

**WATER AND SEWER AUTHORITY OF CABARRUS COUNTY**

**MAY 21, 2026**

**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, May 21, 2026, 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. Alex Anderson  
Mr. Jeff Corley  
Ms. Jeanne Dixon  
Mr. Rob Donham  
Mr. Randy Holloway

Mr. Josh Mendoza  
Ms. Jennifer Parsley-Hubbard  
Mr. Ian Patrick  
Mr. Richard Wise

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. Mary Herington, Assistant Engineering Director; Mr. Chris Carpenter, Wastewater Operations Director; Mr. Thomas Jakubisin, IT Manager; Ms. Mayara Arnold, Utility Systems Engineer; and Mr. William Isenhour, Johnston, Allison & Hord, P.A.

**ADOPTION OF THE AGENDA**

Request for Adoption of the Agenda for the May 21, 2026 Board Meeting

**Mr. Wise made a motion to adopt the Revised Agenda for the May 21, 2026 Board meeting. Mr. Mendoza seconded the motion, and the Board approved by unanimous vote.**

**UNFINISHED BUSINESS**

Request for Approval of the Minutes of April 7, 2026, and April 16, 2026

**Mr. Donham made a motion to approve the minutes of April 7, 2026, and April 16, 2026. Ms. Dixon seconded the motion, and the Board approved by unanimous vote.**

**WORK SESSION**

Discussion as Necessary on the Proposed Fiscal Year 2026-2027 Budget

During the Board’s Work Session on May 21, 2026, the Board briefly discussed the Proposed FY27 Budget. Also discussed was the possibility of a budget workshop for the Board in January 2027 to facilitate discussion ahead of the 2027-2028 fiscal year budget presentation.

Consideration of the Adoption of the Fiscal Year 2026-2027 Budget Ordinance

**Mr. Wise made a motion to adopt the Fiscal Year 2026-2027 Budget Ordinance. Mr. Donham seconded the motion, and the Board approved by unanimous vote.**

The ordinance was approved as follows:

**Water and Sewer Authority of Cabarrus County  
BUDGET ORDINANCE  
For the Fiscal Year July 1, 2026 through June 30, 2027**

**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 21st day of May 2026, that the following fund revenues and departmental expenses, together with certain restrictions and authorizations, are adopted.

**SECTION I – GENERAL OPERATING FUND**

**A. Revenues totaling \$30,383,933 are hereby approved, comprised of the following components:**

Flow Operation and Maintenance	\$14,384,837
Fixed Shares – Treatment	10,605,592
Fixed Shares – Interceptor	1,034,002
Surcharges	893,200
Program, Sample & Lab Fees	308,362
Raw Water Charges – Lake Howell	830,254
Biosolids Disposal Tipping Charges	400,000
Septage Haulers' Fees	500,000
Retained Earnings	700,000
Investment Earnings	700,000
Other	27,686
Total Revenues	<u>\$30,383,933</u>

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

Wastewater Combined Operation and Maintenance:	
Treatment Rate/1,000 gallons	\$1.891
Treatment Fixed Share	\$10,605,592
Interceptor Fixed Share	\$1,034,002
Septage Hauler Rate/ gallon	\$0.07
Lake Howell Reservoir:	
Annual Charge for Permitted Capacity	\$830,254
City of Concord	\$682,386
City of Kannapolis	\$147,868

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

**Water and Sewer Authority of Cabarrus County  
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**C. Expenses totaling \$30,383,933 are hereby approved, comprised of the following program budgets:**

Administration	\$2,216,565
Engineering	1,168,799
Rocky River Regional Wastewater Treatment Plant	10,521,521
Laboratory	686,138
Pretreatment	451,651
Muddy Creek Wastewater Treatment Plant	374,701
Interceptors	2,116,169
Lake Howell Reservoir	830,254
Debt Service/Capital Outlay – Treatment	10,754,135
Debt Service/Capital Outlay – Interceptor	620,000
Non-departmental	644,000
Total Expenses	<u>\$30,383,933</u>

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

Performance Increases- Merit Range	Up to 4%
Cost of Living	2.7%
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  
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**B. The following fees have been established:**

<u>Meter Size in Inches</u>	<u>System Development 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, 2026**

Funds appropriated in the FY 2025-2026 Budget and encumbered on June 30, 2026, 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, 2026 through June 30, 2027**

**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**

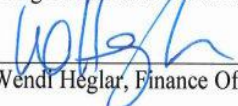
The Board of Directors authorizes the adoption of the General Operating Fund budget on the program budget level.

**Water and Sewer Authority of Cabarrus County  
BUDGET ORDINANCE  
For the Fiscal Year July 1, 2026 through June 30, 2027**

**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, 2026 through June 30, 2027 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.

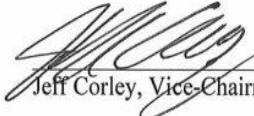
**THIS ORDINANCE IS HEREBY** approved and adopted this 21st day of May, 2026.



ATTEST:

  
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Shannon Kincaid, Secretary to the Board

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

  
\_\_\_\_\_  
Jeff Corley, Vice-Chairman

## **NEW BUSINESS**

### **Wastewater Meters and Rain Gauges Contract**

Mr. Hahn informed the Board that WSACC has thirty-one (31) permanent flow meters in the WSACC collection system, along with five (5) gauges, and effluent flow meters at both the Rocky River Regional Wastewater Treatment Plant (“RRRWWTP”) and the Muddy Creek Wastewater Treatment Plant (“MCWWTP”). Mr. Hahn stated that WSACC uses these meters to establish monthly billing for wastewater flows from each WSACC member jurisdiction and Charlotte Water. The meters, along with the millions of data points, are also used to monitor inflow and infiltration within WSACC’s system and played a key part in WSACC’s recent Inflow and Infiltration study. Mr. Hahn stated that WSACC uses a third-party firm for data collection and analysis, as well as the maintenance and operation of the meters, ensuring enhanced quality control of that data.

Mr. Hahn stated that WSACC advertised a Request for Qualifications (“RFQ”) and received three bids, with CHA Consulting, Inc. as the low bidder at \$226,992 per year, or \$18,916 per month. The contract will begin July 1, 2026, with funding being allocated from the FY 27 operating budget. Mr. Hahn requested the award of contract to CHA Consulting, Inc., stating that WSACC is confident in working with CHA Consulting, Inc., as they have handled this service for WSACC for over 20 years and already know WSACC’s system well.

**Mr. Holloway made a motion to approve the Award of Contract for Wastewater Meters and Rain Gauges to CHA Consulting, Inc., in the amount of \$226,992 per year. Ms. Parsley-Hubbard seconded the motion, and the Board approved by unanimous vote.**

### **WSACC Local Water Supply Plan**

Mr. Hahn informed the Board that WSACC has a State-required Local Water Supply Plan, as do its jurisdictions. NCDEQ requires annual reports to be submitted by the April 1<sup>st</sup> deadline each year. Mr. Hahn stated that WSACC manages two reservoirs, Lake Howell and Lake Concord. Although WSACC has very limited information on Lake Howell because it does not withdraw and treat water from Lake Howell as Concord and Kannapolis do, WSACC is required to report the information it does have.

NCDEQ approved the Local Water Supply Plan that WSACC submitted prior to the April 1, 2026 deadline. Upon approval, NCDEQ has required that the WSACC Board adopt a resolution to adopt the Local Water Supply Plan.

**Ms. Dixon made a motion to approve the Resolution adopting WSACC’s Local Water Supply Plan. Mr. Mendoza seconded the motion, and the Board approved by unanimous vote.**

The resolution was approved as follows:

**A RESOLUTION TO APPROVE THE LOCAL WATER SUPPLY PLAN**

WHEREAS, North Carolina General Statute 143-355 (l) requires that each unit of local government that provides public water service or that plans to provide public water service and each large community water system shall, either individually or together with other units of local government and large community water systems, prepare and submit a Local Water Supply Plan; and

WHEREAS, as required by the statute and in the interests of sound local planning, a Local Water Supply Plan for the Water and Sewer Authority of Cabarrus County, has been developed and submitted to the Board of Directors of the Water and Sewer Authority of Cabarrus County for approval; and

WHEREAS, the Board of Directors of the Water and Sewer Authority of Cabarrus County finds that the Local Water Supply Plan is in accordance with the provisions of North Carolina General Statute 143-355 (l) and that it will provide appropriate guidance for the future management of water supplies for Water and Sewer Authority of Cabarrus County, as well as useful information to the Department of Environmental Quality for the development of a state water supply plan as required by statute;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Water and Sewer Authority of Cabarrus County that the Local Water Supply Plan, dated May 21, 2026, is hereby approved and shall be submitted to the Department of Environmental Quality, Division of Water Resources; and

BE IT FURTHER RESOLVED that the Board of Directors of the Water and Sewer Authority of Cabarrus County intends that this plan shall be revised to reflect changes in relevant data and projections at least once every five years or as otherwise requested by the Department, in accordance with the statute and sound planning practice.

This the 21<sup>st</sup> day of May, 2026.



ATTEST:

Name: Jeff Corley

Title: Vice-Chairman

Signature: [Handwritten Signature]

Name: Shannon Kincaid

Title: Board Secretary

Signature: [Handwritten Signature]

**REPORTS**

**Wastewater Flow Acceptance Update**

Mr. Hahn presented a Wastewater Flow Acceptance Update to the Board, including a PowerPoint presentation, and summaries of recent plant flow trends, flow acceptance trends, and building permit trends. During the update, the Board had several discussions centered on the information provided.

Highlights of the presentation included:

- The residential developer-controlled capacity for Cabarrus County is approximately 5,128 dwelling units as of January 1, 2026, which are future residential connections that currently have approved flow acceptance.
- As of January 1, 2026, Cabarrus County’s current developer-controlled capacity at RRRWWTP is 2.056 MGD, of which 1.036 MGD is residential capacity and 1.020 MGD is commercial/industrial capacity.
- As of January 1, 2026, Charlotte Water’s developer-controlled capacity at RRRWWTP is 1.507 MGD.
- As of January 1, 2026, the developer-controlled capacity at MCWWTP is 17,400 GPD, of which 16,050 GPD is residential capacity, and 1,350 is commercial/industrial capacity.

- Approximately 47% of Cabarrus County residential projects approved in 2022 have not been completed as of January 1, 2026.
- At the 2025 Cabarrus County rate of 153 residential building permits and System Development Fees (“SDF”), it would take more than 33 months for the 5,128 currently approved residential connections to be completed.
- The actual average daily flow for 2025 at RRRWWTP was 21.64 million gallons per day (“MGD”). This equals 72.1% of Phase 3 capacity (30.0 MGD) and 63.6% of Phase 4 capacity (34.0 MGD).
- Through April 30, 2026, the year-to-date average flow at RRRWWTP is 19.56 MGD.
- The actual average daily flow for 2025 at MCWWTP was 186,000 gallons per day (“GPD”) and equals 62% of the MCWWTP's current permitted capacity of 300,000 GPD.

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

## **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 May 21, 2026, to discuss Wastewater Treatment Expansion Alternatives (“Alternatives”) from the WSACC Facilities Plan.

Mr. VonCannon reminded the Board of the agreed-upon June 2026 timeframe for each member jurisdiction to provide the preliminary numbers of its future capacity needs, relative to the capacity that may be required for future expansions at RRRWWTP. He emphasized that these preliminary numbers are not set in stone but will, from a planning standpoint, allow WSACC to begin to understand the order of magnitude of the need for a future expansion at RRRWWTP. Mr. VonCannon said he anticipates sending out, ahead of the next Board meeting, a significant amount of data regarding current and historical wastewater flows for Cabarrus County and Charlotte Water to facilitate open discussion on the Board’s path forward on future expansions at RRRWWTP.

The Board had lengthy discussions centered on the Board’s ability to allocate wastewater capacity for the Phase 4 Expansion to 34 MGD and future capacity expansions at RRRWWTP.

## **GENERAL DISCUSSION**

### **Updates from the Executive Director**

Mr. VonCannon informed the Board that WSACC has engaged Aqua Law to assist WSACC in its mission to request that NCDEQ remove the nutrient limit requirements for the 2 MGD re-rate at RRRWWTP, which would increase the plant’s capacity from 34 MGD to 36 MGD. Mr. VonCannon explained that the \$250 million investment in upgrades, while increasing the RRRWWTP’s capacity from 26 MGD to 34 MGD, has resulted in efficiencies that have reduced the concentration of nitrogen and phosphorus being discharged into the Rocky River from the RRRWWTP. As a result, a re-rate to 36 MGD would be good for the Rocky River. Mr. VonCannon stated that Aqua Law considered it entirely reasonable for WSACC to request that nutrient limits not be imposed on WSACC until future expansions beyond 36 MGD, although this would require approval from NCDEQ, which is unpredictable.

Next, Mr. VonCannon announced to the Board that RRRWWTP's cryogenic oxygen plant, which had been operating since the plant's construction in 1978, was shut down this week and replaced with a conventional blower setup, marking an exciting milestone for RRRWWTP. Mr. VonCannon went on to say that the conventional blower setup has resulted in some of the energy cost-savings WSACC has seen at RRRWWTP.

### **PUBLIC COMMENTS**

There were no public comments.

### **CLOSED SESSION**

**At 6:31 P.M., Mr. Mendoza 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. Wise seconded the motion, and the Board approved by unanimous vote.**

**At 6:32 P.M., Ms. Dixon made a motion to come out of the closed session. Mr. Wise seconded the motion, and the Board approved by unanimous vote.**

**At 6:33 P.M., Ms. Dixon made a motion to adjourn. Ms. Parsley-Hubbard seconded the motion, and the Board approved by unanimous vote.**

The meeting adjourned until the next scheduled meeting on Thursday, June 18, 2026.