



MOUNT PLEASANT

EST. 1859

NORTH CAROLINA

**Board of Commissioners
Town Board Meeting Minutes
Tuesday, November 12, 2024 at 6:00 P.M.**

Attendance: Mayor Tony Lapis
Mayor Pro-Tem/Commissioner Lori Furr
Commissioner Chris Carter
Commissioner Steven Dixon
Commissioner William Meadows
Commissioner Justin Simpson
Town Administrator Randy Holloway
Town Attorney John Scarbrough (phone)
Town Clerk Amy Schueneman

Also Present: Erin Burris, Crystal Smith, Ally Schueneman, Deputy TB Canaday, Pastor Nile Sandeen, Adam Kiker-LKC Engineering, Will Duke, and Rita Gilmore.

CALL TO ORDER

Mayor Tony Lapis called the meeting to order.

INVOCATION

Pastor Nile Sandeen of Holy Trinity Lutheran Church led the Board in prayer.

PLEDGE OF ALLEGIANCE

Mayor Lapis led the Pledge of Allegiance.

Mayor Lapis informed everyone that Town Attorney John Scarbrough was attending the meeting by phone since he was not feeling well.

1. Public Forum

No one spoke.

2. Conflict of Interest

The Mayor and Commissioners are asked at this time to reveal if they have a Conflict of Interest with any item on the Agenda in order to be recused for that item.

(No member shall be excused from voting except upon matters involving the consideration of the member's own financial interest or official conduct or on matters on which the member is prohibited from voting under G.S. 14-234 or 160D-109(a). NC State Statute 160A-75 and no public official shall knowingly participate in making or administering a contract, including the award of money in the form of a grant, loan, or other appropriation, with any nonprofit with which that public official is associated. NC State Statute 14-234.3)

No one had a conflict of interest.

TOWN OF MOUNT PLEASANT

An equal opportunity provider, employer, and lender.

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3. Approve Agenda

A motion to approve the Agenda as submitted was made by Commissioner Furr with a second by Commissioner Simpson. All Board Members were in favor. (5-0)

4. Consent Agenda

- A. Minutes October 14, 2024
- B. 2025 Holiday Schedule
- C. Amended FY23/24 Audit Contract with Tony Brewer

Commissioner Meadows made a motion to approve the Consent Agenda as submitted with a second by Commissioner Dixon. All Board Members were in favor. (5-0)

5. Staff Reports

- A. Town Manager-Randy Holloway
- B. Town Asst. Manager- Planning & Economic Development Director - Erin Burris
- C. Town Clerk/Finance Officer - Amy Schueneman
- D. Human Resources/Events- Crystal Smith
- E. Code Enforcement/Grant Writer- Jim Sells
- F. Public Works- Daniel Crowell
- G. Fire Department-Dustin Sneed
- H. Cabarrus County Sheriff's Department

6. Old Business *(flipped order of items since speaker for item B was attending)*

B. Receive update on the status of Water & Sewer Projects after the bid openings.

Randy Holloway introduced Adam Kiker from LKC Engineering and asked him to give updates on the Water & Sewer Projects. Mr. Kiker stated over the last 45 days bids have been opened for both projects. The funds to pay for these projects are from the State ARP Funds (total of \$12,811,000). The sewer project is titled the Lower Adams Creek Outfall, and it will provide a gravity sewer line following lower Adams Creek connecting to the pump station on the south side of Town following the creek to the North and Northwest. It will provide an opportunity for sewer service for a fairly large area that currently does not have available sewer service. It will also decommission two troublesome pump stations: Summer St. and Pasture Pump Stations. The water project is more complex and is mostly geared towards replacing and upsizing existing waterlines down Main St. from North Drive to Lee St. The old 6" waterline was installed in the 1930's will be replaced by a 12" line that will reduce leaks with costly repairs and improve fire flow throughout Town. The project also features new pipes along East Franklin and West Franklin that have exceeded life expectancy.

The two projects were conceived because of the funding available through the State. The scope of the project was responsive to the funding received. Based on current construction demands and material cost, budget shortfalls were expected. The funding received totaled \$12,811,000 and can be moved from one project to the other. Both the projects totaled \$16,555,572 leaving a shortfall of \$3,746,572. *(see the Post-Bid Budgets and Engineer's Recommendation to Award for each project in the Minute Book)* LKC Engineering is asking the Board to approve the award of both the water and sewer contracts contingent upon receiving the funding for the full amount. The Town would only execute the contracts once receiving the additional funding. In the event that the Town did not receive the additional funding needed to execute the full contracts, LKC and the Town would come together and reduce the scope of the work to meet the confines of the current amount of funding. The Resolutions to Award are what the funding agency requires to allow them to search for more possible funding for the projects.

There were two separate bids, one for each project: water and sewer. The sewer bids were very tight. Elite Infrastructure Group was the lowest bidder out of five bidders for the sewer project at \$4,921,715. LKC Engineering does not have experience with Elite Infrastructure Group, but has vetted them extensively over the last six weeks. They feel comfortable with them doing the job well. They are a new firm, but the owners have a strong history in the field and are hungry to make a name for themselves and build their reputation. They are currently working on a project for the Town of Monroe. The water project had three bidders and State Utility Contractors out of Monroe had the low bid and have a long history of doing good work in the area. The very nature of the project is challenging, and explains the large spread of bids which represents that. The low bid was \$9,177,750, next \$12,591,700, and finally \$15,774,550.

Randy Holloway stated that both low bidders gave the Town an extension of 30 days in writing to accept their bids while the Town works to get more funding. What the Board will be asked to do tonight is approve both Resolutions to Award contingent on funding being available. They will be sent to DEQ, which will see if there is additional funding they could release to the Town to cover the projects.

Erin Burris shared hopeful news with the Board. DEQ will hopefully be successful in helping the Town in identifying additional funding. A lot of the smaller jurisdictions that received money through ARPA aren't able to either complete their projects or did not use all the money they received. Towns are releasing the held funds back to DEQ. DEQ is then redistributing funds based on certain criteria they have. Our project should be viewed favorably since it is so far along, but we just don't know. So, Staff talked to the Town of Midland which has an ARPA project that was awarded \$5 million but only needed \$2 million and will be returning \$3 million back to DEQ. Midland said they would certainly support the \$3 million being shifted to us since we are in the same county. DEQ stated that it is something they could not do since they had to follow a particular process to award funds. Therefore, Town Staff met with Senator Newton's office and Town of Midland's Manager, Doug Paris, on a conference call today. Senator Newton will have his office try to get this on the agenda as a technical correction at the November short session next week. He is reasonably confident that they can get the \$3 million shifted from Midland's project to our projects. Between the two processes, hopefully we will receive all the necessary funds to complete both projects in their entirety, since all sections of the project are needed.

Mr. Holloway stated that Senator Newton expressed that this is the way things should be done, community helping community. It is not done often but will hopefully work out. With legislators supporting it, Senator Newton's Staff felt like it had a 75% chance of happening. It would still leave the Town short of \$700,000 but maybe DEQ will furnish that amount to complete the projects.

2 motions were made:

A motion to approve the Resolution for Award for the Lower Adams Creek Sewer Outfall for a total of \$4,921,715 contingent upon receipt of additional funding to provide for construction of the full project scope. In the event sufficient additional funding is not provided to capture the full project scope, the TOWN will amend its AWARD to Elite Infrastructure Group to a reduced scope and cost reflective of the actual funds available was made by Commissioner Simpson with a second by Commissioner Meadows. All Board Members were in favor. (5-0)

A motion to approve the Resolution for Award for the 2022 Water Distribution Improvements for a total of \$9,177,750 contingent upon receipt of additional funding to provide for construction of the full project scope. In the event sufficient additional funding is not provided to capture the full project scope, the TOWN will amend its AWARD to State Utility Contractors to a reduced scope and cost

reflective of the actual funds available was made by Commissioner Simpson with a second by Commissioner Meadows. All Board Members were in favor. (5-0)

Mr. Holloway stated that the sewer project will have a 5% contingency, and the water project will have a 10% contingency since it will be in the roadways and it is uncertain what the contractor will encounter during construction. He thanked Erin Burris for getting the meeting set up with Senator Newton's office today.

A. Receive an update by Town Manager on the current Water Treatment issues.

Mr. Holloway referred to the handout provided to the Board at the beginning of the meeting. *Handout is included in the Minute Book.* The Board is aware that these issues, elevated TTHM's and HAA5's, have been going on since July 2023. The Town contracted an engineering firm and was told it was no big deal just flush the system, and it would get better. After flushing approximately 5 million gallons, the test results still did not improve. The Town continued with that engineering firm for a while, but after instructing them that we only have \$1 million to work with to get back in compliance, that firm sent an engineering contract for \$359,000. It was for a \$3.5 million carbon filtration system and when questioned about why they would suggest something with such a high cost, they suggested the Town take out a loan. The Town can't afford to take out another loan at this time. The Town cut that firm loose and started working with The Wooten Company that employees our Town Engineer. NC DEQ has met with the Town and they gave some good suggestions on improvements.

Several things are happening with our system:

1. Because of the Town's fire rating, there is a lot of water in storage on-site at the Water Treatment Plant, the North Drive Tank, and the Foil Street tank totaling 900,000 gallons of which only 250,000 gallons are being used a day. Water is sitting in the tanks reacting to the chlorine treating the water.
2. The system is old and is designed to do up to a million gallons a day. The way the plant is currently operating, they are running wide open because we have one full-time operator and 2 part-time. To stay caught up they must run fast.
3. The filter media has not been changed since 2002. A company in Hickory bought the components of our system years ago and is working on a quote to change out the filter media and the settling plates. Money to make these repairs will come from the \$985,000 state grant originally issued for South Skyland waterlines. The State has agreed to transfer the money to the Water Treatment Plant improvements.
4. The way the plant is operated being closed on Wednesday and Sunday means the plant needs to run wide open with our current staffing.

Mr. Holloway is asking the Board to add another full-time position which will reduce the number of hours worked by the part-timers and allow them to truly work part-time to cover vacations, etc. Then, the plant would be able to stay open 7 days a week for 10 hours a day with two full-time operators. Staff would overlap one day a week for maintenance. As Brighton Park and Green Acres subdivisions start to be occupied, a new full-time operator would be required anyway. At some point in the future, the plant will have to operate on a 24/7 timetable.

The Cabarrus County School System took a step with an abundance of caution to issue bottled water for students to drink and for cooking. The School System contacted the Cabarrus Health Alliance and EPA about the water quality, and both said the water was safe to drink. They still chose to use bottled water. They jokingly asked the Town to pay for the bottled water and were told absolutely not it was not our decision. Local restaurants and residents are using the Town's water every day. Studies have shown that if a million people drank gallons of our water each day for 70

years, one *might* have a chance of getting cancer. The Town is trying to do the right thing without having to increase water rates.

A motion to approve the Resolution by Governing Body of Recipient for Project Number SRP-D-134-0004 was made by Commissioner Furr with a second by Commissioner Carter. All Board Members were in favor. (5-0)

A motion to approve a new full-time position at the Water Treatment Plant and Budget Amendment #8 addition of a WTP Full-time Employee was made by Commissioner Furr with a second by Commissioner Dixon. All Board Members were in favor. (5-0)

7. New Business

A. Discuss possibly changing the day of Town Board meetings.

Commissioner Furr stated that she has taken a position back at Cabarrus County Schools and she needs to attend their Board meetings that are at the same time as the Town of Mount Pleasant's Board meetings. She places high value on serving her community and if it would work for the rest of the Board, she would like to move the Town's meeting and it would be appreciated. Commissioner Carter agreed that it would make Mount Pleasant's meeting night different than others.

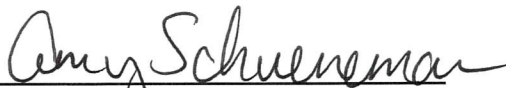
A motion to change the meeting night to Tuesday starting in January of 2025 was made by Commissioner Carter with a second by Commissioner Simpson. All were in favor. (5-0)

Commissioner Carter gave an update on the ABC Store: They have drawings and a contractor so they will be moving forward with moving to the White Owl building.

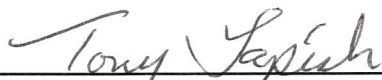
8. Adjournment

With nothing else to come before the Board, Commissioner Furr made a motion to adjourn. Commissioner Meadows seconded the motion. All Board Members were in favor. (5-0)

By our signatures, the following minutes were approved as submitted on Monday, December 9, 2024 in the Regular Meeting.



Town Clerk Amy Schueneman



Mayor Tony Lapish

