

WATER AND SEWER AUTHORITY OF CABARRUS COUNTY

July 16, 2025

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 Wednesday, July 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. Rob Donham

Mr. Josh Mendoza (via video conference)

Mr. Mike Legg

Ms. Jennifer Parsley-Hubbard

Mr. Jonathan Marshall

Mr. Bob Ritchie

Mr. Corley, Mr. Hinnant, and Mr. Holloway were unable to attend due to prior commitments.

Also present were Mr. Chad VonCannon, Executive Director; Ms. Shannon Kincaid, Executive Secretary/Secretary to the Board; Ms. Robin Moore, Deputy Executive Director/Administration; Ms. Wendi Heglar, Finance Director; Mr. Thomas Hahn, Engineering Director; Mr. Chris Carpenter, Wastewater Operations Director; Mr. James Sims, Wastewater Treatment Plant Operations Manager; Mr. Thomas Jakubisin, IT Manager; Ms. Erin Burris, Assistant Town Manager and Planning Director for the Town of Mt. Pleasant; and Mr. William Isenhour, Johnston, Allison & Hord, P.A. (“JAH”).

A quorum, consisting of five Board members attending in person, was not present at 5:00 P.M. when Chairman Legg called the meeting to order; therefore, no action was taken to adopt the Agenda for the July 16, 2025, Board meeting. Those present proceeded with the Oath of Office and Special Recognition portions of the meeting and had begun the Work Session when Ms. Parsley-Hubbard arrived at 5:05 P.M., thereby establishing a quorum. At 5:05 P.M., the Board proceeded with the Work Session and the remaining items of business requiring Board action.

OATHS OF OFFICE / ELECTION OF OFFICERS

Oaths of Office

Ms. Kincaid administered the Oath of Office to Mr. Bob Ritchie, a Cabarrus County appointee.

SPECIAL RECOGNITION

Recognition of the 28th Consecutive Certificate of Achievement for Excellence in Financial Reporting

Ms. Heglar presented the Board with the Certificate of Achievement for Excellence in Financial Reporting Award (the “Award”) from the Government of Finance Officers Association, noting that this is WSACC’s twenty-eighth consecutive year to receive the Award.

Ms. Heglar thanked the finance team for their hard work and contribution to making winning the Award possible.

WORK SESSION

Discussion as Necessary on the Wastewater Treatment Expansion Alternatives from the WSACC Facilities Plan

The Board held a work session during the regular Board meeting on July 16, 2025, to discuss Wastewater Treatment Expansion Alternatives (“Alternatives”) from the WSACC Facilities Plan.

Mr. VonCannon began the work session by reminding the Board that these sessions will be a regular agenda item moving forward. This will enable the Board to continue discussions while each jurisdiction assesses its future capacity needs to support growth within its jurisdiction. Additionally, it will provide WSACC with the information necessary to determine the amount of capacity required to construct to meet the needs of each jurisdiction in the future.

Mr. VonCannon stated that representatives of several member jurisdictions had contacted him following the June 18, 2025 Work Session, with the most common concerns during these discussions being: (1) three months is not enough time for their jurisdiction to analyze the volume of wastewater treatment capacity needed to take them through a 2040 planning horizon, and (2) they would like more information on the financial impacts the capacity will have on their jurisdictions.

Mr. VonCannon reminded the Board that Brown and Caldwell is currently working on the conceptual designs for the Rocky River Wastewater Treatment Plant (“RRRWWTP”), stating that these designs will not be completed until the end of the year or potentially in January 2026. Additionally, he reminded the Board of their previous discussions to expand the RRRWWTP from 34 million gallons per day (“MGD”) to 36 MGD, which cannot occur until the Phase 4 expansion is nearing completion and must be done before any construction begins to take the RRRWWTP beyond 36 MGD. Due to these factors, it is feasible for each member jurisdiction to provide WSACC with its volume of wastewater treatment capacity needed or desired, within an approximate 2040 planning horizon, by the end of 2025.

Next, Mr. VonCannon provided a hard copy of a Capital Cost Spreadsheet (“Spreadsheet”) to each Board member that he and Ms. Heglar had prepared. The Spreadsheet was created based on the 45 MGD Alternative at the RRRWWTP, using a capital cost of \$490 million to expand from 36 MGD to 45 MGD. The calculations showed that one (1) MGD of wastewater treatment capacity would cost approximately \$54.4 million. Mr. VonCannon noted that these numbers did not account for potential nutrient limits, which would inflate these numbers if the North Carolina Division of Environmental Quality were to impose the limits. Additionally, the Spreadsheet indicated the possible impact of the annual debt service to each member jurisdiction’s fixed rate costs per one (1) MGD of wastewater capacity, based on a twenty-five-year borrowing window at both three percent (3%) and five percent (5%) borrowing rates.

Following several brief discussions by the Board during the Work Session, the Board thanked Mr. VonCannon and Ms. Heglar for the Spreadsheet and expressed its appreciation for how helpful it would be during discussions with their respective jurisdictions.

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

GENERAL DISCUSSION

Updates from the Executive Director

Mr. VonCannon informed the Board that Aeration Basin 5 at the RRRWWTP was brought online the week before the Board meeting, well ahead of schedule, and is performing well. He noted that Aeration Basin 5 is the first of three existing basins to be upfitted and brought online during the Phase 4 expansion.

Next, Mr. VonCannon reminded the Board of the upcoming expiration of the Flow Acceptance Letter issued to the City of Concord for Phase 1 and Phase 2 of the Red Bull project for 584,000 gallons per day ("GPD"). Mr. VonCannon stated that he would like to have the Board's consensus concerning the issuance of an extension. Following a brief discussion by the Board, the Board unanimously agreed to issue a one-year extension of the Flow Acceptance Letter for Phase 1 and Phase 2 of the Red Bull Project for 584,000 GPD.

UNFINISHED BUSINESS

Request for Approval of the Minutes of June 18, 2025

Mr. Marshall made a motion to approve the minutes of June 18, 2025. Mr. Donham seconded the motion, and the Board approved by unanimous vote.

PUBLIC COMMENTS

There were no public comments.

CLOSED SESSION

At 5:21 P.M., Ms. Parsley-Hubbard 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. Mr. Ritchie seconded the motion, and the Board approved by unanimous vote.

At 5:23 P.M., Mr. Donham made a motion to come out of the closed session. Ms. Parsley-Hubbard seconded the motion, and the Board approved by unanimous vote.

Also, at 5:23 P.M., Mr. Marshall made a motion to adjourn. Mr. Donham seconded the motion, and the Board approved by unanimous vote.

The meeting adjourned until the next scheduled meeting on August 20, 2025.