

WATER AND SEWER AUTHORITY OF CABARRUS COUNTY

November 16, 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, November 16, 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. Rob Dunham

Ms. Jennifer Parsley-Hubbard

Mr. Jonathan Marshall

Mr. Robert Ritchie

Mr. Lynn Shue

Mr. Hinnant, Mr. Legg, and Mr. 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. Wendi Heglar, Finance Director; Mr. Thomas Hahn, Assistant Engineering Director; Mr. Mark Fowler, Facilities Director; Ms. Robin Moore, Deputy Executive Director Administration; Mr. Dustin Reece, SCADA Instrumentation Technician I; Mr. Mitch Brigulio, Davenport & Company LLC; Ms. Shannon Kincaid, Executive Secretary/Secretary to the Board; Mr. William Isehour, Johnston, Allison & Hord, P.A. (“JAH”).

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

PUBLIC COMMENTS

There were no public comments.

REPORTS

Update on Revenue Bond Issuance

Mr. Brigulio with Davenport & Company LLC provided a Power Point presentation with details on WSACC’s 2024 Bonds Plan of Finance. The presentation highlighted WSACC’s current credit rating and how to proceed with 2024 Revenue Bonds.

For a copy of the presentation, contact the Executive Secretary to the Board.

Update on Request for Qualifications (“RFQ”) and Future Projects

Mr. VonCannon provided an update on current and future WSACC projects.

Highlights from the update were:

- Update on Phases 3 and 4 of the Rocky River Regional Wastewater Treatment Plant (“RRRWWTP”) Expansion.
- Update on the Lower Coddle Creek Parallel Interceptor
- Update on the RFQ for WSACC’s Facilities Plan and Preliminary Engineering Report (“PER”)
- Update on the RFQ for WSACC Inflow and Infiltration (“I&I”) Study
- Update on the RFQ for RRRWWTP Incinerator Quencher Modifications
- Update on the RFQ for RRRWWTP Odor Study

WSACC Master Plan Update

Mr. Hahn provided an update on WSACC’s Master Plan. He stated that work on the Master Plan has continued, including further efforts on stream modeling, capital improvement project updates, and interactive dashboard development.

WSACC RRRWWTP Expansion Update

Mr. Hahn provided an update on WSACC’s RRRWWTP Expansion. He stated that construction work for the Phase 3 expansion of the RRRWWTP has continued. Mr. Hahn provided a Power Point presentation that showed updates of the work to date.

Highlights from the presentation were:

- Overall update on various states of construction of the Expansion project
- Update on the Nitrification Enhancement Facility / Equalization Basin Construction
- Update on the Aeration Basin 6
- Update on the Blower Building construction
- Update on Flume 103
- Update on the Gravity Thickeners
- Update on the work planned for the next month

For a copy of the presentation, contact the Executive Secretary to the Board.

UNFINISHED BUSINESS

Request for Approval of the Minutes of October 19, 2023

Mr. Marshall made a motion to approve the minutes of October 19, 2023. Mr. Shue seconded the motion and the Board approved by unanimous vote.

NEW BUSINESS

Request for Approval of the Updated Longevity Policy

Ms. Moore requested approval for the Updated Longevity Policy. She stated the cost to implement the proposed schedule is \$51,261.46, which will be paid out of salary lag, and will be paid to employees on December 1, 2023.

The Updated Longevity Policy was approved as follows:

3.9 Longevity Pay

A longevity incentive is provided to all regular full-time employees hired prior to July 1, 2004, based upon the plan outline reflected below:

- A. Years of service shall be computed as of anniversary date of employment and the service recognized shall be continuous.
- B. The computations for longevity status and monetary amounts will be calculated on base pay effective August 31st of each year.
- C. Longevity shall be computed on the employee's base pay according to the following schedule:
- D. Employees Hired prior to July 1, 2004:

Years of Service	Percentage
14-19	4%
20 and above	5%

- E. Employees Hired after July 1, 2004:

Years of Service	Percentage
1-4	1%
5-9	1.5%
10-14	2%
15-19	2.5%
20 and above	3%

- F. Longevity checks shall be distributed to qualified employees by the first week of December each year. Employees who retire in September-December will receive longevity in their final check. Longevity qualification is based on employment from September 1 – August 31 of the prior year.

Mr. Shue made a motion to approve the Updated Longevity Policy. Mr. Ritchie seconded the motion and the Board approved by unanimous vote.

Request for Approval of the RRRWWTP Phase 3 Expansion Capacity Allocation

Mr. VonCannon requested approval of the RRRWWTP Phase 3 Expansion Capacity Allocation.

The RRRWWTP Phase 3 Expansion Allocation was approved as follows:

	Adjusted Allocation	Hold Back	Interim Allocation
Concord	1,236,144	529,776	706,368
Kannapolis	603,824	258,782	345,042
Harrisburg	210,288	90,123	120,165
Mount Pleasant	49,744	21,319	28,435
Total	2,100,000	900,000	1,200,000

Mr. Marshall made a motion to approve the RRRWWTP Phase 3 Expansion Capacity Allocation. Mr. Ritchie seconded the motion and the Board approved by unanimous vote.

Request for Approval of the Resolution Accepting Division of Environmental Quality (“DEQ”) Offer of \$42,125,000 American Rescue Plan (ARP) Funding and Providing Applicable Assurances for the Lower Coddle Creek Parallel Interceptor Phases 1 & 2 (Project)

Ms. Wilson requested approval of the Resolution Accepting DEQ’s Offer of \$42,125,000 American Rescue Plan (“ARP”) Funding and Providing Applicable Assurances for the Lower Coddle Creek Parallel Interceptor Phases 1 & 2 (Project).

The Resolution was approved as follows:

RESOLUTION BY GOVERNING BODY OF RECIPIENT

WHEREAS, the Water and Sewer Authority of Cabarrus County has received an earmark for the American Rescue Plan (ARP) funded from the State Fiscal Recovery Fund established in S.L. 2022-74 to assist eligible units of government with meeting their water/wastewater infrastructure needs, and

WHEREAS, the North Carolina Department of Environmental Quality has offered American Rescue Plan (ARP) funding in the amount of \$42,125,000 to perform work detailed in the submitted application, and

WHEREAS, the Water and Sewer Authority of Cabarrus County intends to perform said project in accordance with the agreed scope of work,

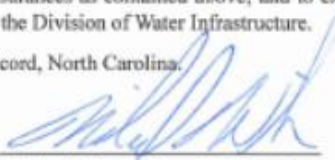
NOW, THEREFORE, BE IT RESOLVED BY THE (GOVERNING BODY) OF THE WATER AND SEWER AUTHORITY OF CABARRUS COUNTY:

That the Water and Sewer Authority of Cabarrus County does hereby accept the American Rescue Plan Grant offer of \$42,125,000.

That the Water and Sewer Authority of Cabarrus County does hereby give assurance to the North Carolina Department of Environmental Quality that any Conditions or Assurances contained in the Award Offer will be adhered to.

That Michael Wilson, Executive Director, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with this project; to make the assurances as contained above; and to execute such other documents as may be required by the Division of Water Infrastructure.

Adopted this the 16th day of November, 2023 at Concord, North Carolina.


Michael Wilson, Executive Director

11/16/23
Date

ATTEST: 
Shannon H. Kincaid, Secretary
(Seal)



Mr. Shue made a motion to approve the Resolution Accepting the Division of Environmental Quality (“DEQ”) Offer of \$42,125,000 ARP Funding and Providing Applicable Assurances for the Lower Coddle Creek Parallel Interceptor Phases 1 & 2 (Project). Mr. Marshall seconded the motion and the Board approved by unanimous vote.

Request for Approval of the Early Adoption - Capital Improvement Program (CIP) for Fiscal Year (FY) 2024-2025 – FY 2029 – 2030

Mr. Wilson requested approval of the Early Adoption – Capital Improvement Program (“CIP”) for Fiscal Year (“FY”) 2024-2025 – FY 2029-2030.

The Early Adoption CIP was approved as follows:

Water and Sewer Authority of Cabarrus County
Capital Improvement Program FY 24-25 and Five Planning Years (expressed in million dollars)
Projects With a Cost of \$1,000,000 or Greater

Proj ID #	Project	Description	Project Total	Total By Funding Source	Spent on Project to Date	Budget Year FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
1a	RRRWWTW Phase 4 to 34 MGD CW 36.32%	Charlotte Water's Share of Expansion 34 MGD	(2) \$158,000	\$ 57,388	\$ 15,46	\$13,977	\$ 13,976	\$ 13,976			
1b	RRRWWTW Phase 4 to 34 MGD WSACC 63.68%	WSACC's Share of Expansion 34 MGD	(2)	\$ 100,612	\$ 27,097	\$24,505	\$ 24,505	\$ 24,505			
2	Master Plan and Phase V Permitting	Master Plan and Phase V Permitting		\$ 3,652	\$ 3,652	\$ 3,043	\$ 0,609				
3	Facilities Plan & Preliminary Engineering Report	Wastewater Facilities Plan & PER		\$ 1,750	\$ 1,750	\$ 0,875	\$ 0,875				
4a	Lower Coddle Crk Parallel Interceptor	28,500 ft. of 36-inch and 48-inch beginning at the confluence of Coddle Crk and Rocky River	(1)	\$ 44,758	\$ 42,000	\$ 22,379	\$19,621				
4b	Lower Coddle Crk Parallel Interceptor			\$ 2,758	\$ -	\$ 2,758					
5	Back Crk Parallel Interceptor	7,900 ft. 36-inch to most upstream existing pipe	(3)	\$ 6,442	\$ 6,442	\$ -	\$ 0,017	\$ 0,017	\$ 3,204	\$ 3,204	
6	Muddy Creek Expansion Design & Construction	Expansion to .60 MGD	(5)	\$ 12,075	\$ 12,075	\$ -	\$ 0,787	\$ 0,788	\$ 5,250	\$ 5,250	
7	Mt. Pleasant Force Main Replacement	23,700 ft. 16-inch force main	(5)	\$ 10,496	\$ 10,496	\$ -	\$ 0,393	\$ 0,393	\$ 4,855	\$ 4,855	
8	Lower Rocky River Force Main Parallel	25,300 ft. 36-inch force main	(5)	\$ 23,122	\$ 23,122		\$ 0,807	\$ 0,807	\$ 10,754	\$ 10,754	
9	Wolf Meadow Branch Extension	3,200 ft. 30-inch & 4,900 ft. 36-inch	(5)	\$ 11,676	\$ 11,676			\$ 0,398	\$ 0,398	\$ 5,440	\$ 5,440
10	Afton Run Parallel Interceptor	11,100 ft. 36-inch	(4)	\$ 20,331	\$ 20,331						\$ 20,331
11	Highland Creek Extension	1,400 21-inch & 900 ft. 24-inch	(4)	\$ 1,955	\$ 1,955						\$ 1,955
12	Crozier Branch Extension	1,500 ft 18-inch & 2,600 21-inch	(4)	\$ 3,363	\$ 3,363						\$ 3,363
13	RRRWWTW Phase V Expansion to 40 MGD	Phase V expansion		\$ 231,000	\$ 231,000			\$ 10,500	\$ 10,500	\$ 105,000	\$ 105,000
Total All Years				\$ 528,620	\$ 68,853	\$ 63,542	\$ 40,486	\$ 63,495	\$ 34,961	\$ 121,194	\$ 136,089

updated 11/1/23
 CW=Charlotte Water
 (1) ARP monies of \$42 million to be applied to this project.
 (2) RRRWWTP Expansion to be funded approx. by Charlotte Water 36.32% & WSACC 63.68%. RRRWWTP Expansion 34 MGD to begin in calendar year 2024
 (3) Back Creek project will include some Charlotte Water participation. Amount unknown now.
 (4) Additional analysis of peak flow data to determine timing of construction.
 (5) State grant appropriation FY 23-24.

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

Proposed Funding Sources	
System Development Fees SDF	\$ 2,758
Charlotte Water Funded	\$ 62,706
WSACC Reserve Funds	\$ 5,402
Proposed Debt Financed WSACC	\$ 100,612
State Grants	\$ 105,811
Funding Source to be Determined	\$ 251,331
Using SDFs, Bonds, Reserves etc.	
Total	\$ 528,620

Ms. Hubbard made a motion to approve the Early Adoption - Capital Improvement Program (CIP) for Fiscal Year (FY) 2024-2025 – FY 2029 – 2030. Mr. Donham seconded the motion and the Board approved by unanimous vote.

CLOSED SESSION

At 6:02 P.M., Mr. Ritchie 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. Mr. Shue seconded the motion and the Board approved by unanimous vote.

At 6:07 P.M., Ms. Hubbard made a motion to come out of closed session. Mr. Ritchie seconded the motion and the Board approved by unanimous vote.

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

The Board meeting adjourned until the next Board meeting scheduled for December 21, 2023.