

MINUTES OF REGULAR MEETING OF COMMISSIONERS
OF LANCASTER COUNTY WATER & SEWER DISTRICT

A regular meeting of the Board of Commissioners of Lancaster County Water & Sewer District (LCWSD) was held at Lancaster County Water & Sewer District's Administrative Office in the Conference Center Board Room at 6:30 p.m., on Tuesday, November 21, 2023, after due notice of the time, place, and purpose of such meeting.

Members Present: Gerald White, Doc Steele, Robert Barr, Jimmy Deaton, Larry Hammond, Robert Harris, Stephen White, and RJ Clyburn.

Members Absent: Mike Williams

In addition, there were present: Brad Bucy, District Manager; Wes Carter, Operations Manager; Margaret Flow, Business Manager; Kerri Mackey, Finance Director; Jim Sheedy and Susan Driscoll, District Legal Counsel.

Gerald White called the meeting to order at 6:32 p.m. and chaired the meeting.

Approval of Minutes

Gerald asked if there were any questions about or proposed changes to the October 10, 2023 Commission Meeting Minutes. Hearing none, he then asked for a motion to approve the October Meeting Minutes. Robert Barr made a motion to approve. Larry Hammond seconded. All approved.

Review of Internal Controls Associated with Auditor's Recommendations

Commissioners were previously provided with, and given the opportunity to review, hard copies of the Audited Financial Statements for the Year Ended June 30th, 2023. No comments were received from Commissioners prior to October 31, 2023. The Commissioners had no further comments related to the Audited Financial Statements for the Year Ended June 30th, 2023, at the meeting.

The Auditor provided LCWSD with some standard recommendations to consider. Margaret Flow reviewed with the Board how LCWSD currently addresses the Auditor's recommendations including fraud controls, cyber security controls, and timely reporting of financial data to the Board of Commissioners. Kerri Mackey and Margaret Flow provided the Board with a presentation covering LCWSD's existing programs. There was general discussion. This was for informational purposes only.

Approval of DBIA Agreement with MR Systems for CRWSP SCADA and Task Order 2019-6 Amendment 1 (Exhibit F) for HDR Owner's Representative Services

MR Systems was selected under a Request for Qualifications to perform design and construction services for SCADA Upgrades at CRWSP under a design builder contract. LCWSD and UC have been working with HDR Engineering to serve as the Owner's Program Manager. LCWSD and UC staff and legal have been reviewing DBIA standard conditions and scope of work. Phase

1 of the Design and Construction Services will include overall project scoping, design services through a 30% submittal package and design completion of a 60% submittal package and delivery of a Guaranteed Maximum Price (GMP) and schedule for Phase 2. MR's proposed fee for Phase 1 is \$423,000. The overall budget for Phases 1 and 2 is \$3,000,000, with all costs to be split 50 / 50 between LCWSD and Union County, NC. In addition, HDR Engineering has submitted its Task Order 2019-6 Amendment 1 totaling \$145,802 for services including project administration, design coordination, and reviews as the Owner's Program Manager.

Robert Harris made a motion to approve MR Systems Phase 1 Services for the CRWSP SCADA Improvement Project in the amount of \$423,000, with LCWSD being responsible for 50%. This approval was conditional subject to Union County's approval and final management and legal reviews of any Union County revisions which are not substantive. RJ Clyburn seconded. All approved.

Robert Harris made a motion to approve HDR Engineering Task Order 2019-6 Amendment 1 totaling \$145,802 for the CRWSP SCADA Improvement Project, with LCWSD being responsible for 50%. This approval was conditional subject to Union County's approval and final management and legal reviews of any Union County revisions which are not substantive. Doc Steele seconded. All approved.

Approval of Stateline Memorandum of Understanding for State Line Tank Site

LCWSD will be bidding and constructing a new one (1) million gallon State Line Elevated Tank to be located at an existing site purchased adjacent to Harrisburg Road across from the entrance to Avondale. The new tank will be complete in approximately two years and the existing tank will need to be demolished. The adjacent property owner, 521, LLC (521) has an interest in purchasing the existing 0.25 acre tank site and LCWSD has a mutual interest in acquiring a temporary construction easement from 521's existing property to reduce costs and convenience associated with the demolition of the existing elevated tank. Both LCWSD and 521 performed appraisals of the site and reviewed comparable ground leases in the area. A Memorandum of Understanding was presented to the Board for the temporary construction easement and future sale of the existing tank site.

Robert Barr made a motion to approve the sale of the State Line Tank site to 521, LLC in accordance with the attached Memorandum of Understanding. Stephen White seconded. All approved.

Approval of Sale of Decommissioned McMillan Park Pump Station Site

Continental Tire approached LCWSD about purchasing the site of the decommissioned McMillan Park Pump Station. This sewer pump station was previously eliminated and connected to the Middle Sugar Creek Pump Station. The pump station site is 0.13 acres and LCWSD will need to retain a sewer line easement of approximately 0.03 ac. Staff presented a comparison of recent sales in the McMillan Park area and a proposed sale price of \$11,989 which included an estimated \$2,500 worth of costs associated with surveys and recordings.

Stephen White made a motion to approve legal to prepare a Purchase of Sale Agreement and for LCWSD to sell the decommissioned McMillan Park Pump Station Site to Continental Tire in the amount of \$11,989. Larry Hammond seconded. All approved.

Approval of Easements in Support of Gallo and Catawba Ridge Projects

The implementation of the Economic Development Administration (EDA) Wastewater Improvements Project in Lancaster County to support Gallo will require a 0.203 acre easement from Katawba Valley Land Trust (KVLT) and a 0.341 acre easement from property currently owned by Springs Global.

With regards to the KVLT property, staff has also identified an additional 7.98 acres of easement needed from KVLT to support existing and future development-driven wastewater infrastructure from the Catawba Ridge area. Staff presented a comparison of tax values and an adjacent property appraisal to arrive at a proposed compensation of \$33,860 for the combined 8.183 acres of easement from KVLT.

Robert Harris made a motion to approve compensation to KVLT totaling \$33,860 for 8.183 acres of easement required to complete the proposed Gallo project and easement for future Catawba Ridge development-driven projects. RJ Clyburn seconded. All approved.

The Springs Global easement is complicated because the property is currently under contract to a third party for purchase. The purchase date is currently not definitive. Staff has discussed the need for the easement with both parties and the desire to convey the easement appears consensual among all three parties. The value of the easement is proposed as the per acre sales price for the subject property, or approximately \$15,400 / acre. There is a need to move the project forward with a timely acquisition of the property in compliance with EDA site certifications.

Larry Hammond made a motion to approve legal and staff to prepare and execute a three-way agreement with Springs Global and the buyer of the Springs Global property to include compensation terms to allow LCWSD, the project engineer, and legal to sign off on site certifications required by the EDA related to the Gallo project. In the event a suitable agreement cannot be reached, LCWSD will utilize eminent domain as needed to move forward with the property acquisition. Doc Steele seconded. All approved.

Approval of Cintas Clothing Agreement

Brad turned the meeting over to Wes Carter to provide an information summary about employee uniforms. Wes reviewed the estimated costs. The costs were comparable to the existing fees with Chester Rental and the costs during the proposed five (5) year agreement are less than LCWSD's small purchase threshold of \$150,000. Wes indicated LCWSD has experienced long repair times and delays in clothing new personnel and receiving size adjustments. There is a desire for a more consistent look, a higher level of performance, and more flexible and breathable materials. Wes received positive reference feedback on Cintas from the City of Lancaster and Lancaster County Natural Gas Authority.

Jimmy Deaton made a motion to approve staff to enter into Agreements with Cintas for Clothing rental and cleaning. The approval was conditional subject to management and legal review of the final agreements; if Cintas is unwilling to revise the Agreements as requested, LCWSD may still enter into the Agreements given the contracted amount is small on an annual basis. Doc Steele seconded. All approved.

There was no Executive Session.

Adjourn

Robert Barr made a motion to adjourn at 7:56 p.m. Doc Steele seconded. All approved.



Robert Barr, Secretary