2,944,800	\$ 2,944,800		\$ 3,178,800	\$ 3,178,800		\$ 234,000	
	\$ 11,525,620	\$ 11,525,620		\$ 12,441,470	\$ 12,441,470		\$ 915,850	
	Budgeted Flow in	Growth in	Total Fixed	Budgeted Flow in	Growth in	Total Fixed	Total	
	MG's CAL	Flow	& Variable	MG's CAL	Flow	& Variable	Difference	
Concord	3,140.0	(0)	\$ 8,841,629	3,140.0	0.00%	\$ 9,221,264	\$ 379,635	
Mt. Pleasant	80.0	(0)	\$ 220,911	65.0	-18.75%	\$ 202,559	\$ (18,352)	
Harrisburg	570.0	12.87%	\$ 1,527,627	585.0	2.63%	\$ 1,662,442	\$ 134,815	
Kannapolis	1,455.0	2.46%	\$ 4,178,420	1,455.0	0.00%	\$ 4,359,440	\$ 181,020	
Charlotte Wtr	1,800.0	2.86%	\$ 3,629,759	1,800.0	0.00%	\$ 3,712,207	\$ 82,448	
	7,045.0	0.07%	\$ 18,398,346	7,045.0	0.00%	\$ 19,157,912	\$ 759,566	
							Increase/	
For reference only-Equivalent Rates			FY 2022-2023			FY 2023-2024	Thousand	
Blended Cabarrus Jurisdictions Only			\$ 2.816			\$ 2.945	\$ 0.13	
Concord			\$ 2.816			\$ 2.937	\$ 0.12	
Mt. Pleasant			\$ 2.761			\$ 3.116	\$ 0.35	
Harrisburg			\$ 2.680			\$ 2.842	\$ 0.16	
Kannapolis			\$ 2.872			\$ 2.996	\$ 0.12	
Charlotte Wtr			\$ 2.017			\$ 2.062	\$ 0.05	
Equivalent Rate is calculated by adding total variable costs plus total fixed costs, divided by budget flow.								

**WSACC Summary of Budgeted Charges
Fiscal Year 2023-2024**

3/11/2023

City of Concord

	<u>Annual</u>	<u>Monthly</u>
Fixed Charges-Debt Service and Capital Outlay		
Treatment	\$ 2,651,846	\$ 220,987.17
Interceptor	<u>\$ 1,024,178</u>	<u>\$ 85,348.17</u>
Total Fixed Amount	<u>\$ 3,676,024</u>	<u>\$ 306,335.33</u>
Variable Charges O & M (1)		
Budgeted Flow 3,140,000,000 gal.		
Trmt & Inter Rate \$1.766 /1000 gal.	\$ 5,545,240	\$ 462,103.33
Total Estimated Variable Amount	<u>\$ 5,545,240</u>	<u>\$ 462,103.33</u>
Total Estimated Amount	<u>\$ 9,221,264</u>	<u>\$ 768,438.67</u>

(1) Variable charges will be based on actual flow.

**WSACC Summary of Budgeted Charges
Fiscal Year 2023-2024**

3/11/2023

Town of Mt. Pleasant

	<u>Annual</u>	<u>Monthly</u>
Fixed Charges-Debt Service and Capital Outlay		
Treatment	\$ 63,927	\$ 5,327.25
Interceptor	<u>\$ 23,842</u>	<u>\$ 1,986.83</u>
Total Fixed Amount	<u>\$ 87,769</u>	<u>\$ 7,314.08</u>

Variable Charges O & M (1)

Budgeted Flow 65,000,000 gal.

Trmt & Inter Rate	\$1.766 /1000 gal.	\$ 114,790	\$ 9,565.83
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Total Estimated Variable Amount	<u>\$ 114,790</u>	<u>\$ 9,565.83</u>
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Total Estimated Amount	<u>\$ 202,559</u>	<u>\$ 16,879.92</u>
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(1) Variable charges will be based on actual flow.

**WSACC Summary of Budgeted Charges
Fiscal Year 2023-2024**

3/11/2023

Town of Harrisburg

	<u>Annual</u>	<u>Monthly</u>
Fixed Charges-Debt Service and Capital Outlay		
Treatment	\$ 451,243	\$ 37,603.58
Interceptor	<u>\$ 178,089</u>	<u>\$ 14,840.75</u>
Total Fixed Amount	<u>\$ 629,332</u>	<u>\$ 52,444.33</u>
Variable Charges O & M (1)		
Budgeted Flow 585,000,000 gal.		
Trmt & Inter Rate \$1.766 /1000 gal.	\$ 1,033,110	\$ 86,092.50
Total Estimated Variable Amount	<u>\$ 1,033,110</u>	<u>\$ 86,092.50</u>
Total Estimated Amount	<u>\$ 1,662,442</u>	<u>\$ 138,536.83</u>

(1) Variable charges will be based on actual flow.

**WSACC Summary of Budgeted Charges
Fiscal Year 2023-2024**

3/11/2023

City of Kannapolis

	<u>Annual</u>	<u>Monthly</u>
Fixed Charges-Debt Service and Capital Outlay		
Treatment	\$ 1,295,612	\$ 107,967.67
Interceptor	<u>\$ 494,298</u>	<u>\$ 41,191.50</u>
Total Fixed Amount	<u>\$ 1,789,910</u>	<u>\$ 149,159.17</u>
Variable Charges O & M (1)		
Budgeted Flow 1,455,000,000 gal.		
Trmt & Inter Rate \$1.7660 /1000 gal.	\$ 2,569,530	\$ 214,127.50
Total Estimated Variable Amount	<u>\$ 2,569,530</u>	<u>\$ 214,127.50</u>
Total Estimated Amount	<u>\$ 4,359,440</u>	<u>\$ 363,286.67</u>

(1) Variable charges will be based on actual flow.

**WSACC Summary of Budgeted Charges
Fiscal Year 2023-2024**

3/11/2023

Charlotte Water

	<u>Annual</u>	<u>Monthly</u>
Fixed Charges-Debt Service and Capital Outlay		
Treatment	\$ 396,714	\$ 33,059.50
Interceptor	<u>\$ 136,693</u>	<u>\$ 11,391.08</u>
Total Fixed Amount	<u>\$ 533,407</u>	<u>\$ 44,450.58</u>
Variable Charges O & M (1)		
Budgeted Flow 1,800,000,000 gal.		
Trmt & Inter Rate \$1.766 /1000 gal.	\$ 3,178,800	\$ 264,900.00
Total Estimated Variable Amount	<u>\$ 3,178,800</u>	<u>\$ 264,900.00</u>
Total Estimated Amount	<u>\$ 3,712,207</u>	<u>\$ 309,350.58</u>

(1) Variable charges will be based on actual flow.

Water & Sewer Authority of Cabarrus County
System Development Fees (Wholesale)
 Effective July 1, 2023-June 30, 2024

<u>Meter Size in Inches</u>	<u>System Development Fees</u>
5/8 & 3/4"	Single-Family Residential or Small Business \$ 2,968
1"	\$ 4,947
1.5"	\$ 9,893
2"	\$ 15,829
3"	\$ 31,659
4"	\$ 49,467
6"	\$ 98,933
8"	\$ 158,293
10"	\$ 415,520
12"	\$ 524,347
Multi-Family (Apartments, Condos, Duplexes) 2 Bedrooms or less SDF per unit	\$ 1,696
Multi-Family (Apartments, Condos, Duplexes) 3 Bedrooms or more SDF per unit	\$ 2,968

AN ORDINANCE FOR A SYSTEM DEVELOPMENT FEE (SDF)

WHEREAS, the Board of Directors (the "Board") of the Water and Sewer Authority of Cabarrus County ("WSACC") advertised a public hearing to be held on June 21, 2018 indicating its intent to establish and implement a System Development Fee ("SDF") for wholesale sewer services in accordance with North Carolina General Statute 162A Article 8 titled "System Development Fees" (the "Act") effective July 1, 2018; and

WHEREAS, the Board of WSACC is of the opinion and declares that the growth within Cabarrus County (the "County") must pay its share of present and future needs for capacity in the treatment plants and interceptor lines;

WHEREAS, it is the responsibility of the Board to ensure the citizens of the County that there is sufficient capacity available in the treatment plants and interceptor lines;

WHEREAS, pursuant to §162A-209 of the Act, the SDF Fee Report (defined herein) shall be updated at least every five years; and

WHEREAS, the Board of WSACC has advertised a public hearing to be held on May 18, 2023 indicating its intent to update the SDF Fee Report effective July 1, 2023 and to simultaneously revise this Ordinance to reflect such updates to the SDF Fee Report and such other revisions and amendments that the Board sees fit, with the intent that all revisions and amendments will supersede and replace any prior adopted version of this Ordinance.

IT IS HEREBY ORDAINED by the Board of WSACC:

Section I. Methodology Used in Development of SDFs.

In accordance with the Act, the cost for additional capacity to serve new customers is determined by an independent financial consultant estimated on a per gallon per day ("gpd") of average flows based on the blended value of both the existing and expanded system capacity (measured in millions of gallons per day "MGD"). WSACC engaged Raftelis Financial Consultants, Inc. to complete a written analysis to determine such cost and to develop cost-justified wastewater system development fees, such analysis being attached hereto as Exhibit A as updated from time to time (the "SDF Fee Report"). The average flow per equivalent residential unit ("ERU") is assumed to be: (i) 160 gpd for a multi-family dwelling with one or two bedrooms; or (ii) 280 gpd for a single family dwelling or multifamily dwelling with more than two bedrooms, based upon estimates using the adjusted sewer flow gpd and the average number of bedrooms for single-family residences in WSACC's service area. The cost per unit was determined by using the Combined Approach, which takes a combination of the Buy-In and Marginal Incremental approaches and uses existing assets and capacity, and combines that with planned capital improvements and additional capacity that will be constructed to calculate a blended value of both the existing and expanded system capacity. The cost per unit of sewer system capacity under the Combined Approach was calculated to be \$10.60 per gallon, per day (\$371.0 million ÷ 35MGD).

Section II. SDF Amount Determination.

1. Single Family, Apartments, Condominiums and Duplexes Residential. The SDF is calculated on a per unit basis, and the average flow per equivalent residential unit

("ERU") is assumed to be: (i) 160 gpd for a multi-family dwelling with one or two bedrooms; or (ii) 280 gpd for a single family dwelling or multifamily dwelling with more than two bedrooms, based upon estimates using the adjusted sewer flow gpd and the average number of bedrooms for single-family residences in WSACC's service area.

2. Commercial/Residential Occupancy – Same Structure/Building (a "Mixed Use Single Structure"). The SDF is based on: (i) the number of units within the Mixed Use Single Structure that are used for residential occupancy (using the applicable rate for either a multi-family dwelling with one or two bedrooms or a multi-family dwelling with more than two bedrooms); *plus* (ii) the size of the water meter or meters that would be required for the commercial space and sewer needs of the Mixed Use Single Structure. By example, the SDF for a Mixed Use Single Structure that includes 20 apartment units with one bedroom per unit above a ground floor commercial space that will use a 2" meter would be calculated as follows: (i) applying the applicable rate for residential units (using the multi-family one or two bedroom rate for each unit at \$1,696.00) times 20 units (equaling \$33,920.00); *plus* (ii) applying the rate for commercial space using a 2" meter size (\$15,829.00) for a total SDF of \$49,749.00. A copy of the approved site utility plan, documenting the line(s) or water meter(s) that will service the single structure and the number of units for residential occupancy, must be prepared by the owner's engineer and provided to Cabarrus County at the time of application for a building permit.

For a Mixed Use Single Structure using a Master Meter (defined below), the SDF will be calculated for such Mixed Use Single Structure by totaling the assigned rate for the meter size used for the commercial space and the number of residential occupancy units of the structure. By example, a Mixed Use Single Structure with 20 apartment units (with each unit containing one bedroom) above a ground floor commercial space that will use a 6" Master Meter, but the commercial space will be serviced by 2" of such Master Meter will be calculated as follows: (i) applying the applicable rate for residential units (using the multi-family one or two bedroom rate for each unit at \$1,696.00) times 20 units (equaling \$33,920.00); *plus* (ii) applying the rate for commercial space using a 2" meter size (\$15,829.00) for a total SDF of \$49,749.00.

3. Commercial Subdivision Complex – Serviced by a Master Meter. If the commercial complex (multiple structures/buildings) has a master meter that will service individual buildings within the complex (a "Master Meter"), the SDF will be based on the size of the Master Meter, and will be collected at the time the initial building permit for the commercial complex is obtained. A copy of the approved site utility plan, documenting that a Master Meter will service the commercial complex, must be provided to the County at the time of application for the initial building permit. No additional SDFs will be collected for the remaining structures that will be serviced by the Master Meter. However, prior to obtaining any remaining building permits, a copy of the approved site utility plan, documenting that a Master Meter will service the commercial complex, must be provided by the applicant to the County along with documentation (i.e. a receipt) that the SDF for the commercial complex (based on the Master Meter size) has been previously paid. Any Master Meter serving a Mixed Use Single Structure shall be set forth in Section II(2) above.

4. Commercial Subdivision Complex – Retail Utility Service to Individual Structures. The SDF is based on the size of the line or lines servicing the individual structure, or the size of the water meter or meters servicing the structure. A copy of the approved site utility plan, documenting the line(s) or water meter(s) that will service the structure, must be provided to the County at the time of application for a building permit. *Note: If only the line(s) size is shown to service the building, the line(s) sizes will be equivalent to meter size for SDF determination.*
5. Industrial. The SDF is based on the meter size or equivalent meter size servicing the industrial complex.

Section III. SDF Schedule.

The SDF schedule shall be adopted and included as part of the annual budget ordinance. The SDF schedule will be updated as deemed necessary by the Board.

Section IV. Commercial and Industrial Customers.

WSACC retains the option of performing an engineering analysis of projected wastewater flows for any commercial or industrial customer with water meters equal to or greater than 3" in diameter or as the Executive Director/Engineering Director of WSACC determines is appropriate. If such a study is conducted, WSACC has the option of assessing the SDF based on meter size, equivalent meter size (meter size required to service expanded facilities if a separate meter were to be installed in connection with increased water usage relating thereto or meter size required to service new facilities reflecting expected water usage if such meter size were smaller than that of the meter actually installed), or projected wastewater flows. SDFs based upon equivalent meter size shall be the same as those charged for actual meter size installed and the equivalent meter size shall be determined from existing water use data or projected demand requirements and the smallest meter required to satisfy the demand. SDFs based on projected flows will be calculated by multiplying the gallons per day of flows times the cost of capacity per gpd.

Notwithstanding the foregoing or any provision in this Ordinance to the contrary, if upon final building inspection it is determined that the meter designated for the development and upon which the SDF was based was increased in size, then a SDF may be assessed for the difference in the amount of the increased meter size minus the SDF previously paid.

Section V. Effective Date of Assessment of SDF and Septic System Policy.

Except as provided below, all SDFs will be assessed at the time a building permit is issued. SDFs will be collected by the Cabarrus County Building Inspections Department as part of the building permit process. Building permits will not be issued unless assessed SDFs have been paid in full based upon existing information at the time of issuance. SDFs will be assessed for all new customers and all expansions of existing commercial or industrial facilities requiring additional water that are connected to a wastewater collection system. Notwithstanding the foregoing, a customer may replace a mobile home or other structure on the same lot without paying the SDF provided the connection is the same size and a letter is provided from the customer service department of the municipality providing wastewater service verifying the previous connection.

Any structure that receives a building permit which is connected to an individual septic tank nitrification system, and in the future obtains a plumbing permit to connect to a wastewater collection system, will be required to pay the SDF at the time the plumbing permit is obtained.

Section VI. Customers Located Outside of the County Building Inspections Department Enforcement Area.

All new customers located outside the Cabarrus County Building Inspections Department's enforcement area will be subject to the requirements of this ordinance to pay the appropriate SDF, unless the utility provider in the county in which they are located has purchased adequate transportation and treatment reserve capacity from WSACC. Since Cabarrus County Building Inspections Department will not be collecting the SDF, the jurisdiction providing retail service will be responsible for collecting the SDF. The SDF will be collected at the same time the local retail utility fees are collected and under the same terms and conditions as the Cabarrus County SDF collection contract. Collection of the SDF by the local retail provider assures that all new customers serviced by WSACC pay their fair share even if such customers are outside of the Cabarrus County Building Inspections Department's enforcement area.

Section VII. Adoption of SDF Fee Report.

The SDF Fee Report is hereby adopted and approved by the Board of WSACC.

Section VIII. Utilization of SDFs and SDF Ordinance.

The Executive Director of WSACC shall administer the assessment of SDFs and shall ensure that the Board is provided sufficient financial information to allow the setting of appropriate financial policies. The Executive Director shall establish and maintain records, which are in consistent with WSACC's annual budget, this Ordinance and the appropriate North Carolina statutes.

Section IX. Effective Date.

This Ordinance shall be effective on and after July 1, 2023.

WATER AND SEWER AUTHORITY OF
CABARRUS COUNTY

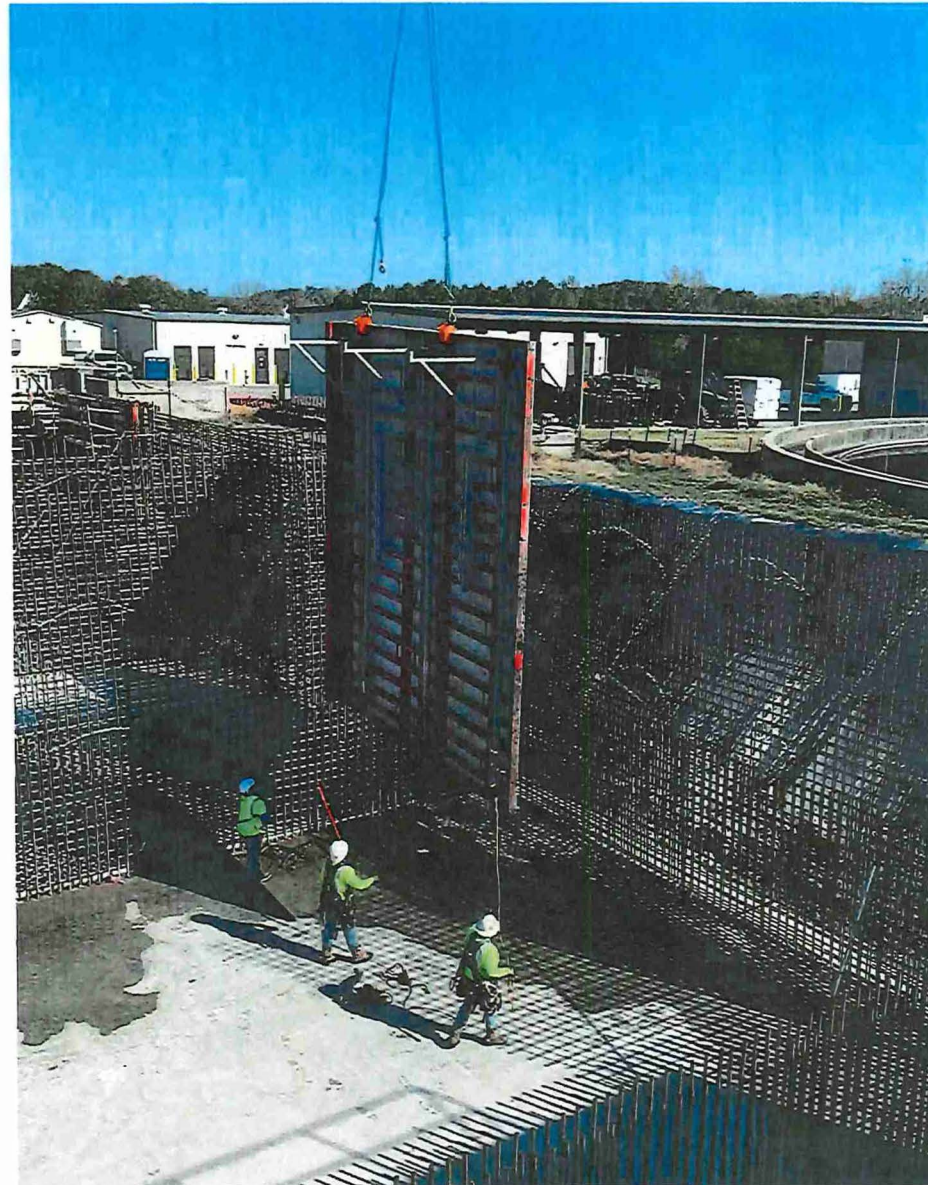
By: Mike Legg (SEAL)
Mike Legg, Chairman of the Board

ATTEST:

Tammy M. Garifo
Tammy M. Garifo, Secretary to the Board



Water and Sewer Authority of Cabarrus County
Proposed Capital Improvement Program
Expansion Capital Projects Only
FY 23-24 and Nine Planning Years



Capital Improvement Program Expansion Capital Projects Only FY 23-24 and Nine Planning Years

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* Rocky River Regional Wastewater Treatment Plant

Water and Sewer Authority of Cabarrus County
Capital Improvement Program FY 23-24 and Nine Planning Years (expressed in million dollars)

Expansion Capital Projects Only

Proj ID #	Project	Description	Project Total	Total By Funding Source	Project to Date In Progress	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	FY 31-32	FY 32-33	
1a	RRRWWTP Phase 3 (30 MGD) CW	Charlotte Water's share of expansion 30 MGD	(2) \$ 103.200	\$ 38.970	\$ 20.750	\$ 18.220										
1b	RRRWWTP Phase 3 (30 MGD) WSACC	WSACC's share of expansion 30 MGD	(2)	\$ 64.230	\$ 34.200	\$ 30.030										
2a	RRRWWTP Phase 4 (34 MGD) CW	Charlotte Water's share of expansion 34 MGD	\$ 143.216	\$ 54.096	\$ 1.740	\$ 13.089	\$ 13.089	\$ 13.089	\$ 13.089							
2b	RRRWWTP Phase 4 (34 MGD) WSACC	WSACC's share of expansion 34 MGD		\$ 89.120	\$ 2.860	\$ 21.565	\$ 21.565	\$ 21.565	\$ 21.565							
3	RRRWWTP Phase 5 Permitting & Planning	Request DEQ discharge permit above 34 MGD	\$ 3.625	\$ 3.625		\$ 3.625										
4a	Lower Coddle Creek Parallel Interceptor	28,500 ft. of 36 & 48 inch gravity sewer	(1) \$ 44.758	\$ 2.633	\$ 2.633											
4b	Lower Coddle Creek Parallel Interceptor	28,500 ft. of 36 & 48 inch gravity sewer	(1)	\$ 42.125		\$ 21.062	\$ 21.063									
5	Wolf Meadow Branch Parallel Interceptor	8,200 ft. of 30-inch gravity sewer	\$ 9.830	\$ 9.830		\$ 4.915	\$ 4.915									
6	Mt. Pleasant Pump Stations 1&2 Force Main	23,700 ft. of 12-inch force main	\$ 8.530	\$ 8.530				\$ 8.530								
7	Back Creek Parallel Interceptor	7,900 ft. of 30-inch gravity sewer	\$ 9.510	\$ 9.510					\$ 9.510							
8	Afton Run Parallel Interceptor	9,900 ft of 24-inch & 1,400 ft of 18-inch gravity	\$ 11.120	\$ 11.120						\$ 11.120						
9a	Muddy Creek Expansion Design	Design of the expansion to 1.0 MGD	\$ 28.175	\$ 3.675		\$ 0.50	\$ 3.175									
9b	Muddy Creek Expansion to 1.0 MGD	Construction of Expansion to 1.0 MGD		\$ 24.500					\$ 12.250	\$ 12.250						
10a	RRRWWTP Phase 5 Design (40 MGD)	Design of the expansion to 40 MGD	\$ 231.000	\$ 21.000						\$ 10.500	\$ 10.500					
10b	RRRWWTP Phase 5 Construction (40 MGD)	Construction of expansion to 40 MGD		\$ 210.000									\$ 70.000	\$ 70.000	\$ 70.000	
11	Highland Creek Parallel Interceptor	2,300 ft. of 24-inch gravity sewer	\$ 2.170	\$ 2.170								\$ 2.170				
12	Lower Rocky River PS Parallel Force Main	25,600 ft. of 36-inch force main	\$ 27.600	\$ 27.600								\$ 3.000	\$ 12.300	\$ 12.300		
13	Cold Water Creek Parallel Interceptor	2,000 ft. of 34-inch gravity sewer	\$ 1.920	\$ 1.920									\$ 1.920			
14	Crozier Branch Parallel Interceptor	5,400 ft. of 18-inch gravity sewer	\$ 3.870	\$ 3.870										\$ 3.870		
15a	Back Creek Interceptor Extension CW	Extension to county line 12,800 ft. of 30-inch	(3) \$ 15.310	\$ 12.710											\$ 12.710	
15b	Back Creek Interceptor Extension WSACC	Extension to county line 12,800 ft. of 30-inch	(3)	\$ 2.600											\$ 2.600	
Total by Year						\$ 62.183	\$ 113.006	\$ 63.807	\$ 43.184	\$ 56.414	\$ 33.870	\$ 10.500	\$ 75.170	\$ 84.220	\$ 86.170	\$ 15.310
Total All Years						\$ 643.834										

updated 3/8/23

CW=Charlotte Water

(1) ARP monies of \$42.125 million to be applied to this project.

(2) RRRWWTP Expansion to be funded approx. by Charlotte Water 30% & WSACC 70%.

RRRWWTP Expansion 30 MGD began in calendar year 2022

RRRWWTP Expansion 34 MGD currently estimated to begin in calendar year 2024

(3) Back Creek project to be funded by Charlotte Water 83% & WSACC 17%.

Proposed Funding Sources

System Development Fees SDF	\$ 20.423
Charlotte Water Funded	\$ 105.776
WSACC Reserve Funds	\$ 3.625
Proposed Debt Financed WSACC	\$ 471.885
Combination ARP, SDF, and/or Debt	\$ 42.125
Total	\$ 643.834

Funding sources for projects are for planning purposes only. Actual funding sources for the projects are subject to change based on circumstances and availability.

Warning: Each project is subject to final approval by the Board. Inclusion in the plan does not guarantee construction of project.

FISCAL YEAR 2023 - 2024
PROJECT CHARACTERISTICS – CIP PROJECT NO. 1

PROJECT NAME: Rocky River Regional WWTP Expansion to 30 MGD (Phase 3)

DESCRIPTION OF PROJECT: This project consists of the progressive design-build effort for expansion of the Rocky River Regional WWTP to 30 MGD (Phase 3). Phase 3 work also includes upgrades and replacement of medium voltage duct banks and associated equipment at the Rocky River Regional WWTP.

JUSTIFICATION: Influent flow to the Rocky River Regional WWTP is increasing, along with continued flow acceptance requests and additional flow anticipated from Charlotte Water. Completing the expansion will lead to additional capacity at the RRRWWTP in response to increasing flows.

PROJECT STATUS: Construction began for this effort in Spring 2022. The preliminary estimated cost for this work is \$103,200,000 in 2022 dollars.



FISCAL YEARS 2023 - 2027
PROJECT CHARACTERISTICS – CIP PROJECT NO. 2

PROJECT NAME: Rocky River Regional WWTP Expansion to 34 MGD (Phase 4)

DESCRIPTION OF PROJECT: This project consists of the continuation of the progressive design-build effort for expansion of the Rocky River Regional WWTP from 30 MGD to 34 MGD (Phase 4).

JUSTIFICATION: Influent flow to the Rocky River Regional WWTP is increasing, along with continued flow acceptance requests and additional flow anticipated from Charlotte Water. Completing the expansion will lead to additional capacity at the RRRWWTP in response to increasing flows.

PROJECT STATUS: The progressive design-build effort is under way, with construction for Phase 3 improvements currently in progress. Construction for Phase 4 improvements is currently anticipated to begin in FY 2024. The preliminary estimated cost for this work is \$146,427,988 in 2023 dollars.



FISCAL YEAR 2023-2024

PROJECT CHARACTERISTICS – CIP PROJECT NO. 3

PROJECT NAME: Phase 5 RRRWWTP Permitting and Planning (WSACC Master Plan)

DESCRIPTION OF PROJECT: This project consists of a full Master Plan update for WSACC, including negotiating new permit limits at the RRRWWTP for expansion beyond 34 MGD. This involves comprehensive review of previous information and master plan updates, development of an updated list of Capital Improvement Projects, new modeling of the Rocky River as requested by NC DEQ, and studies and associated discussions with NC DEQ to establish the permitting requirements for further expansion.

JUSTIFICATION: Significant growth is anticipated to continue in Cabarrus County and surrounding areas. Influent flow to the Rocky River Regional WWTP is expected to continue to increase, with continued flow acceptance requests and additional flow anticipated from member jurisdictions in Cabarrus County and Charlotte Water. Developing an updated list of Capital Improvement projects helps to inform associated planning and tracking efforts moving forward, and completing the NPDES permit negotiation process for the RRRWWTP will allow WSACC to be ready to continue design for further expansion when needed.

PROJECT STATUS: This effort is currently under way. Remaining capital expenditures for this project are currently programmed into FY 2023-2024. The preliminary overall estimated cost for this work is \$3,625,000 in 2022 dollars.



FISCAL YEAR 2023 - 2024

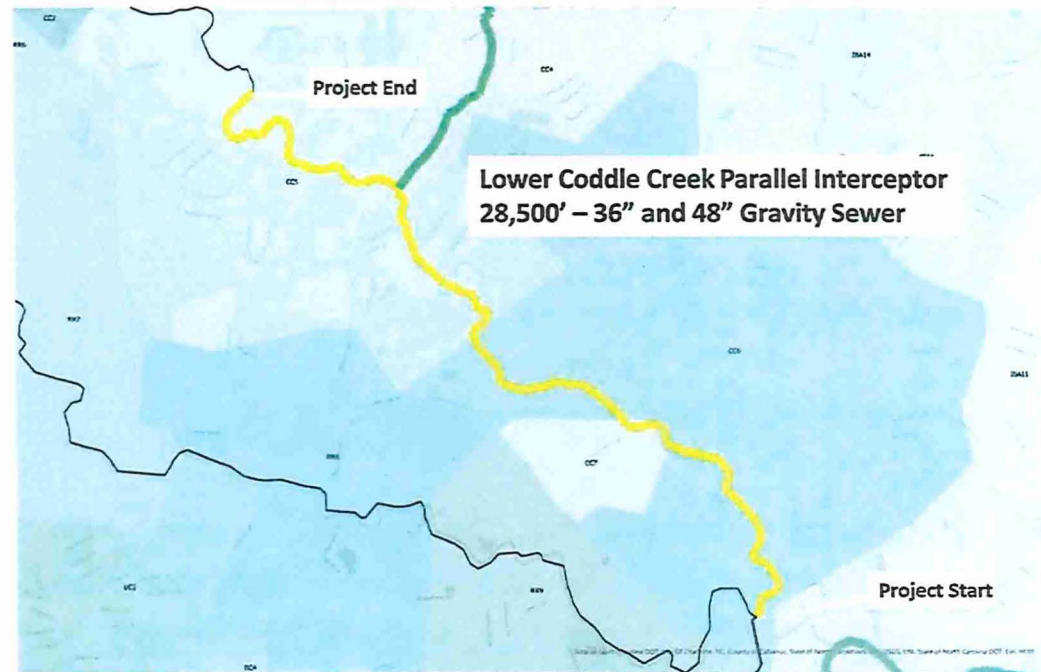
PROJECT CHARACTERISTICS – CIP PROJECT NO. 4

PROJECT NAME: Lower Coddle Creek Parallel Interceptor

DESCRIPTION OF PROJECT: This project consists of approximately 28,500 linear feet of 36-inch and 48-inch gravity sewer parallel to the lower portion of the existing 30-inch Coddle Creek Interceptor in the Coddle Creek Basin. The project begins at the confluence of Coddle Creek and Rocky River where the existing Coddle Creek Interceptor combines with the Rocky River Interceptor just upstream of the Lower Rocky River Pumping Station. The end of the project is located where the existing interceptor enlarges to a 36-inch interceptor.

JUSTIFICATION: This project will provide additional wastewater conveyance capacity to the Coddle Creek Basin to meet projected growth within the basin.

PROJECT STATUS: Easement acquisition is in progress for this project. The Planning Level Cost Estimate for this work is \$44,758,000 in 2022 dollars.



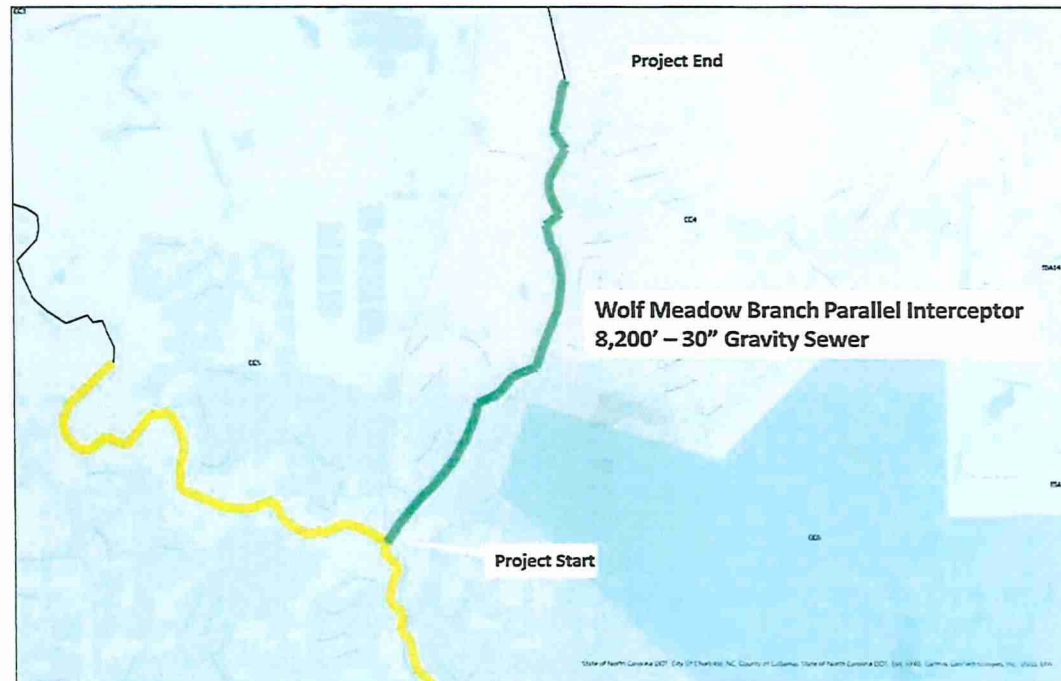
FISCAL YEARS 2024 - 2025
PROJECT CHARACTERISTICS – CIP PROJECT NO. 5

PROJECT NAME: Wolf Meadow Branch Parallel Interceptor

DESCRIPTION OF PROJECT: This project consists of 8,200 linear feet of 30-inch gravity sewer to serve additional major users expected in the Wolf Meadow Branch Basin. The project begins at the confluence of the Wolf Meadow Branch and Coddle Creek Interceptors, and extends upstream along Wolf Meadow Branch to the end of the existing Wolf Meadow Branch line (Concord Parkway crossing).

JUSTIFICATION: This project will provide additional conveyance capacity to the Wolf Meadow Branch Basin in anticipation of additional major users (commercial and industrial development) within this basin.

PROJECT STATUS: Preliminary estimated costs for this project are programmed in FY 2024 – 2025. The Planning Level Cost Estimate for this work is \$9,830,000 in 2023 dollars.



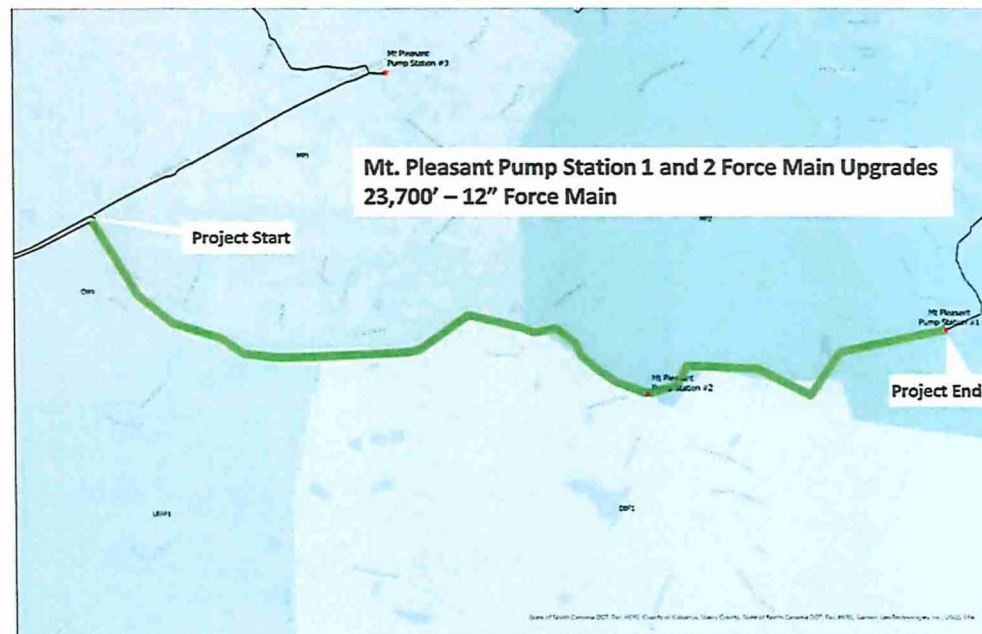
FISCAL YEAR 2026 PROJECT CHARACTERISTICS – CIP PROJECT NO. 6

PROJECT NAME: Mt. Pleasant Pump Station 1 and 2 Force Main Upgrades

DESCRIPTION OF PROJECT: This project consists of 23,700 linear feet of 12-inch force main for additional capacity from the two upstream WSACC pump stations. The project begins at the confluence of the existing 8-inch and 12-inch force mains, and extends upstream to WSACC's Mt. Pleasant Pump Station #1, replacing the existing 8-inch force mains.

JUSTIFICATION: This project will provide additional conveyance capacity to the Dutch Buffalo Creek Basin to account for wet weather flow and anticipated additional connections in the future.

PROJECT STATUS: Preliminary estimated costs for this project are programmed in FY 2026. The Planning Level Cost Estimate for this work is \$8,530,000 in 2023 dollars.



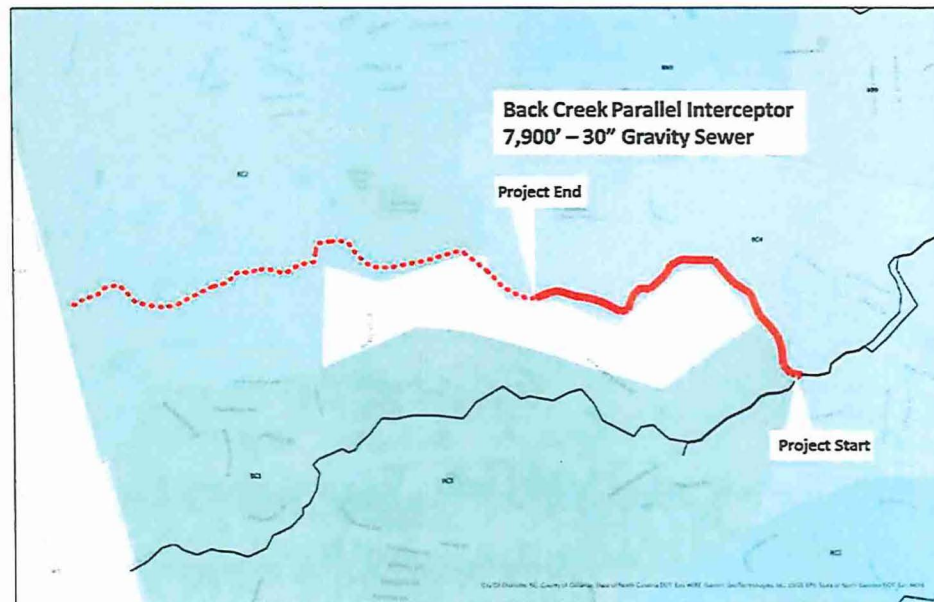
FISCAL YEAR 2027
PROJECT CHARACTERISTICS – CIP PROJECT NO. 7

PROJECT NAME: Back Creek Parallel Interceptor

DESCRIPTION OF PROJECT: This project consists of 7,900 linear feet of 30-inch gravity sewer to serve the Back Creek Basin. The project begins at the existing Back Creek Parallel Interceptor at the confluence of Back Creek and Fuda Creek, and extends west along Back Creek.

JUSTIFICATION: This project will provide additional conveyance capacity to the Back Creek Basin within Cabarrus County, and will upgrade this section of the interceptor with additional capacity to serve Charlotte Water projects to meet future projected wastewater flow. See Project 1b for additional information.

PROJECT STATUS: WSACC and Charlotte Water have worked together on design and easement acquisition for this project. Development within Cabarrus and Mecklenburg County are the triggers for this project. The Planning Level Cost Estimate for this work is \$9,510,000 in 2023 dollars.



FISCAL YEAR 2028 PROJECT CHARACTERISTICS – CIP PROJECT NOS. 8

PROJECT NAME: Afton Run 24-inch Interceptor, 18-inch Interceptor, and I-85 Crossing

DESCRIPTION OF PROJECT: Project 7 consists of 9,500 linear feet of 24-inch sanitary sewer, Project 7b consists of 1,400 linear feet of 18-inch sanitary sewer, and Project 7c consists of 400 linear feet of 24-inch sanitary sewer in the Afton Run Basin. Considered together, these projects begin near the confluence of Afton Run and Coddle Creek, and extend upstream to Highway 73.

JUSTIFICATION: These projects will provide additional wastewater conveyance capacity to the Afton Run Basin to meet projected growth and impacts from projected storm events.

PROJECT STATUS: Preliminary estimated costs are programmed into FY 2028. The Planning Level Cost Estimate for Project 7 is \$9,110,000, the Planning Level Cost Estimate for Project 7b is \$1,010,000, and the Planning Level Cost Estimate for Project 7c is \$1,000,000. All planning level cost estimates are presented in 2023 dollars.



FISCAL YEARS 2024-2025

PROJECT CHARACTERISTICS – CIP PROJECT NO. 9 a

PROJECT NAME: Muddy Creek WWTP Expansion Design to 1.0 MGD

DESCRIPTION OF PROJECT: This project consists of the planning and design effort for expansion of the Muddy Creek WWTP to 1.0 MGD.

JUSTIFICATION: Influent flow to the Muddy Creek WWTP is increasing, along with continued interest in development in the Midland portion of the service area. Completing the design for the expansion will allow WSACC to be ready to begin the expansion when needed.

PROJECT STATUS: Capital expenditures for this project are currently programmed into FY 2024-2025. The preliminary estimated cost for this work is \$3,675,000 in 2023 dollars.



FISCAL YEARS 2027 - 2028
PROJECT CHARACTERISTICS – CIP PROJECT NO. 9 b

PROJECT NAME: Muddy Creek WWTP Expansion to 1.0 MGD

DESCRIPTION OF PROJECT: This project consists of the construction effort for expansion of the Muddy Creek WWTP to 1.0 MGD.

JUSTIFICATION: Influent flow to the Muddy Creek WWTP is increasing, along with continued interest in development in the Midland portion of the service area. Completing the expansion will result in expanded capacity at the Muddy Creek WWTP.

PROJECT STATUS: Capital expenditures for this project are currently programmed into FY 2027-2028. The preliminary estimated cost for this work is \$24,500,000 in 2023 dollars.



FISCAL YEARS 2028-2029
PROJECT CHARACTERISTICS – CIP PROJECT NO. 10 a

PROJECT NAME: Rocky River Regional WWTP Expansion Design to 40 MGD (Phase 5)

DESCRIPTION OF PROJECT: This project consists of the planning and design effort for expansion of the Rocky River Regional WWTP to 40 MGD (Phase 5).

JUSTIFICATION: Influent flow to the Rocky River Regional WWTP is increasing, along with continued flow acceptance requests and additional flow anticipated from Charlotte Water. Completing the design for the expansion will allow WSACC to be ready to begin the expansion when needed for additional capacity at the RRRWWTP (beyond 34 MGD provided with Phase 4) in response to anticipated continued increases in flows.

PROJECT STATUS: Capital expenditures for this project are currently programmed into FY 2028-2029. The preliminary estimated cost for this work is \$21,000,000 in 2023 dollars.



FISCAL YEARS 2030-2032

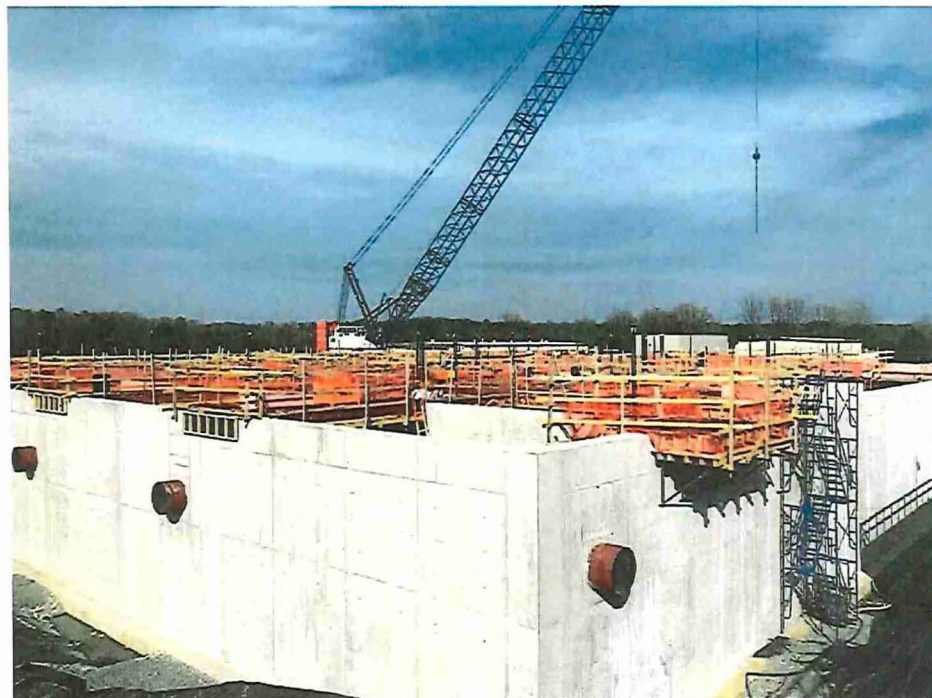
PROJECT CHARACTERISTICS – CIP PROJECT NO. 10 b

PROJECT NAME: Rocky River Regional WWTP Expansion to 40 MGD (Phase 5)

DESCRIPTION OF PROJECT: This project consists of the construction effort for expansion of the Rocky River Regional WWTP to 40 MGD (Phase 5).

JUSTIFICATION: Influent flow to the Rocky River Regional WWTP is increasing, along with continued flow acceptance requests and additional flow anticipated from Charlotte Water. Completing the expansion will provide additional capacity at the RRRWWTP (beyond 34 MGD provided with Phase 4) in response to anticipated continued increases in flows.

PROJECT STATUS: Capital expenditures for this project are currently programmed into FY 2030-2032. The preliminary estimated cost for this work is \$210,000,000 in 2023 dollars.



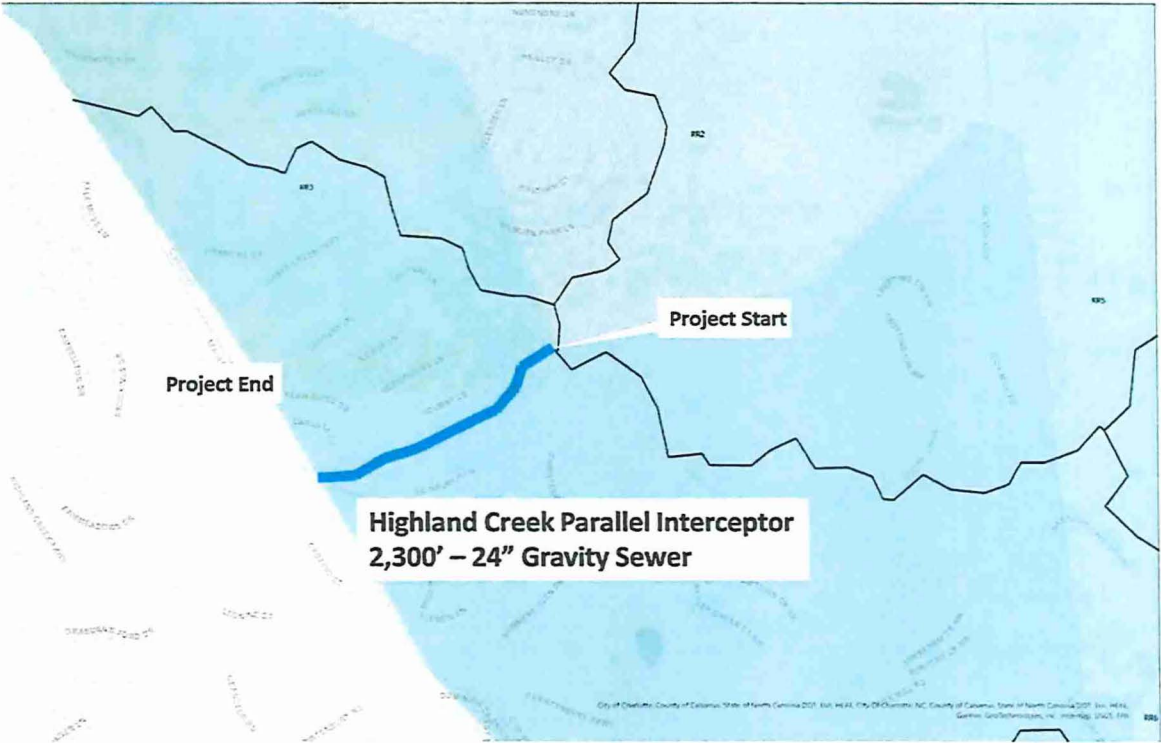
**FISCAL YEAR 2030
PROJECT CHARACTERISTICS – CIP PROJECT NO. 11**

PROJECT NAME: Highland Creek Parallel Interceptor

DESCRIPTION OF PROJECT: This project consists of approximately 2,300 linear feet of 24-inch gravity sewer in the Highland Creek Basin. The project begins at the confluence of Highland Creek and Clarke Creek, and extends upstream to the Mecklenburg County line.

JUSTIFICATION: This project will provide additional wastewater conveyance capacity to the Highland Creek Basin to meet projected growth within the affected portion of the Charlotte Water service area.

PROJECT STATUS: Preliminary estimated costs are programmed into FY 2030. The Planning Level Cost Estimate for this work is \$2,170,000 in 2023 dollars.



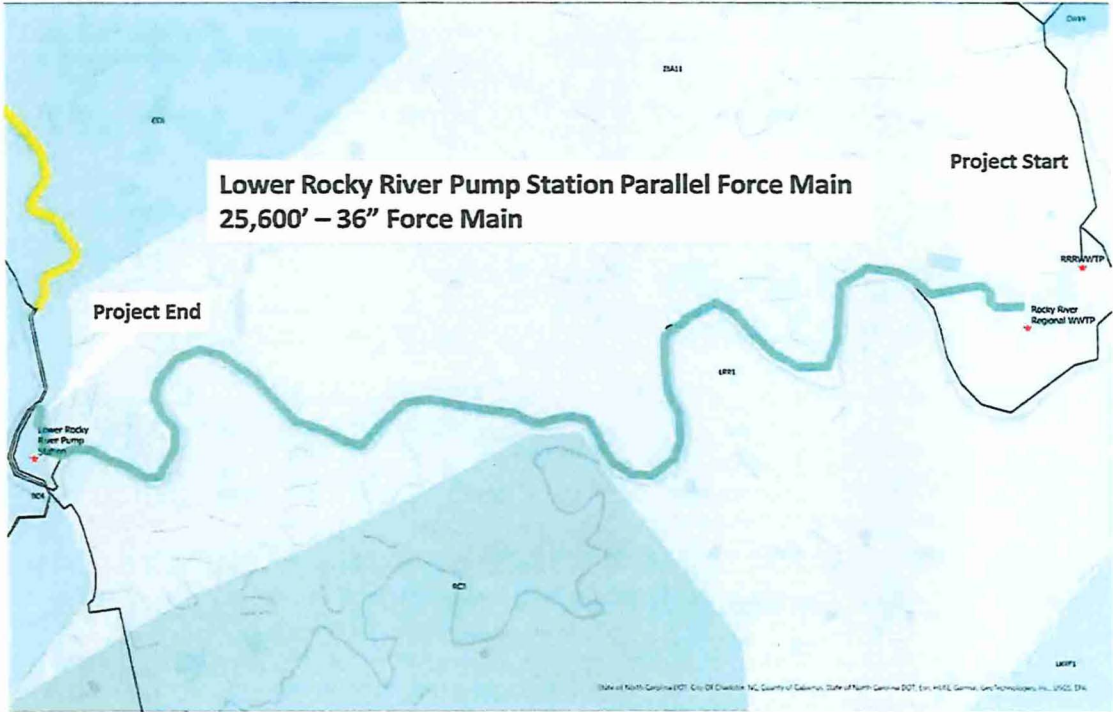
FISCAL YEARS 2030 - 2032
PROJECT CHARACTERISTICS – CIP PROJECT NO. 12

PROJECT NAME: Lower Rocky River Pump Station Parallel Force Main

DESCRIPTION OF PROJECT: This project consists of 25,600 linear feet of 36-inch parallel force main. This project begins at the Rocky River Regional WWTP and extends upstream to the Lower Rocky River Pump Station.

JUSTIFICATION: Combined with the capacity in the existing 48-inch force main, this project will provide additional wastewater conveyance capacity to areas served by the Lower Rocky River Pump Station (western Cabarrus County, Charlotte Water) to meet projected growth.

PROJECT STATUS: Preliminary estimated costs are programmed into FY 2030 - 2032. The Planning Level Cost Estimate for this work is \$27,600,000 in 2023 dollars.



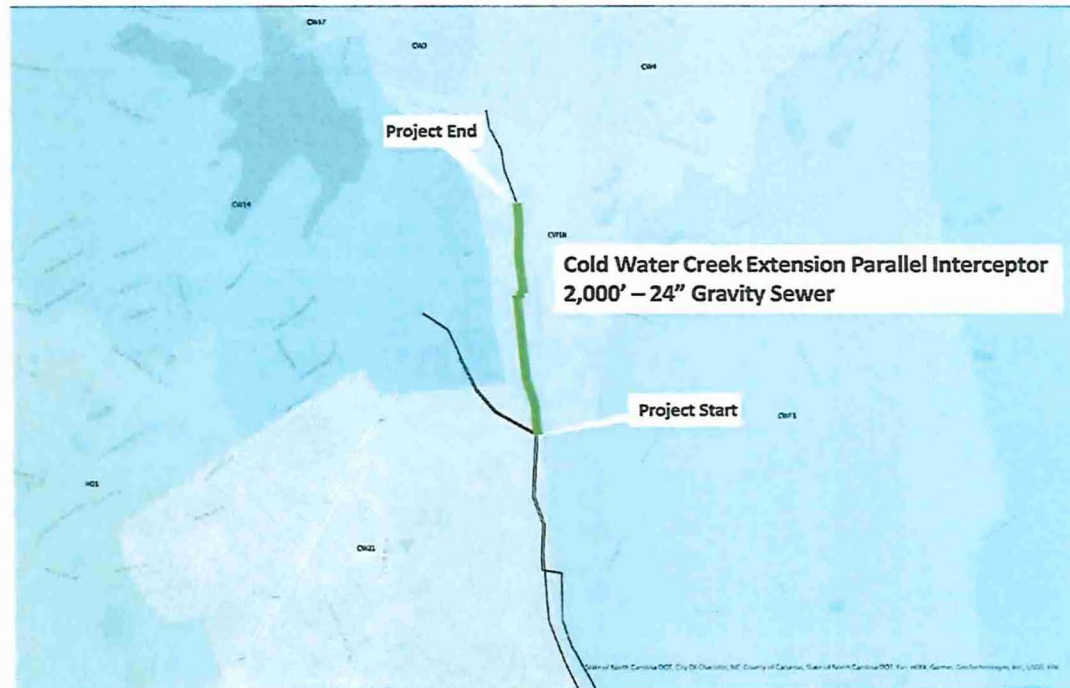
**FISCAL YEAR 2031
PROJECT CHARACTERISTICS – CIP PROJECT NO. 13**

PROJECT NAME: Cold Water Creek Extension Parallel Interceptor

DESCRIPTION OF PROJECT: This project consists of 2,000 linear feet of 24-inch sanitary sewer. This project begins near the confluence of Cold Water Creek Interceptor and Cold Water Creek Interceptor Extension, and extend upstream towards I-85.

JUSTIFICATION: This project will provide additional wastewater conveyance capacity to the Cold Water Creek Basin to meet projected growth and impacts from projected storm events.

PROJECT STATUS: Preliminary estimated costs are programmed into FY 2031. The Planning Level Cost Estimate for this work is \$1,920,000 in 2023 dollars.



FISCAL YEAR 2032

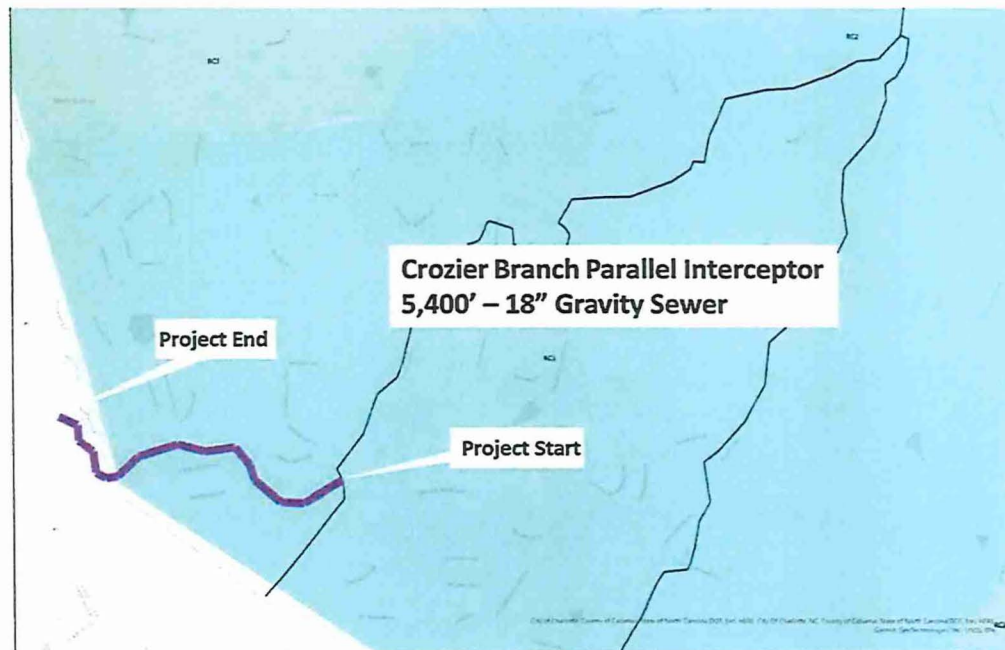
PROJECT CHARACTERISTICS – CIP PROJECT NO. 14

PROJECT NAME: Crozier Branch Parallel Interceptor

DESCRIPTION OF PROJECT: This project consists of approximately 5,400 linear feet of 18-inch gravity sewer in the Crozier Branch Basin. The project begins at the confluence of Crozier Branch and Reedy Creek, and extends upstream to the Mecklenburg County line.

JUSTIFICATION: This project will provide additional wastewater conveyance capacity to the Crozier Branch Basin to meet projected growth within the affected portion of the Charlotte Water service area.

PROJECT STATUS: Preliminary estimated costs are programmed into FY 2032. The Planning Level Cost Estimate for this work is \$3,870,000 in 2023 dollars.



FISCAL YEAR 2023
PROJECT CHARACTERISTICS – CIP PROJECT NO. 15

PROJECT NAME: Back Creek Interceptor Extension

DESCRIPTION OF PROJECT: This project consists of 12,800 linear feet of 30-inch gravity sewer to serve the Back Creek Basin. The project begins at the end of Project 1 and extends west along Back Creek to the Mecklenburg County line.

JUSTIFICATION: This project will provide additional conveyance capacity to the Back Creek Basin within Cabarrus County and Charlotte Water. This project is driven by anticipated future flow from Charlotte Water.

PROJECT STATUS: WSACC and Charlotte Water have worked together on design and easement acquisition for this project. Development within Mecklenburg County is the trigger for this project. The Planning Level Cost Estimate for this work is \$15,310,000 in 2023 dollars.

