

WATER AND SEWER AUTHORITY OF CABARRUS COUNTY

April 16, 2025

5:00 P.M.

The Board of Directors (the “Board”) of the Water and Sewer Authority of Cabarrus County (“WSACC”) met in a regular session on Wednesday, April 16, 2025, at the Administrative Offices. The meeting was also set up for virtual attendance administered by Zoom and streamed on YouTube.

The following Board Members were present:

Mr. Jeff Corley	Mr. Mike Legg
Mr. Rob Donham	Mr. Josh Mendoza
Mr. Darrell Hinnant	Mr. Doug Paris
Mr. Randy Holloway	Ms. Jennifer Parsley-Hubbard

Mr. Measmer was unable to attend due to a prior commitment.

Also present were Mr. Chad VonCannon, Executive Director; Ms. Shannon Kincaid, Executive Secretary/Secretary to the Board; Ms. Robin Moore, Deputy Executive Director/Administration; Mr. Thomas Hahn, Engineering Director; Ms. Wendi Heglar, Finance Director; Mr. Thomas Jakubisin, IT Manager; Mr. Kevin Loescher, Assistant Engineering Director; Mr. Chris Carpenter, Wastewater Operations Director; Ms. Mayara Arnold, Utility Systems Engineer; Mr. Jerret Smith, Maintenance Manager; and Mr. William Isenhour, Johnston, Allison & Hord, P.A. (“JAH”).

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

ADOPTION OF THE AGENDA

Request for Adoption of the Agenda of the April 16, 2025 Board Meeting

Ms. Parsley-Hubbard made a motion to adopt the Agenda for the April 16, 2025 Board meeting. Mr. Corley seconded the motion, and the Board approved by unanimous vote.

UNFINISHED BUSINESS

Request for Approval of the Minutes of March 19, 2025

Mr. Hinnant made a motion to approve the minutes of March 19, 2025. Mr. Holloway seconded the motion, and the Board approved by unanimous vote.

PUBLIC HEARING

Public Hearing for the Proposed Fiscal Year 25-26 Budget

Chairman Legg opened the public hearing for the proposed FY 25-26 budget.

Having no public comments, Chairman Legg closed the public hearing.

WORK SESSION

Discussion as Necessary on the Proposed Fiscal Year 25-26 Budget

At the March 19, 2025 Board meeting, the Board had no questions or comments on the proposed annual budget.

Consideration of Adoption of the Fiscal Year 25-26 Budget Ordinance

Mr. VonCannon requested the Board's approval of the Budget Ordinance for fiscal year 25-26.

Mr. Corley made a motion to approve the Budget Ordinance for Fiscal Year 25-26. Mr. Hinnant seconded the motion, and the Board approved by unanimous vote.

The Annual Operating Budget for Fiscal Year 25-26 is filed in the Secretary to the Board's office and can be found on WSACC's website.

The Budget Ordinance was approved as follows:

Water and Sewer Authority of Cabarrus County
BUDGET ORDINANCE
For the Fiscal Year July 1, 2025 through June 30, 2026

BE IT ORDAINED by the Board of Directors of the Water and Sewer Authority of Cabarrus County (WSACC), North Carolina, meeting in open session this 16th day of April 2025, that the following fund revenues and departmental expenses, together with certain restrictions and authorizations, are adopted.

SECTION I – GENERAL OPERATING FUND

A. Revenues totaling \$28,325,462 are hereby approved, comprised of the following components:

Flow Operation and Maintenance	\$13,809,950
Fixed Shares – Treatment	10,014,333
Fixed Shares – Interceptor	1,011,947
Surcharges	850,000
Program, Sample & Lab Fees	302,392
Raw Water Charges – Lake Howell	335,615
Biosolids Disposal Tipping Charges	400,000
Septage Haulers' Fees	500,000
Retained Earnings	375,000
Investment Earnings	700,000
Other	26,225
Total Revenues	<u>\$28,325,462</u>

B. The following rates and fixed charges have been established:

Wastewater Combined Operation and Maintenance:	
Treatment Rate/1,000 gallons	\$1.870
Treatment Fixed Share	\$10,014,333
Interceptor Fixed Share	\$1,011,647
Septage Hauler Rate/ gallon	\$0.07
Lake Howell Reservoir:	
Annual Charge for Permitted Capacity	\$335,615
City of Concord	\$275,842
City of Kannapolis	\$59,773

Other user fees are shown in detail in the attached Exhibit A.

Water and Sewer Authority of Cabarrus County
BUDGET ORDINANCE
For the Fiscal Year July 1, 2025 through June 30, 2026

- C. Expenses totaling \$28,325,462 are hereby approved, comprised of the following program budgets:**

Administration	\$1,991,093
Engineering	1,076,817
Rocky River Regional Wastewater Treatment Plant	8,645,820
Biosolids Incineration	2,309,355
Laboratory	640,448
Pretreatment	423,675
Muddy Creek Wastewater Treatment Plant	340,717
Interceptors	1,921,392
Lake Howell Reservoir	335,615
Debt Service/Capital Outlay – Treatment	9,378,585
Debt Service/Capital Outlay – Interceptor	611,945
Non-departmental	650,000
Total Expenses	<u>\$28,325,462</u>

- D. Compensation adjustments have not been incorporated into the budget ordinance at this time:**

Performance Increases- Merit Range	Up to 5%
Cost of Living	2.9%
Board Members	
Compensation as allowed by State Statute.	

SECTION II – SYSTEM DEVELOPMENT FEE FUND

- A. Revenues totaling \$3,200,000 are hereby approved, comprised of the following components:**

System Development Fees	<u>\$ 3,200,000</u>
Total Revenues	<u>\$ 3,200,000</u>

The System Development Fees (SDF) are authorized by ordinance and collected by Cabarrus County on behalf of WSACC.

Water and Sewer Authority of Cabarrus County
BUDGET ORDINANCE
For the Fiscal Year July 1, 2025 through June 30, 2026

B. The following fees have been established:

Meter Size <u>in Inches</u>	System Development <u>Fee</u>
5/8 & 3/4"	\$ 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*	
1 or 2 Bedrooms	\$ 1,696
Greater Than 2 Bedrooms	\$ 2,968

*Multi-family is apartments, townhomes, condos, duplexes, etc.

C. Expenses totaling \$3,200,000 are hereby approved, comprised of the following components:

Contribution to SDF Reserve	<u>\$3,200,000</u>
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The Board of Directors will authorize all SDF transfers to a Capital Project Fund for each specific capital project.

SECTION III – ENCUMBRANCES AS OF JUNE 30, 2025

Funds appropriated in the FY 2024-2025 Budget and encumbered on June 30, 2025, shall be authorized as part of the Budget Appropriation by adoption of this Budget Ordinance.

Water and Sewer Authority of Cabarrus County
BUDGET ORDINANCE
For the Fiscal Year July 1, 2025 through June 30, 2026

SECTION IV – SPECIAL AUTHORIZATIONS

- A.** The Finance Director shall be authorized to transfer monies within program budgets to conduct the objectives of each program, without limitation.
- B.** The Finance Director shall be authorized to transfer monies between program budgets as necessary for the efficient operation of WSACC without action by the Board of Directors.
- C.** The Finance Director shall be authorized to transfer monies from the Nondepartmental program budget to other program budgets, to reflect:
 - 1. The difference in the actual percentage increase authorized by the Board of Directors for merit increases, and the amount budgeted within the programs.
 - 2. To conduct the results of any personnel action taken by the Board of Directors.
 - 3. The difference in actual insurance premiums and the amount budgeted within the programs.
 - 4. Unplanned and unanticipated maintenance of equipment of a critical nature.
- D.** The Finance Director shall be authorized to reallocate monies among the various objects of expenditures for Capital Project Ordinances and between Capital Project Ordinances as needed.
- E.** The Executive Director is hereby authorized to transfer monies from the contingency designation into program budgets as necessary for the efficient operation of the WSACC organization. The transfer is to be reported to the Board of Directors at the next scheduled meeting.
- F.** The Finance Director is authorized to establish the capitalization threshold of \$10,000 for capital assets and \$250,000 for infrastructure.
- G.** The Executive Director and the Engineering Director are authorized to establish rates for biosolids cake and liquid taking into consideration the percent solids, volatiles content, difficulty of processing, and the impact on the plant.

SECTION V – INSTRUCTIONS – EXECUTIVE DIRECTOR

The Board of Directors authorizes the adoption of the General Operating Fund budget on the program budget level.

Water and Sewer Authority of Cabarrus County
BUDGET ORDINANCE
For the Fiscal Year July 1, 2025 through June 30, 2026

SECTION VI – BUDGETARY ACCOUNTING FOR APPROPRIATIONS

Any salaries, benefits, and expenses paid under this budget ordinance have been preaudited under the requirements of GS 159-28(a) and the finance officer has determined that an unencumbered balance remains in the appropriation sufficient to pay in July 1, 2025 through June 30, 2026 fiscal year the sums obligated by the transaction. The following certification shall apply to payments during the fiscal year:

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.



Wendi Heglar, Finance Officer

SECTION VII - UTILIZATION OF BUDGET AND BUDGET ORDINANCE

This Budget Ordinance and the Operating Budget document, which is on file with the Executive Director and incorporated fully as part of this Budget Ordinance, shall be the basis of the financial operations of WSACC during the Fiscal Year. The Executive Director shall administer the Budget and shall ensure that the Board of Directors is provided with sufficient financial information to allow the setting of appropriate financial policies. The Executive Director shall establish and maintain records that agree with the Budget, the Budget Ordinance, and the appropriate statutes of the State of North Carolina.

THIS ORDINANCE IS HEREBY approved and adopted this 16th day of April, 2025.



BOARD OF DIRECTORS
Water and Sewer Authority of
Cabarrus County, North Carolina



Michael B. Legg, Chairman

ATTEST:


Shannon Kincaid, Secretary to the Board

Exhibit A

**Water & Sewer Authority of Cabarrus County
Rates and Charges
For Fiscal Year 2025-2026**

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	\$ 447.00
Atruim Cabarrus 1	\$ 100.00	\$ 447.00
Atruim Cabarrus 2	\$ 100.00	\$ 447.00
Carvana	\$ 45.00	\$ 160.33
Celgard LLC	\$ 75.00	\$ 310.00
CMS Landfill V BFI	\$ 170.00	\$ 991.08
Charlotte Water-CMUD	\$ 2,135.00	\$ 1,395.00
City of Concord - Hillgrove	\$ 940.00	\$ 879.83
City of Kannapolis -Water Trmt Plant	\$ 75.00	\$ 310.00
Corning-Concord Facility	\$ 100.00	\$ 477.00
Eli Lilly	\$ 100.00	\$ 1,005.67
Galvan Industries	\$ 100.00	\$ 447.00
HeiQ Chem-Tex	\$ 100.00	\$ 447.00
Heritage-Crystal Clean	\$ 1,215.00	\$ 1,160.42
Intertape Polymer- MCWWTP	\$ 100.00	\$ 1,125.67
Kanthai	\$ 45.00	\$ 310.00
Krispy Kreme	\$ 100.00	\$ 524.33
NC Research Pipe 1	\$ 75.00	\$ 310.00
NC Research Pipe 2	\$ 75.00	\$ 310.00
Oldcastle Precast	\$ 45.00	\$ 180.00
Owens Corning	\$ 100.00	\$ 565.67
Perdue Farms	\$ 250.00	\$ 863.00
Prime Beverage	\$ 125.00	\$ 1,163.00
S&D Commercial Park	\$ 890.00	\$ 995.00
Star America	\$ 100.00	\$ 447.00
Stericycle 1	\$ 100.00	\$ 484.33
Stericycle 2	\$ 100.00	\$ 310.00
Steris	\$ 100.00	\$ 447.00
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Monthly Total	\$ 7,560.00	\$ 16,959.33
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Yearly Total	\$ 90,720.00	\$ 203,511.96
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**Water & Sewer Authority of Cabarrus County
Rates and Charges
For Fiscal Year 2025-2026**

LABORATORY FEES

BOD	\$28.00
COD	\$32.00
TSS	\$17.00
VSS	\$24.00
NH3-N	\$25.00
pH	\$10.00
ALKALINITY	\$19.00
SS	\$17.00
CONDUCTIVITY	\$18.00

OTHER ANALYSES:

OIL & GREASE	\$64.00
MERCURY	\$30.00
CYANIDE	\$47.00
CHLORIDES	\$22.00
FECAL COLIFORM	\$37.00
TKN	\$36.00
T PHOSPHORUS	\$27.00

METALS - ICP-MS:

COPPER	\$28.00
SILVER	\$28.00
ZINC	\$28.00
ARSENIC	\$28.00
BERYLLIUM	\$28.00
CADMIUM	\$28.00
CHROMIUM	\$28.00
LEAD	\$28.00
NICKEL	\$28.00
SELENIUM	\$28.00

SDWA DRINKING WATER ANALYSES:

T COLIFORM	\$30.00
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SAMPLER RENTAL DAILY	\$43.00
Containers	\$7.00

Inconvenience Fee/Day	\$ 32.00
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**HIGH STRENGTH SURCHARGE RATES
(PER LB)**

BOD	\$0.062
COD	\$0.110
TSS	\$0.294
NH3-N	\$0.358
*OTHERS	\$0.453

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	\$0.070 per gallon
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NEW BUSINESS

Request for Approval and Award Engineering Design Services to HDR for the Rocky River Rehabilitation Project

Mr. Loescher requested approval and the Award of Engineering Design Services to HDR for the Rocky River Rehabilitation Project.

Mr. Holloway made a motion to approve the Award of Engineering Design Services to HDR for the Rocky River Rehabilitation Project. Mr. Paris seconded the motion, and the Board approved by unanimous vote.

Request for Approval of the Capital Project Ordinance for the Rocky River Sewer Rehabilitation Project

Ms. Heglar requested approval of the Capital Project Ordinance for the Rocky River Sewer Rehabilitation Project in the amount of \$5,580,000. The main funding source is the ARPA funds remaining in the Lower Coddle Creek Project fund, which came in under budget.

Ms. Parsley-Hubbard made a motion to approve the Capital Project Ordinance for the Rocky River Sewer Rehabilitation Project. Mr. Mendoza seconded the motion, and the Board approved by unanimous vote.

The Capital Project Ordinance was approved as follows:

**AN ORDINANCE TO ADD A CAPITAL PROJECT FUND FOR THE
ROCKY RIVER SEWER REHABILITATION PROJECT**

This Ordinance is adopted by the Board of Directors of the Water & Sewer Authority of Cabarrus County (WSACC) in accordance with Section 13.2 of Chapter 159 of the General Statutes of North Carolina for a capital project consisting of the **Rocky River Sewer Rehabilitation Project**.

WHEREAS, the engineering, design, and construction of the **Rocky River Sewer Rehabilitation Project** is required to continue to meet the sewer transportation needs of the service areas; and

WHEREAS, the Board of Directors of WSACC wishes to be responsive to the needs of the service area; and

WHEREAS, the period for the completion of the **Rocky River Sewer Rehabilitation Project** could extend over more than one (1) fiscal year; and

WHEREAS, the Board of Directors of WSACC wishes to comply with the Local Government Budget and Fiscal Control Act.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of WSACC that the following capital project ordinance is hereby adopted:

1. The project authorized is for the engineering, design, purchase of equipment, and construction of the **Rocky River Sewer Rehabilitation Project**.
2. The following revenues are anticipated to be available to WSACC:

Increase ARPA Rocky River Rehab Project	\$ 4,283,240
Decrease ARPA Lower Coddle Creek	\$(4,283,240)
Transfer in Rocky River Rehab Project	\$ 1,296,760
Transfer out Lower Coddle Creek	\$(1,296,760)
3. The following amounts are appropriated expenses for the project:

Decrease Lower Coddle Creek Capital Outlay	\$(5,580,000)
Increase Rocky River Rehab Project Capital Outlay	\$ 5,580,000
4. Accounting records are to be maintained by the Finance Director of WSACC in such a manner as to provide all information required to comply with the Local Government Budget and Fiscal Control Act of the State of North Carolina.
5. At the completion of the project, the Finance Director is authorized to transfer all excess funds to any open project and close the project into capital assets.
6. The Finance Director is directed to report on the financial status of this project in accordance with the policy established by the Board of Directors.
7. The Executive Director is authorized to execute contracts for the completion of this project to the extent allowed by law.

Adopted this 16th day of April 2025.

ATTEST: 
Shannon Kincaid, Secretary
(Seal)

WATER AND SEWER AUTHORITY OF
CABARRUS COUNTY, NORTH CAROLINA


Michael B. Legg, Chairman

GENERAL DISCUSSION

Overview of Upcoming Results from the WSACC Facilities Plan

Chairman Legg informed the Board that he and Mr. VonCannon thought it prudent to provide the Board with an update following their recent discussions concerning WSACC's Wastewater Treatment Facilities Plan.

Mr. VonCannon stated that for several months, he had reminded the Board that it would need to discuss and make decisions regarding WSACC's path forward as the results of WSACC's Wastewater Treatment Facilities Plan and Preliminary Engineering Report ("Facilities Plan") began to emerge. He informed the Board that Mr. Anipsitakis of Brown and Caldwell plans to attend the next Board meeting to present the results and alternatives of the Facilities Plan. In advance of the presentation, Mr. VonCannon said he wanted to provide the Board with a primer on what to expect. He noted that WSACC will need direction from the Board on a long-range plan to provide wastewater treatment capacity into the future.

Mr. VonCannon then turned the meeting over to Mr. Hahn to present a PowerPoint presentation on the Wastewater Treatment Facilities Plan Overview. During this time, the Board had several discussions centered on the information provided in the presentation.

Highlights from the presentation included:

- Construction and expansion history of the Rocky River Regional Wastewater Treatment Plant ("RRRWWTP") and the Muddy Creek Wastewater Treatment Plant ("MCWWTP").
- Wastewater Treatment Facilities Plan path forward for RRRWWTP and MCWWTP.
- Master Plan Wastewater Flow Projections.
- Preliminary Wastewater Treatment Expansion Option Alternatives from the Wastewater Treatment Facilities Plan.
- Preliminary Wastewater Treatment Plant Expansion Options at RRRWWTP and MCWWTP.

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

Updates from the Executive Director

Mr. VonCannon had no further information for the Board.

REPORTS

WSACC CIP Update

Mr. Hahn provided the Board with an update, including a PowerPoint presentation on WSACC's Capital Improvement Program.

Highlights of the presentation included:

- Updates on Phase 3 and Phase 4 expansions of RRRWWTP.
- Update on the Lower Coddle Creek Parallel Interceptor.

- Update on the Back Creek Parallel Interceptor.
- Update on the Master Plan / NPDES Permit Application.
- Update on the Wastewater Treatment Facilities Plan and Preliminary Engineering Report.
- Update on the Inflow and Infiltration Study.

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

PUBLIC COMMENTS

There were no public comments.

CLOSED SESSION

At 6:40 P.M., **Mr. Corley 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)(4) - to discuss matters relating to the location or expansion of industries or other businesses in the area served by the local body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. Ms. Parsley-Hubbard seconded the motion, and the Board approved by unanimous vote.**

At 7:21 P.M., **Mr. Donham made a motion to come out of the closed session. Mr. Hinnant seconded the motion, and the Board approved by unanimous vote.**

Next, at 7:21 P.M., **Ms. Parsley-Hubbard made a motion to adjourn. Mr. Mendoza seconded the motion, and the Board approved by unanimous vote.**

The meeting adjourned until the next scheduled meeting on May 21, 2025.