CITY COUNCIL
AGENDA
KANNAPOLIS CITY HALL
401 LAUREATE WAY, KANNAPOLIS, NC
JULY 27, 2026
6:00 PM

Please Turn off Cell Phones or Place on Silent Mode.

CALL TO ORDER AND WELCOME

PLEDGE OF ALLEGIANCE

ADOPTION OF AGENDA - Motion to Adopt Agenda or make revisions

PROCLAMATIONS AND RECOGNITIONS

A. **OATH OF OFFICE** - Ceremonial Swearing-in of Police Officers (Chris Hill, Deputy Chief)

SPEAKERS FROM THE FLOOR

CONSENT AGENDA - Motion to Adopt Consent Agenda or make revisions

A. **ORDINANCE** - Budget Amendment #27-04 for acceptance of additional HOME Funds from Cabarrus-Iredell-Rowan HOME Consortium (Sherry Gordon, Community Development Program Administrator)

B. **ORDINANCE:** Budget Amendment #27-05 for funds transfer from General Fund to HOM23 (Sherry Gordon, Community Development Program Administrator)

C. **REPORT** - Monthly Wastewater Allocations Report and Call for Projects (Alex Anderson, Director of Water Resources)

D. **MINUTES** - July 13, 2026 (Pam Scaggs, City Clerk)

BUSINESS AGENDA

A. **MOTION -** Water and Sewer Capital Improvement Plan (CIP) for Fiscal Year 2027 through 2036 (Alex Anderson, Director of Water Resources, Kristin Jones, Assistant City Manager)

B. **PRESENTATION** - System Development Fee (SDF) Analysis (Alex Anderson, Director of Water Resources, Kristin Jones, Assistant City Manager, Brian Roberts, Finance Director)

CITY MANAGER REPORT

CITY COUNCIL COMMENTS

MOTION TO ADJOURN

ADA Notice

In accordance with Title II of the Americans with Disabilities Act (ADA), any person requiring an accommodation to participate in a function or program of the City of Kannapolis should contact Daniel Jenkins, Assistant Human Resources Director & ADA Coordinator by phone at 704-920-4312, email adacoordinator@kannapolisnc.gov, or in person at Kannapolis City Hall as soon as possible, but not later than forty-eight (48) hours prior.

CITY OF KANNAPOLIS
CITY COUNCIL MEETING MINUTES
July 27, 2026

A meeting of the Kannapolis City Council was held on Monday, July 27, 2026, at 6:00 PM, Kannapolis City Hall located at 401 Laureate Way, Kannapolis, NC.

CITY COUNCIL MEMBERS PRESENT:

Council Members:	Doug Wilson, Mayor	
	Ryan Dayvault, Mayor Pro Tem	
	Darrell Jackson	
	Dianne Berry	
	Isaiah Payne	
	Jeanne Dixon	
	Naomi Hatchell	
Council Members Absent:	None	
City Manager:	Wilmer Melton	
Assistant City Manager:	Kristin Jones	
City Attorney:	Andrew Kelly	
Staff Present:	Richard Smith	Alex Anderson
	Betsy Barnette	Annette Privette-Keller
	Kirk Beard	Chris Hill
	Terry Spry	Elijah Andrus
	Kevin Alas	Timothy Bell
	Orlando Edwards	Chance Morris
	Brian Roberts	Tony Eury
	David Jordan	Gerald Faulkner
	Sherry Gordon	
Visitors Present:	Joe Hatley	Sara Newell
	Rebecca Lorris	Chuck Lorris
	Heather Puckett	Haley Grubbs
	Brian Duncan	Pam Smith
	Chris Puckett	Estafania Orduro
	Maureen Walker	Zach Erwin
	Jasmine Ashe	Phil Goodman
	Stefan Perrine	Mark Spitzer
	Demetra Grigley	Ashley Davidson
	Ashley Dickerson	Tothisha Phelps
	Carlee Phelps	Keith Stevenson

CALL TO ORDER AND WELCOME

Mayor Wilson called the meeting to order and welcomed all in attendance.

PLEDGE OF ALLEGIANCE

Council Member Jackson led the Pledge of Allegiance.

Mayor Wilson recognized and welcomed Cabarrus County Commissioner Laura Lindsey and Kannapolis City Schools Superintendent Dr. Sara Newell.

ADOPTION OF AGENDA

Mayor Wilson called for a motion regarding the Agenda. Council Member Dixon made the motion to approve, second by Mayor Pro Tem Dayvault and the motion unanimously approved.

RECOGNITION AND PROCLAMATIONS

Deputy Chief Hill provided a brief overview of the Basic Law Enforcement Training (BLET) program and introduced four officers who recently completed the training. He noted that the officers are currently participating in the department's 21-week field training program before becoming fully certified. Deputy Chief Hill then invited them to come forward to be ceremonially sworn into office by City Clerk Pam Scaggs.

Elijah Andrus, Timothy Bell, Orlando Edwards, and Chance Morris were ceremonially sworn into office.

SPEAKERS FROM THE FLOOR

Zach Erwin continued his remarks from a prior meeting regarding Senate Bill 876 and its impact on local elections. He focused specifically on a provision he described as requiring unaffiliated candidates to obtain petition signatures, approximately 1,000 signatures, in order to appear on the ballot, a requirement he argued would not apply equally to candidates running under a party affiliation. Mr. Erwin contended that this provision creates an uneven playing field, discourages independent candidacies, and runs counter to the principles of free and fair elections, as gathering such signatures requires both time and financial resources. He directed his remarks in part toward council members whom he understood to have endorsed the bill.

Stefan Perrine owner of Old Armored Beer Company in downtown Kannapolis, commended the Kannapolis Police Department for its proactive response to a credible threat of a planned takeover event in the downtown area on July 24th and 25th. He stated that the department's planning, visible presence, and communication with business owners ensured that downtown remained safe and orderly. Mr. Perrin specifically recognized Lieutenant Justin Smith for his calm leadership and execution of the operational plan, as well as Lieutenant Kiser for developing the plan. He closed by thanking all officers who worked additional shifts during the weekend, noting that too often law enforcement is only discussed when things go wrong, and that this occasion warranted public recognition for a job well done.

Jasmine Ashe expressed concern regarding recurring flooding at her property over the past two and a half years. She described conditions in which even brief rainstorms cause her yard to be surrounded by water flowing from multiple directions. She stated that approximately two weeks prior, approximately four inches of water entered her home during a two-hour rain event, resulting in a total loss and requiring the fire department to rescue her family. Ms. Ash indicated that she and her neighbors had invested in drainage improvements including waterproofing and french drains, had filed multiple reports with the City, and had received responses that characterized the issue as a private matter. She called on Council to fully investigate the drainage infrastructure and permanently remediate the problem.

Phil Goodman offered personal remarks affirming his confidence in current City leadership. He reflected on what he characterized as approximately twelve years of poor leadership and difficult conditions in the city and expressed his belief that the present leadership is working diligently, transparently, and with a long-term perspective to correct those conditions. He commended Council for their hard work and time away from their families.

Totisha Phelps, owner of Lock and Key Transitional Wellness, thanked the Mayor, Council and City staff for their support.

Ashley Dickerson reiterated Ms. Ash's concerns, stating that her own property and neighboring residents have experienced storm drainage issues. She described her home as being located where a large inlet pipe collecting runoff from Cannon Boulevard feeds into a significantly smaller outlet pipe and suspected that it creates a bottleneck that results in flooding across surrounding properties. She stated that while city officials had been responsive and compassionate, the consistent answer had been that the matter was a private property issue. Ms. Dickerson maintained that the volume of water, describing it as equivalent to a roaring river, was beyond the capacity of any individual homeowner to manage, and asked Council to take a closer look at the existing infrastructure, which she noted was inadequate.

Keith Stevenson affirmed the flooding accounts of his neighbors, noting that some long-term residents had become so accustomed to the flooding that they use a boat to travel from their front door to their mailbox. He urged Council to investigate Brookdale Street before a more severe storm causes catastrophic damage.

Mark Spitzer commented that he agrees with Mr. Erwin and Mr. Perrin. On the Senate Bill 876 matter, he suggested that if unaffiliated candidates are required to gather petition signatures, the same requirement should be extended to candidates running under a party label and asked Council to write to the state legislature to advocate for that equitable standard. Regarding the downtown policing effort, Mr. Spitzer remarked that the community's trust in the Police Department was what made the heavy law enforcement presence effective and peaceful, and offered his thanks to Police Chief Spry and the entire department.

CONSENT AGENDA

Mayor Wilson called for a motion regarding the Consent Agenda. Council Member Berry made the motion to approve, second by Council Member Hatchell and the motion carried unanimously.

ORDINANCE – Budget Amendment #27-04 for acceptance of additional HOME funds from Cabarrus-Iredell-Rowan Consortium (Sherry Gordon, Community Development Program Administrator) (Copy included as Agenda Item F.A.)

ORDINANCE- Budget Amendment #27-05 for funds transfer from General Fund to HOM23 (Sherry Gordon, Community Development Program Administrator) (Copy included as Agenda Item. F.B.)

REPORT – Monthly Wastewater Allocations Report and Call for Projects (Alex Anderson, Director of Water Resources) (Copy included as Agenda Item F.C.)

MINUTES – July 13, 2026 (Pam Scaggs, City Clerk) (Draft copy included)

BUSINESS AGENDA

MOTION – Water and Sewer Capital Improvement Plan (CIP) for Fiscal Year 2027 through 2036 (Alex Anderson, Director of Water Resources; Kristin Jones, Assistant City Manager) (Copy included as Agenda Item G.A.)

Mr. Anderson presented the final Water and Sewer Capital Improvement Plan (CIP) for fiscal years 2027 through 2036. He described the CIP as the city's ten-year planning framework for water and wastewater infrastructure, grounded in the City's 2030 Comprehensive Plan and informed by projected population growth and the age of existing infrastructure. Mr. Anderson emphasized that the CIP is a planning document only, no rate actions or appropriations were being requested at this meeting, as water and sewer rates to begin funding the identified projects were already adopted as part of the FY27 budget.

Mr. Anderson outlined projected water demands growing from 8.5 million gallons per day by 2030 to over 10 million gallons per day by 2040, with wastewater demands similarly increasing from approximately 7 million to 9 million gallons per day over the same period. Key water projects in the plan include connections to Charlotte Water and Salisbury Water for supply resilience, several internal waterline connectivity projects, treatment plant improvements, and a replacement waterline associated with the NCDOT Lane Street Bridge replacement project. Key sewer projects include rehabilitation and upsizing of existing conveyance infrastructure in several neighborhood basins; a potential new wastewater treatment plant; an interconnection to Rowan utilities in Salisbury for treatment capacity; ongoing lift station maintenance; and annual sewer inspection and rehabilitation. Two pump stations, Brantley and Midlake, were identified as "watch list" items, not immediately needed but potentially required within the planning horizon. The total projected capital investment over ten years is approximately $188 million. Mr. Anderson noted that the City is actively pursuing federal and state grant funding to offset these costs.

Council Member Jackson asked about the status of the joint Landis wastewater treatment plant and the Salisbury interconnection. Mr. Anderson confirmed that the City is actively engaging the state to work through the environmental permitting process for the new discharge permit and reiterated that staff is actively pursuing grant funding.

Mayor Wilson asked for a motion regarding the CIP. Mayor Pro Tem Dayvault made the motion to accept the Fiscal Year 2027 through 2036 Water and Sewer Capital Improvement Plan, send by Council Member Dixon and the motion unanimously approved.

PRESENTATION – Sewer Development Fee (SDF) Analysis (Alex Anderson, Director of Water Resources; Kristin Jones, Assistant City Manager; Brian Roberts, Finance Director) (Copy included as Agenda Item G.B.)

Ms. Jones presented an overview of the System Development Fee (SDF) analysis process. She explained that SDFs are one-time charges assessed to new water and wastewater customers, developers, or builders to recover a proportional share of capital costs incurred to provide service capacity for new growth, thereby protecting existing ratepayers from shouldering the cost of system expansion. She noted that the City is statutorily required under General Statute Chapter 162A, Article 8 to conduct an updated SDF analysis at least every five years.

The City's consultant, Willdan Financial Services, performed the analysis by utilizing the CIP just presented, and employed generally accepted accounting, engineering, and planning methodologies including the buy-in method, the incremental/marginal cost method, and a combined approach. Ms. Jones stated that while no action is currently required by Council, the full SDF study will be posted to the City's website by July 28, 2026, for a minimum 45-day public comment period and that Willdan will then present the full study and its findings at the September 14, 2026 Council meeting, at which a public hearing will also be held to receive public comment. She stated that staff will recommend Council adopt the revised SDF fees at that same meeting, which would subsequently require an update to the fee schedule adopted with the FY27 budget.

CITY MANAGER REPORT

City Manager Wilmer Melton thanked the police and fire departments for their work over the weekend of July 24–25, noting that their communication with businesses and regular briefings to city leadership resulted in a busy but safe and uneventful weekend downtown. Project updates included the Rogers Lake Intersection Improvements, which are awaiting funding and agreements; the Martin Luther King road improvements, which are expected to be completed before the start of school; and the City's largest-ever street resurfacing program, covering 36 streets over approximately 11 months. The Little Texas Road sidewalk project continues with property acquisition, while Bethpage Road right-of-way acquisition and Midlake Road engineering are moving forward. The Martin Luther King Road bridge is expected to be completed by the end of the year or early next year, the Corrine Cannon project at Highway 3 will be completed this week, and the Rogers Lake Bridge is now open. Development updates included the Harris Teeter-anchored project, with retail expected in late 2027 and residential construction in mid-2028, as well as the opening of 200 Main and Cannon Baller Way.

CITY COUNCIL COMMENTS

Mayor Pro Tem Dayvault requested that staff provide more detailed information on the Brookdale Street drainage situation, specifically regarding the history of the creek that was reportedly filled in and the size discrepancy between the inlet and outlet pipes. Mr. Melton confirmed that staff, including the relevant public works personnel, would follow up with that information. Mayor Pro Tem Dayvault also expressed concern regarding the condition of crepe myrtle trees along the Cannon Boulevard median, noting that NCDOT mows the corridor only once or twice per year and that previously damaged trees have regenerated as low-growing shrubs that obstruct sightlines for motorists. He suggested the City develop a more comprehensive tree replacement plan for areas under city control, and Mr. Melton responded that he had already raised the issue with the Director of Public Works and would continue to address it.

Council Member Jackson stated that he had been downtown on Friday and Saturday evening and commended the Police Department's handling of the weekend and suggested the City explore establishing a more permanent downtown monitoring and security presence, including the possible use of cameras or other surveillance tools, to maintain the safety and investment that has been made in the downtown district, as well as implementation of a curfew.

Council Member Hatchell echoed others and thanked the police and fire departments, as well as the downtown businesses for the exceptional job they did over the weekend. She also thanked the Mayor and city staff for the opportunity to attend several events that included a career summit held earlier in the month and an education summit hosted by the Cabarrus Chamber of Commerce, at which Kannapolis City Schools Superintendent Dr. Newell spoke. She noted that childcare availability was identified at the summit as a potential barrier to workforce participation and encouraged Council members and residents to visit the City's schools.

Mayor Wilson reminded everyone that it has been an especially hot summer and encouraged residents to take precautions to protect their pets and other animals from extreme heat. He urged pet owners to bring animals indoors or provide adequate shade, fresh water, and appropriate shelter during periods of high temperatures. Mayor Wilson also encouraged residents to remain vigilant and report situations where animals may be left outside in unsafe conditions, emphasizing the importance of looking out for the well-being of animals throughout the community.

MOTION TO ADJOURN
There being no further business, Council Member Dixon made the motion to adjourn, second by Mayor Pro Tem Dayvault, and the motion was unanimously approved.

The meeting adjourned at 6:57 P.M. on Monday, July 27, 2026.

George Douglas Wilson, Mayor
City of Kannapolis

Pam Scaggs, CMC, NCCMC
City Clerk

Agenda Item: G.A

Kannapolis City Council

City Council Agenda Staff Report
July 27, 2026

To: Mayor and City Council

From: Sherry Gordon, Community Development Program Administrator

Subject: **ORDINANCE** - Budget Amendment #27-04 for acceptance of additional HOME Funds from Cabarrus-Iredell-Rowan HOME Consortium **UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

Motion to approve Ordinance for Budget Amendment #27-04 for acceptance of Additional HOME Funds from Cabarrus-Iredell-Rowan Consortium.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

Rowan County is unable to spend its share of 2018 HOME funds so those funds are being returned to the Consortium and need to be spent by Sept 1. Kannapolis is able to use these funds for transitional housing acquisition; our portion of additional funding would be $77,192.20.

Fiscal Implications

A budget amendment is needed to budget the revenue and expenses.

Alternate Courses of Action

1. Table action to a future meeting.
2. Take no action.

Attachments

1. 2026-36 Ordinance for BA #27-04 Home Grant Fund 750 HM19A

ORDINANCE #2026-36

ORDINANCE FOR A BUDGET AMENDMENT
HOME CONSORTIUM GRANT PROGRAM PROJECT
FY 2026-2027 (BA #27-04)

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Grant Project Budget Ordinance is hereby adopted:

Section 1. The project authorized is the Cabarrus/Iredell/Rowan HOME Consortium Program and the U.S. Department of Housing and Urban Development (HUD). This project is more familiarly known as the 2018-2019 Consortium Home Program.

Section 2. The City Manager is hereby directed to proceed with the Project with the North Carolina General Statutes, the terms of the Grant document(s), the rules and regulations of HUD, and the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete this project:

75000-33300-HM19A: HOME Program Grant	$77,192
Total Revenues:	**$77,192**

Section 4. The following amount is appropriated for the project:

75000-51960-HM19A: Transitional Housing	$77,192
Total Expenditures:	**$77,192**

Section 5. The Finance Officer is hereby directed to maintain within the Grant Project sufficient specific detailed accounting records to provide for accounting to the City Council grantor agency required by the Grant Agreement(s) and federal and state regulations.

Section 6. The Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on total grant revenues received or claimed.

Section 7. The Finance Officer is directed to include a detailed analysis of past and future costs and revenues on this project in every budget submission presented to City Council.

Section 8. The City Manager is hereby authorized to transfer funds from one line item to another line item without further approval by the City Council.

Section 9. Copies of this Grant Project Budget Ordinance shall be made available to the Finance Officer for direction in carrying out this project.

This Ordinance is approved and adopted this 27th day of July 2026.

George Douglas Wilson, Mayor
City of Kannapolis

ATTEST:

Pam Scaggs, CMC, NCCMC
City Clerk

Agenda Item: G.B

Kannapolis City Council

City Council Agenda Staff Report
July 27, 2026

To: Mayor and City Council

From: Sherry Gordon, Community Development Program Administrator

Subject: **ORDINANCE:** Budget Amendment #27-05 for funds transfer from General Fund to HOM23 **UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

Motion to approve Ordinance for Budget Amendment #27-05 for transfer from General Ledger to HOM23.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

There is a stranded cost of $795 in HOM23 from a lead paint inspection on a house that never proceeded to become a HOME rehab project, which means that the City does not get reimbursed for this as a project cost from the HOME program. This cost was recorded in FY2025 and because that year has been audited, the Finance Dept. is unable to move the expense to a different account. A transfer from General Fund is necessary to keep the account in balance.

Fiscal Implications

A budget amendment is needed to debit $795 from the General Fund into a HOME account.

Alternate Courses of Action

1. Table action to a future meeting.
2. Take no action.

Attachments

1. 2026-37 Ordinance for BA 27-05 Transfer to Fund 750 HOM23

ORDINANCE #2026-37

ORDINANCE AMENDING BUDGET
HOM23 STRANDED COST FY 2026-2027
BA #27-05

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this 27th day of July 2026, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2026, and ending June 30, 2027, is hereby adopted:

Description: This budget amendment appropriates funding for Home Program stranded costs of $795.00.

SECTION I – GENERAL FUND

Revenue:	Increase: Fund Balance Appropriated Revenue: 19900-39900	$795.00
Expenditure:	Increase: Transfer to Other Funds Expenditure: 19000-57150	$795.00

SECTION II – COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Revenue:	Increase: Transfer from General Fund Revenue: 75000-39200-HOM23	$795.00
Expenditure:	Increase: Rehabilitation Expenses Expenditure: 75000-51950-HOM23	$795.00

This ordinance is approved and adopted on this 27th day of July 2026.

George Douglas Wilson, Mayor
City of Kannapolis

ATTEST:

Pam Scaggs

Pam Scaggs, CMC, NCCMC
City Clerk

Agenda Item: G.C

Kannapolis City Council

City Council Agenda Staff Report
July 27, 2026

To: Mayor and City Council

From: Alex Anderson, Director of Water Resources

Subject: **REPORT** - Monthly Wastewater Allocations Report and Call for Projects

Recommended Action Requested by City Council

Motion to receive the report.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

This monthly wastewater allocations update is in response to several City Council members' request regarding an update on projects and current wastewater capacity. This update also captures all known and allocated projects through our 2027 projected allocation and captures wastewater allocation for all approved development agreements.

City Council's authorization is necessary for staff to issue a call for projects. The City did not distribute all previously set aside wastewater allocation for non-residential infill in 2025 due to a lack of applicants. Per our wastewater allocation policy, the City periodically reviews our wastewater allocation status and recommends calls for projects. Staff has reviewed the current allocations available and determined that a call for projects for non-residential infill development is warranted, if Council so sees fit. All staff reviewed and approved projects requiring allocation of more than 600 gallons per day or greater will be brought back before City Council for final approval and/or a development agreement.

This issuance of a call for projects does not obligate City Council to approve or decline any agreement, it simply authorizes staff to advertise and review submitted projects. If approved by Council, the call for projects would be issued in August or September 2026.

Furthermore, recent WSACC distribution #14 has released additional sewer capacity. This allows staff to engage waitlist project(s) for possible consideration per section IV. D of the Wastewater Allocations Policy. Prior to considering approval of an Allocation Permit for a project on the wait list, the City Planning Department shall review the project plan and re-affirm and/or update the scoring matrix results based on any changes that may have been made to the project. This potential for assigning additional allocation will only occur once every six (6) months after receiving updated capacity reports from WSACC. If this action is approved, Planning Department Staff will be authorized to engage waitlist projects for status update and consideration.

Fiscal Implications

None.

Alternate Courses of Action

1. Table to a future meeting.

2. Take no action.

Attachments

1. 2026 07 Update

City of Kannapolis
Monthly Wastewater Allocations Update
July 2026

Summary of Available WSACC Sewer Allocation for Kannapolis: 950,514

Total Restricted and Previously Committed Reserves: 986,149

WSACC Distributions this month: 0

Pending Projects Approved by Policy: 0

Remaining Non-Restricted Reserves: 947,465

Summary Remaining for post-2027 Sewer Allocation: 279,866 (approximately)

Pending Projects under Review:

- The commercial project at HWY 73 and Odell School Road is under review and nearing submission of a Development Agreement for City Council Consideration.

  Staff will issue a one-year reservation letter of sewer capacity, contingent of a final adopted Development Agreement. This future approval is solely at City Council's discretion, and this one-year reservation letter is non-binding.

- Cabarrus County Schools has informed staff that they are considering the construction of a new elementary school in the northwest service area. This school would need sewer capacity, which is likely to be between 10,000 and 15,000 GPD out of the 2027 allocation.

- Staff has finalized all reviews of submittals for the recent call for non-residential projects. All projects have been approved by the Wastewater Allocations Committee. Projects requiring a development agreement will be presenting the appropriate development agreement in the next few months.

  1. Kellswater Commons Outparcel #8 (1,000 GPD) from 2024 Parkway and Rogers Lake Road commercial and industrial reserves – pending development agreement
  2. Rug and Home (3,300 GPD) from 2024 Non-Residential Infill - approved
  3. Kannapolis Flex (1,290 GPD) from 2024 Non-Residential Infill – approved
  4. Trackhouse Racing (5,500 GPD) from 2024 Non-Residential Infill – pending development agreement
  5. Kellswater Plaza (4,700 GPD) from 2024 Parkway and Rogers Lake Road commercial and industrial reserves – pending development agreement
  6. Vertical Climbing and Fitness (12,748 GPD) with balance coming from Afton Ridge Reserves (~7,000 GPD) and balance from 2024 Non-Residential Infill – pending development agreement

7. Sona Mixed Use (40,950 GPD) from 2024 Non-Residential Infill – pending development agreement

- Staff is recommending authorization to release a call for non-residential projects and authorization for the Planning Department to engage waitlist project(s) for possible consideration per section IV. D of the wastewater allocations policy.

- Economic Development Department is considering one other Affordable Housing application that was submitted later within the application period last month. That application remains under review and a future update will be provided.

Update Summary:

1. Staff are preparing to transfer up to 12,500 GPD from Reserves to Wyrick Property as a Priority 1 Project with prior City Commitment. This transfer was always planned but did not occur in the most recent Exhibit A in 2024 as the project timing was not yet finalized. This action will not reduce the post-2027 sewer allocation total.
2. Staff are preparing to propose a reduction in Block 6 of 42,000 GPD to restore Concrescere Business Park to 42,000 GPD. This action will not reduce the post-2027 sewer allocation total. City Council authorization will be requested to amend Exhibit A.
3. Metro 63 reserves will be released in a future Exhibit A.
4. Waitlist will be updated in a future Exhibit A (the list below is not in any particular order):
   - Sides Road approximately 6,000 GPD residential
   - Dale Earnhardt Blvd Convenience Store approximately 5,000 GPD commercial
   - Lyla Avenue approximately 6,000 GPD residential
   - Camp Cabarrus at Kannapolis Pkwy & Dovefield Ln approximately 43,000 GPD residential
   - QTR Camp Julia Townhomes approximately 72,000 GPD residential
   - Irvin Farms approximately 75,000 GPD residential
   - Graces Reserve phase II approximately 49,000 GPD residential

Exhibits and Appendices

All figures are shown in GPD

Executive Summary Calculations

Summary of Available WSACC Sewer Allocation for Kannapolis (current):	950,514
Previous WSACC Distribution #12:	43,485
Previous WSACC Distribution #13:	62,626
Current WSACC Distribution #14	195,511
Projected WSACC 2027 distribution:	962,000
Total Restricted and Previously Committed Reserves:	(986,149)
Remaining Non-Restricted Reserves:	(947,465)
WSACC Distributions this month: None	0
Pending Projects Approved by Policy:	0
Summary Remaining for post-2027 Sewer Allocation (approximate):	**~279,522**

General Tracking Based on Adopted Exhibit A

Previously Approved or Otherwise Committed Projects 2024-2025 (as shown in Exhibit A):

Lowes Foods - Kellswater Commons	9,698
Summerlyn Village Subdivision (2024)	12,900
Summerlyn Village Subdivision (2024)	30,600
Summerlyn Village Subdivision (2027)	30,600
Cannon Manor Subdivision	7,650
Emerson Glen Subdivision	12,900
Pace (Medical)	5,000
Coldwater Ridge Phase II apartments	9,100
Trinity Corners	10,125
85 Exchange (Industrial)	24,500
McDonalds – Kellswater Commons	1,280
Bakers Creek Subdivision (2024)	28,125
Bakers Creek Subdivision	28,125
Kannapolis Crossing – Development Agreement	316,000
Kannapolis Gateway Business Park	~5,000
Afton – Childers Cline Building III	*~5,000*
Downtown Reserves	*196,355*

- Market at Millstone (16,655)
- Millstone Village (48,500)
- Crest Field (50,400)
- Towns at Millstone (30,375)
- Dale Earnhardt Blvd Partners (26,400)
- Block 10 (24,025)

Loop Yard Phase 1	36,225
Residential In-Fill (2024)	11,213
Hedgecliff Towns	28,856
Evolve-Hawthorne	41,925
Greenview Apartments	14,175
Stanley Drive (existing building) & Phase 2	27,900
Failed Septic System Emergency	4,740
Blue Ridge Apartments	70,137
October Adjustment (Cannon Manor and Summerlyn)	17,345
Corriher Sewer (exempt plat)	675
Total Restricted and Previously Committed Reserve	986,149

<u>Non-Restricted Reserves (between 2024 and 2027 distributions) Total (as shown in Exhibit A):</u>

Block 5 (Mixed Use/Apartments)	16,150
Block 5 (Commercial Reserves)	36,000
Block 6 (Mixed Use/Apartments)	56,250
Afton Ridge Reserves (remaining)	7,000
Lakeshore Reserves	18,000
Kannapolis Crossings Reserves	100,000
Downtown Reserves (remaining)	*145,042*
Additional Downtown Set-Aside Reserves	29,863
Loop Yard Phase 2 (lift station improvements)	95,000
Non-Residential In-Fill	90,800
Affordable Housing (2024)	21,600
Affordable Housing (2027)	20,000
Metro 63	18,000
85 Exchange Industrial Reserves	28,000
Kannapolis Parkway and Rogers Lake Road Reserves	28,000
Concord Lake Road and Roxie Street Reserves	12,000
Glen Afton and Kannapolis PKWY (Motely Industrial)	42,000
Plant 4 Site	94,500
Concrescere Business Park	0
Community Enhancement (schools and infrastructure)	20,000
Strategic Buffer	69,585
Total Non-Restricted and Previously Committed Reserve	947,790

Waitlist Projects (No current allocation available) (as shown in Exhibit A):

The Farm at Riverpointe Phases 3B, 5, 6	59,588
Riverpointe at Davidson	131,250
Bridges of Cabarrus II	31,500
Abberly (885 Kannapolis Pkwy)	52,650
Lane St Townhomes W of Royce St	42,075
Cavallaro Ridge (Windy Hill Farm) at Boy Scout Camp/Isenhour	20,250
Kannapolis Pkwy Townhomes North of Redwood Apartments	26,100
Stonehaven	2,025
Sudbury Rd Subdivision	18,900
Camp Cabarrus at Kannapolis Pkwy & Dovefield Ln	54,900
Trinity Church Rd Apartments at Northwest Cabarrus High School	21,300
Orphanage Rd Apartments north side	8,100

New Projects to be added to Waitlist in future Exhibit A update:

Graces Reserve Phase II
Irvin Farms
QTR Camp Julia THs
Lyla Avenue Single Family
Dale Earnhardt Blvd Convenience Store

Exhibit Tracking Calculations:

- Stanley Drive = 19,000 + 8,700 = 27,200 (not to exceed 8,700 GPD total for Building 1)
- Afton Ridge Reserves = 12,000 – ~5,000 = 7,000

- Wyrick (Maple Ridge Calculations) = Twelve 1-bedroom, forty-six 2-bedroom, twelve 3-bedroom and up to 2,000 GPD amenity/clubhouse. Total not to exceed 12,500.

- Downtown Reserves:

Current Reserve	317,372
• Market at Millstone	(16,655)
• Millstone Village	(48,500)
• Crest Field	(50,400)
• Towns at Millstone	(30,375)
• Dale Earnhardt Blvd Partners	(26,400)
• Block 10	(24,025)
Remaining Original Downtown Reserves	121,017

- Kannapolis Crossing

Current Reserve	316,000
• Ashton Subdivision (tentative)	(77,775)
• Industrial Building 100 & 200	(12,000)
Remaining Original Kannapolis Crossing Reserve	226,225

Agenda Item: H.A

Kannapolis City Council

City Council Agenda Staff Report
July 27, 2026

To: Mayor and City Council

From: Alex Anderson, Director of Water Resources, Kristin Jones, Assistant City Manager

Subject: **MOTION -** Water and Sewer Capital Improvement Plan (CIP) for Fiscal Year 2027 through 2036 **UNANIMOUSLY ACCEPTED**

Recommended Action Requested by City Council

Motion to accept the Fiscal Year 2027 through 2036 Water and Sewer Capital Improvement Plan.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

This presentation recommends adoption of the Fiscal Years 2027–2036 Water and Sewer Capital Improvement Plan (CIP), which reflects the City's recent budget retreat and utility planning efforts.

The CIP provides a ten-year roadmap for maintaining, rehabilitating, and expanding the City's water and sewer infrastructure to support existing customers and anticipated residential, commercial, and industrial growth. The plan serves as a long-range planning document and may be amended as utility needs evolve. Adoption of the CIP does not authorize construction or funding of individual projects. City Council has already adopted the FY 2027 utility rates needed to begin funding the initial projects identified in the plan, and no additional rate or fee action is required with this agenda item. Future utility rates will be evaluated through the annual budget process, and individual capital projects will return to City Council for approval through the appropriate budget or capital project ordinance before expenditures are authorized.

The CIP addresses major capital infrastructure projects. Minor capital improvements, staffing, and vehicle and equipment needs are funded through the City's annual budget process.

Fiscal Implications

No rate increase is required as part of this action. Rates have already been approved for FY 27 as part of the budget process. Future rates will be evaluated as part of the routine rate analysis program.

Alternate Courses of Action

1. Table action to a future meeting.
2. Take no action.

Attachments

1. 2026 07-27 CIP_Final
2. 2026 07-27 - CIP Summary

CITY OF KANNAPOLIS, NC

WATER & SEWER SYSTEM

CAPITAL IMPROVEMENT PLAN

Line	Description	Capital Costs										
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
	CAPITAL PROJECTS - WATER											
1	Charlotte Water Interconnect - Summers Walk	$ -	$ 413,700	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2	Jim Johnson Rd Waterline	$ -	$ -	$ -	$ -	$ 1,023,437	$ -	$ -	$ -	$ -	$ -	$ -
3	16" Connection under Railroad Tracks Downtown	$ -	$ -	$ -	$ -	$ 2,076,115	$ -	$ -	$ -	$ -	$ -	$ -
4	Charlotte Water Connection - Davidson Rd (1.0 MGD)	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,012,320	$ -	$ -	$ -	$ -
5	Glenn Ave Waterline - Segment 1 (24")	$ -	$ -	$ -	$ -	$ 7,266,987	$ -	$ -	$ -	$ -	$ -	$ -
6	Biscayne Drive connection to Archdale, etc.	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,708,971	$ -	$ -	$ -	$ -
7	New Downtown Elevated Tank (north side, 1 MG)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,204,913	$ -	$ -
8	Salisbury Connection (2 MGD)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 28,339,061	$ -
9	WTP Rehab, Phase 1 - PFAS Removal	$ -	$ -	$ -	$ 16,039,997	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10	WTP Rehab, Phase 2 - General (Part A)	$ -	$ -	$ -	$ 1,623,872	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11	WTP Rehab, Phase 2 - General (Part B)	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,700,717	$ -	$ -	$ -	$ -
12	WTP Rehab, Phase 2 - General (Part C)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,830,525	$ -
13	NCDOT Project BR-0181	$ -	$ -	$ -	$ -	$ 526,339	$ -	$ -	$ -	$ -	$ -	$ -
14	2-inch Water Main Replacement	$ -	$ 525,000	$ 1,102,500	$ 1,135,575	$ 3,508,927	$ 3,614,195	$ 3,722,620	$ 3,834,299	$ 3,949,328	$ 4,067,808	$ 4,189,842
15	**Total Capital Projects - Water Improvements**	**$ -**	**$ 938,700**	**$ 1,102,500**	**$ 18,799,444**	**$ 14,401,805**	**$ 3,614,195**	**$ 22,144,628**	**$ 3,834,299**	**$ 19,154,241**	**$ 38,237,394**	**$ 4,189,842**
	Total Water CIP											**$ 126,417,048**
	CAPITAL PROJECTS - SEWER											
16	Forestbrook Force Main	$ 275,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
17	Coldwater Creek Outfall	$ -	$ -	$ 3,406,725	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
18	Edinburg Drive	$ -	$ -	$ 2,530,238	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
19	Kentucky Street Local Collector	$ -	$ -	$ 893,025	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
23	Landis-Kannapolis WWTP (.60 MGD)	$ -	$ -	$ 29,150,100	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	SRU Kannapolis Crossing LS Improvements (.35 MGD)	$ -	$ -	$ 6,059,340	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
25	Ongoing Lift Station Maintenance	$ -	$ -	$ 82,688	$ 170,336	$ 175,446	$ 180,710	$ 186,131	$ 191,715	$ 197,466	$ 203,390	$ 209,492
26	Annual Sewer Inspection	$ -	$ -	$ 209,475	$ 215,759	$ 222,232	$ 228,899	$ 235,766	$ 242,839	$ 250,124	$ 257,628	$ 265,357
27	Annual Sewer Rehabilitation	$ -	$ 525,000	$ 1,323,000	$ 1,362,690	$ 1,403,571	$ 1,445,678	$ 1,489,048	$ 1,533,720	$ 1,579,731	$ 1,627,123	$ 1,675,937
28	GIS Survey and Update	$ -	$ -	$ -	$ -	$ 23,393	$ -	$ -	$ -	$ -	$ 27,119	$ -
29	Public Works Operations Center	$ -	$ -	$ 1,543,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
20	Brantley Road Force Main	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	Midlake Road Lift Station Expansion	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
22	Brantley Road Lift Station Expansion	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
30	**Total Capital Projects - Sewer Improvements**	**$ 275,000**	**$ 525,000**	**$ 45,198,091**	**$ 1,748,785**	**$ 1,824,642**	**$ 1,855,287**	**$ 1,910,945**	**$ 1,968,274**	**$ 2,027,321**	**$ 2,115,260**	**$ 2,150,786**
	Total Sewer CIP											**$ 61,599,391**
31	**Total System Improvements**	**$ 275,000**	**$ 1,463,700**	**$ 46,300,591**	**$ 20,548,229**	**$ 16,226,447**	**$ 5,469,482**	**$ 24,055,573**	**$ 5,802,573**	**$ 21,181,562**	**$ 40,352,654**	**$ 6,340,628**
	Total CIP											**$ 188,016,439**

City of Kannapolis
Water Resources
Capital Improvement Plan
Summary, Maps and Exhibits

July 27, 2026

Purpose and Summary

A Water and Sewer Capital Improvement Plan (CIP) is a long-term planning document that identifies, prioritizes, and schedules the major infrastructure investments needed to maintain, replace, and expand the City's utility systems. It provides a strategic roadmap for funding critical projects over the next ten years, helping ensure reliable service, regulatory compliance, and the capacity to support future growth while responsibly managing public resources.

The CIP includes maps and exhibits for most projects to illustrate their location, scope, and overall context. For projects that are still in the preliminary engineering or planning phase, as well as projects involving improvements at the Water Treatment Plant, Wastewater Treatment Plant expansions or the SRU connection, or are general in nature, a written summary is provided below to describe the proposed improvements, project purpose, and/or anticipated work.

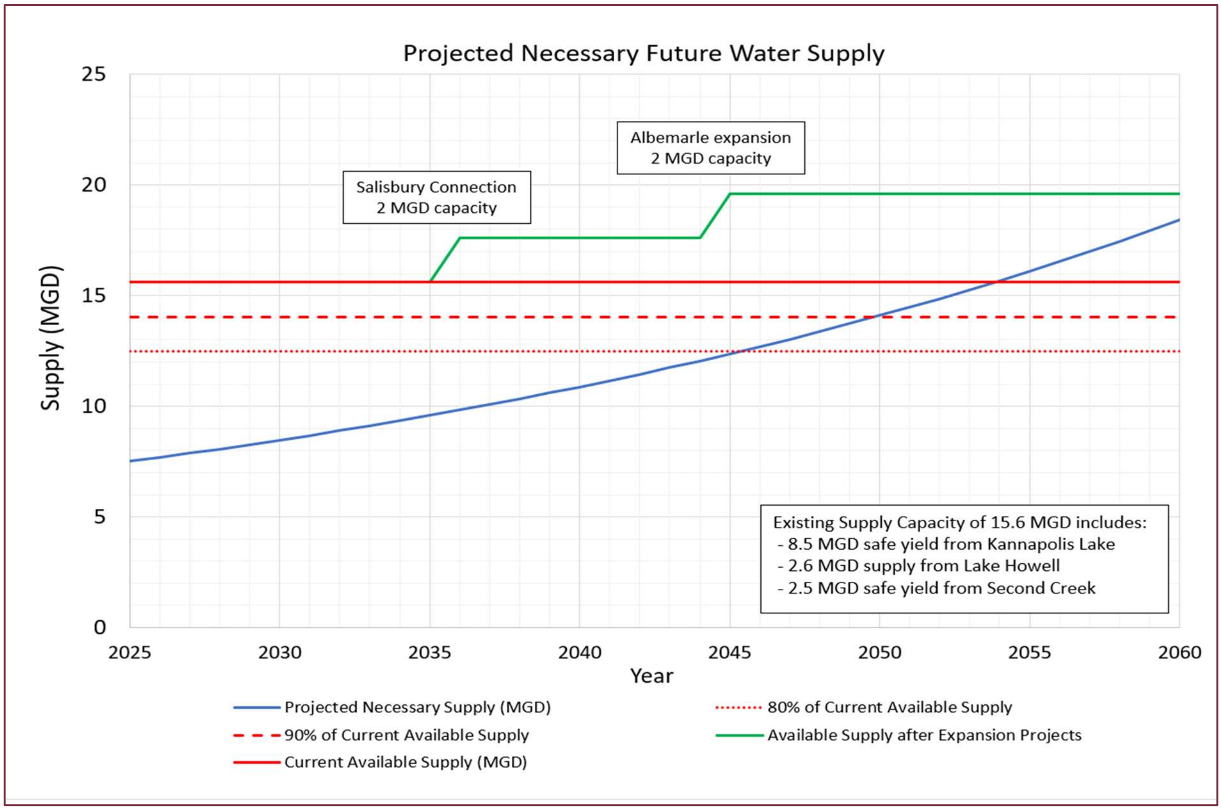
The CIP is founded on three primary planning resources to ensure projects are data-driven and aligned with the City's long-term needs. Population projections and development patterns are based on the City of Kannapolis Move Kannapolis Forward: 2030 Comprehensive Plan, while the recommended utility projects are guided by the City's comprehensive Water System Evaluation and Sewer System Evaluation. Together, these planning documents provide the framework for identifying, prioritizing, and scheduling infrastructure investments needed to maintain reliable utility service, meet regulatory requirements, and support future growth.

Future Water Projections Summary

Based on projected population growth, available water capacity studies, and long-term system planning, the City will need continued investment in its water supply, treatment, storage, and distribution infrastructure. Future water system needs to include additional elevated storage capacity, including a proposed tank in the downtown area within this 10-year horizon; and another near Shiloh Church Road within the next 10-year horizon, as well as phased mprovements and upgrades to the Water Treatment Plant to maintain reliability and meet future demands. The City's water supply system is supported by Kannapolis Lake and two supplemental water source pump stations located at Coddle Creek and Second Creek.

The reliable safe yield of Kannapolis Lake is currently being evaluated as part of ongoing water supply planning efforts. Updated evaluations incorporating natural stream flow calculations and drought impacts may result in a reduction of the available safe yield, which could further impact the City's long-term water supply strategy and future capacity needs.

Recent water capacity evaluations indicate that the City will need to increase raw water supply capacity or secure additional purchased water capacity within the next five years to support continued growth and maintain system reliability. This 10-year CIP begins addressing these long-term needs through planned water system improvements, while additional projects and future expansions will continue to be evaluated as growth, water demands, and system conditions evolve.



Projected Necessary Future Water Supply
Salisbury Connection
2 MGD capacity
Albemarle expansion
2 MGD capacity
Existing Supply Capacity of 15.6 MGD includes:
- 8.5 MGD safe yield from Kannapolis Lake
- 2.6 MGD supply from Lake Howell
- 2.5 MGD safe yield from Second Creek
Supply (MGD)
0
5
10
15
20
25
2025
2030
2035
2040
2045
2050
2055
2060
Year
Projected Necessary Supply (MGD)
80% of Current Available Supply
90% of Current Available Supply
Available Supply after Expansion Projects
Current Available Supply (MGD)

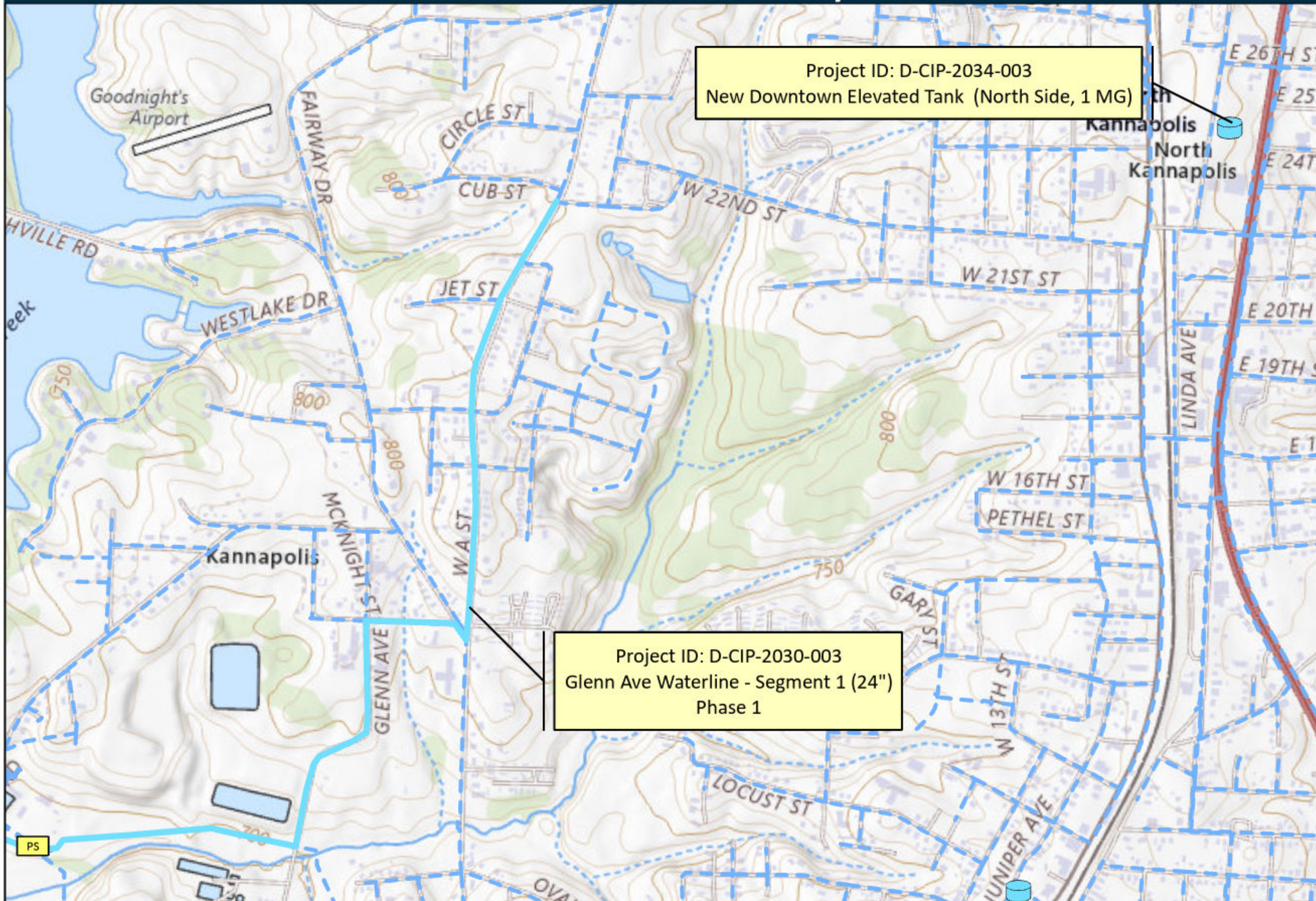
Future Sewer Projections Summary

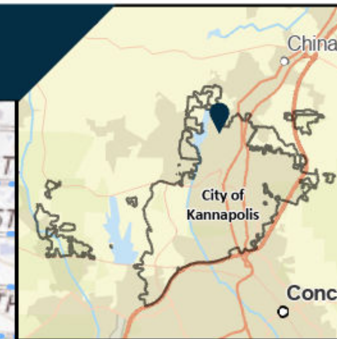
Based on projected growth trends and the existing limitations of available wastewater treatment and conveyance capacity, the City anticipates a growing need for additional system capacity over the next several decades. Current projections indicate a required wastewater system capacity of approximately 7.15 MGD by 2030, 9.06 MGD by 2040, and 10.97 MGD by 2050. Based on existing available treatment and conveyance capacity, this results in a projected capacity deficit of approximately 2.54 MGD by 2030, 4.45 MGD by 2040, and 6.36 MGD by 2050.

This 10-year Capital Improvement Plan begins addressing these projected treatment and conveyance capacity needs through identified wastewater system improvements and expansion projects. Additional projects will continue to be evaluated as growth patterns, system demands, and regulatory requirements evolve. Future expansions of existing wastewater treatment facilities, including potential improvements at the Rocky River Wastewater Treatment Facility, along with additional conveyance system improvements, will also be evaluated to ensure adequate long-term wastewater capacity.

	Wastewater Flow (MGD)			
Scenario	Base Year	2030	2040	2050
FY26 Projected Flow	4.61	7.15	9.06	10.97
Additional Capacity Needs	-	2.54	4.45	6.36

D-CIP-2030-003, 2034-003: Glenn Ave





LEGEND

- Kannapolis Tanks
- Existing Pipes

Proposed Pipes

Diameter

- 24-inch

Description	Phase 1 of the waterline installation is a 24-inch waterline starting at the Kannapolis Water Treatment Facility, traveling along Glenn Ave, W A St, ending at the Jack St Intersection. The tank has two primary objectives: (1) boost the available fire flow in the northern downtown area, and (2) provide additional elevated storage necessary to support continued growth in the downtown corridor.	**Project Type**	Growth/Capacity
Goals / Justification	Project provides an additional transmission line to the downtown pressure zone, intending to serve the north side of downtown. Project is split into three phases.	**Planning Horizon**	Phase 1: 2030 Tank: 2034
		Budget	Phase 1: $7,266,987 Tank: $15,204,913

N

0 300 600 1,200
Feet

LKC

City of KANNAPOLIS

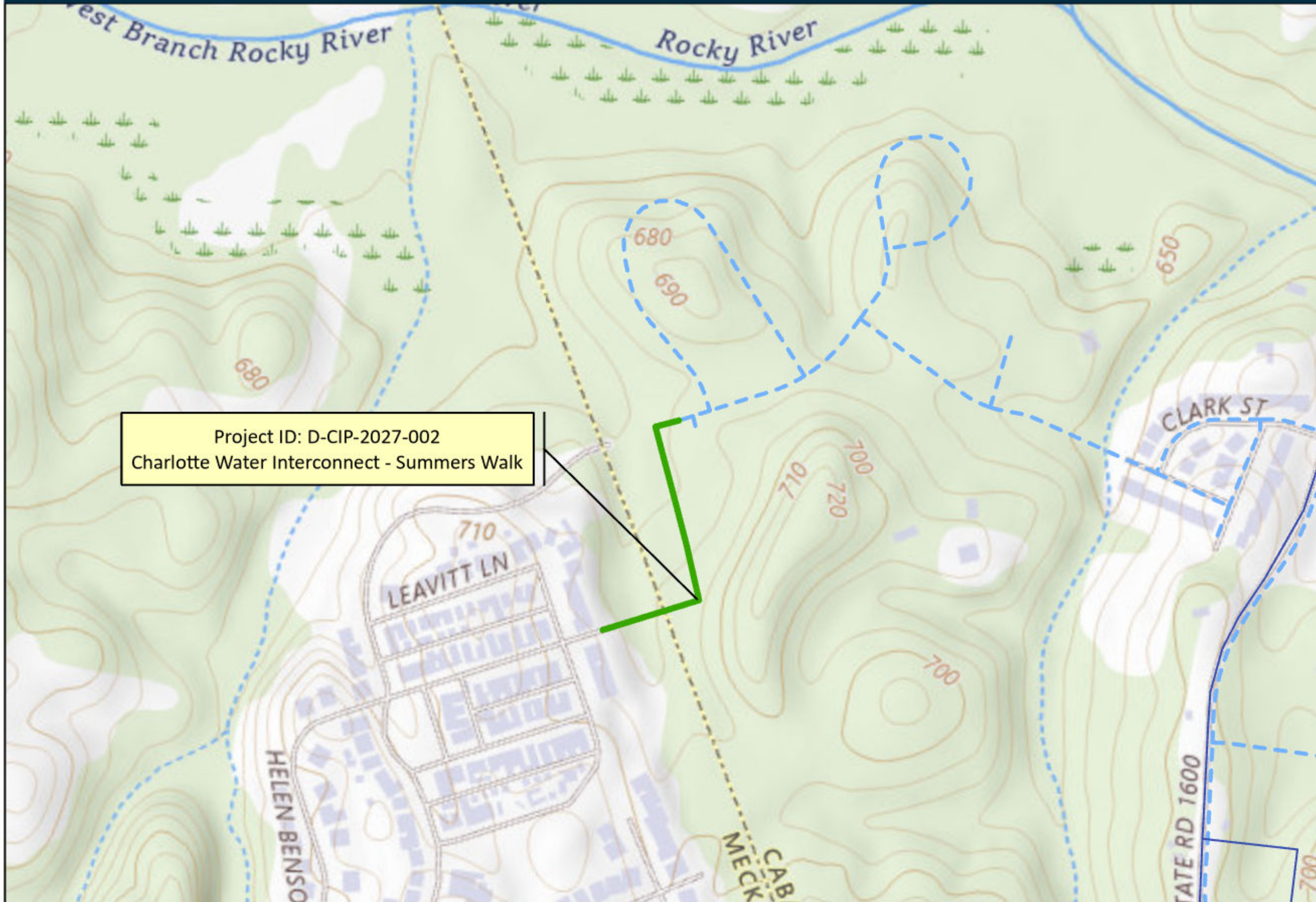
2026 Comprehensive Water and Wastewater Master Plan

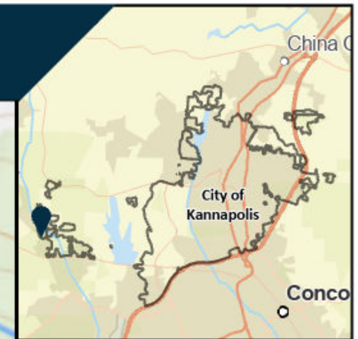
Capital Improvement Plan

City of Kannapolis, NC

LKC Project #: Kann-25.02

D-CIP-2027-002: Summers Walk





LEGEND

- Existing Pipes

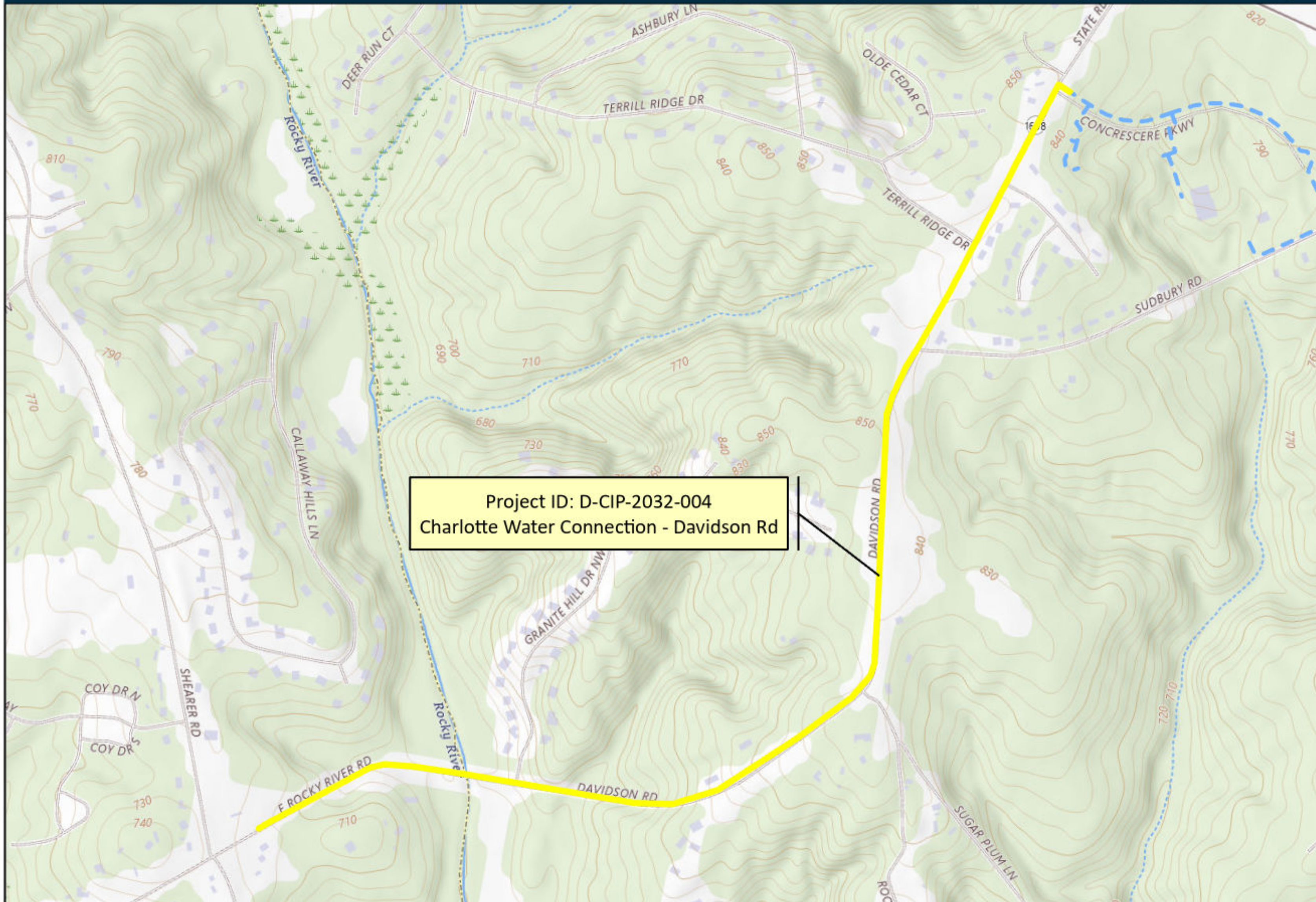
Proposed Pipes

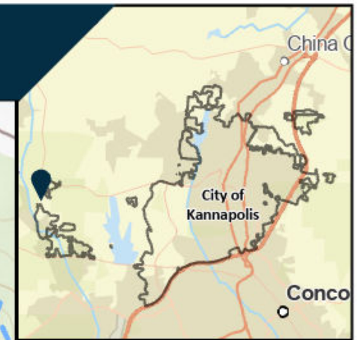
Diameter

- 8-inch

Description	8-inch Water Interconnect, Starting on Summers Walk Blvd & Ending on Helen Benson Blvd. Proposed waterline exits Summers Walk, and travels parallel down an existing cross country gas easement , before reaching Helen Benson Blvd.	**Project Type**	Growth/IBT	N 0 125 250 500 Feet	2026 Comprehensive Water and Wastewater Master Plan
Goals / Justification	Project provides an interconnection between Kannapolis and Charlotte Water. This connection would not be hydraulically significant and could be used to supplement demand during peak events or as an emergency supply in the event of a maintenance issue.	**Planning Horizon**	2027	LKC City of KANNAPOLIS	**Capital Improvement Plan**
		Budget	$413,700		City of Kannapolis, NC LKC Project #: Kann-25.02

D-CIP-2032-004: Davidson Rd





LEGEND

- Existing Pipes

Proposed Pipes

Diameter

- 12-inch

Description	12-inch Water Connection, Along Davidson Rd. Starting near the Concrescere Pkwy Intersection, and ending on E Rocky River Rd, near its intersection with Winged Oak Way. Estimate includes a small booster pump station.	**Project Type**	Growth/IBT
Goals / Justification	Project creates a useable interconnection between Kannapolis and Charlotte Water, including a small booster pump station that could be used to satisfy Kannapolis's requirement to purchase water from the Catawba basin.	**Planning Horizon**	2032
		Budget	$8,012,320

N

0 250 500 1,000 Feet

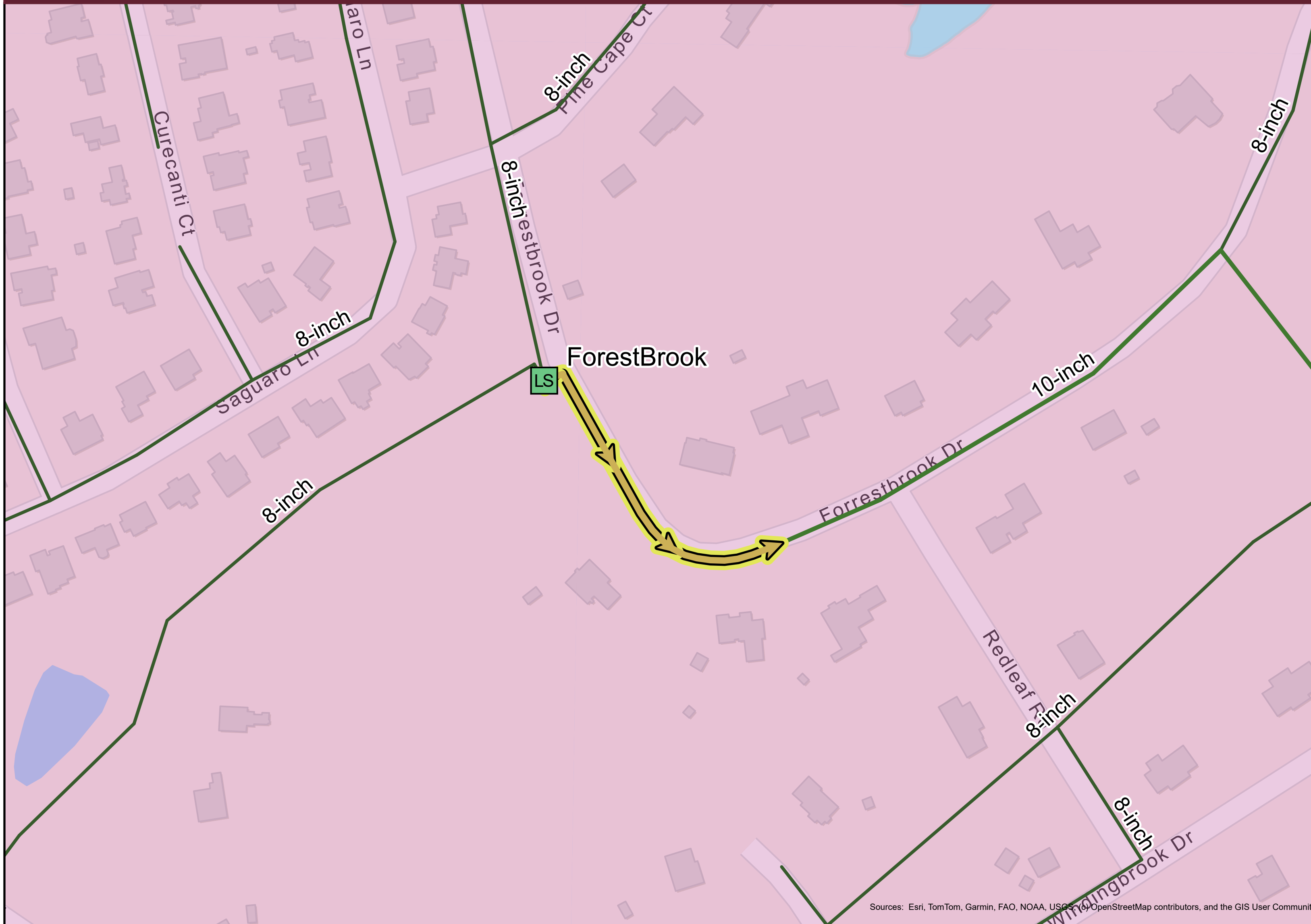
2026 Comprehensive Water and Wastewater Master Plan

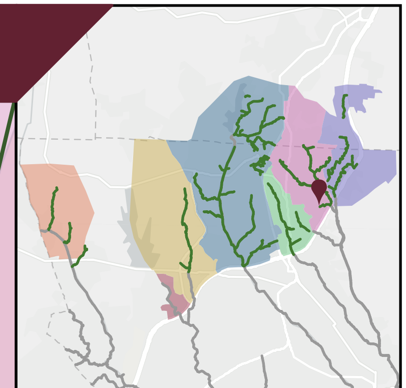
Capital Improvement Plan

City of Kannapolis, NC

LKC Project #: Kann-25.02

KSD9B-CIP-2025-000: Forrestbrook Force Main





LS Lift Station

Force Main

Gravity Main

≤ 6-inch, 8-inch, 10 - 12-inch, 15 - 21-inch, 24 - 30-inch, 42 - 48-inch

Current Linear CIP

Ongoing

Floodway

Flow Monitor Basin

- AFTRUN
- CWEXT
- IB14
- KRR
- KSD9B
- R08
- UCC

Description	Replace 500 LF of 4-inch force main with 8-inch force main. This project is currently planned to be under construction in 2026.	**Project Trigger**	This project is currently under design.
Notes	Following the installation of the new force main, the Forest Brook lift station should be included in the annual lift station maintenance program to assist the pumping equipment in reaching its useful life.		

Planning Horizon	Fiscal Year
2026	FY26

Class 4 OPPC Estimate in 2026 dollars: $275,000

Class 4 Accuracy: -30% to +50%

N

1 inch equals 220 feet

Bar is one inch on original drawing. If not one inch, adjust scales accordingly.

GARVER

City of KANNAPOLIS

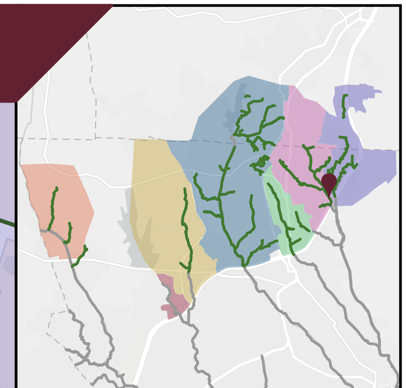
2026 Comprehensive Water and Wastewater Master Plan

Capital Improvement Plan

City of Kannapolis, NC

Garver Project #: W41-2501262

KSD9B-CIP-2030-001: Coldwater Creek Outfall



Description	Replace 2,700 LF of 18-inch gravity main with 30-inch gravity main.	**Project Trigger**	This project should begin design when peak hourly flows in the area reach 3.0 MGD.
Notes	This project extends along Concord Lake at its upstream limit and requires an approximate 300 LF bore crossing perpendicular to Interstate 85 at its downstream portion. This project is located downstream of KSD9B-CIP-2040-005.		

Planning Horizon	Fiscal Year
2030	FY28

Class 4 OPCC Estimate in 2028 dollars: $3,406,725

Class 4 Accuracy: -30% to +50%

N

1 inch equals 570 feet

Bar is one inch on original drawing. If not one inch, adjust scales accordingly.

GARVER

City of KANNAPOLIS

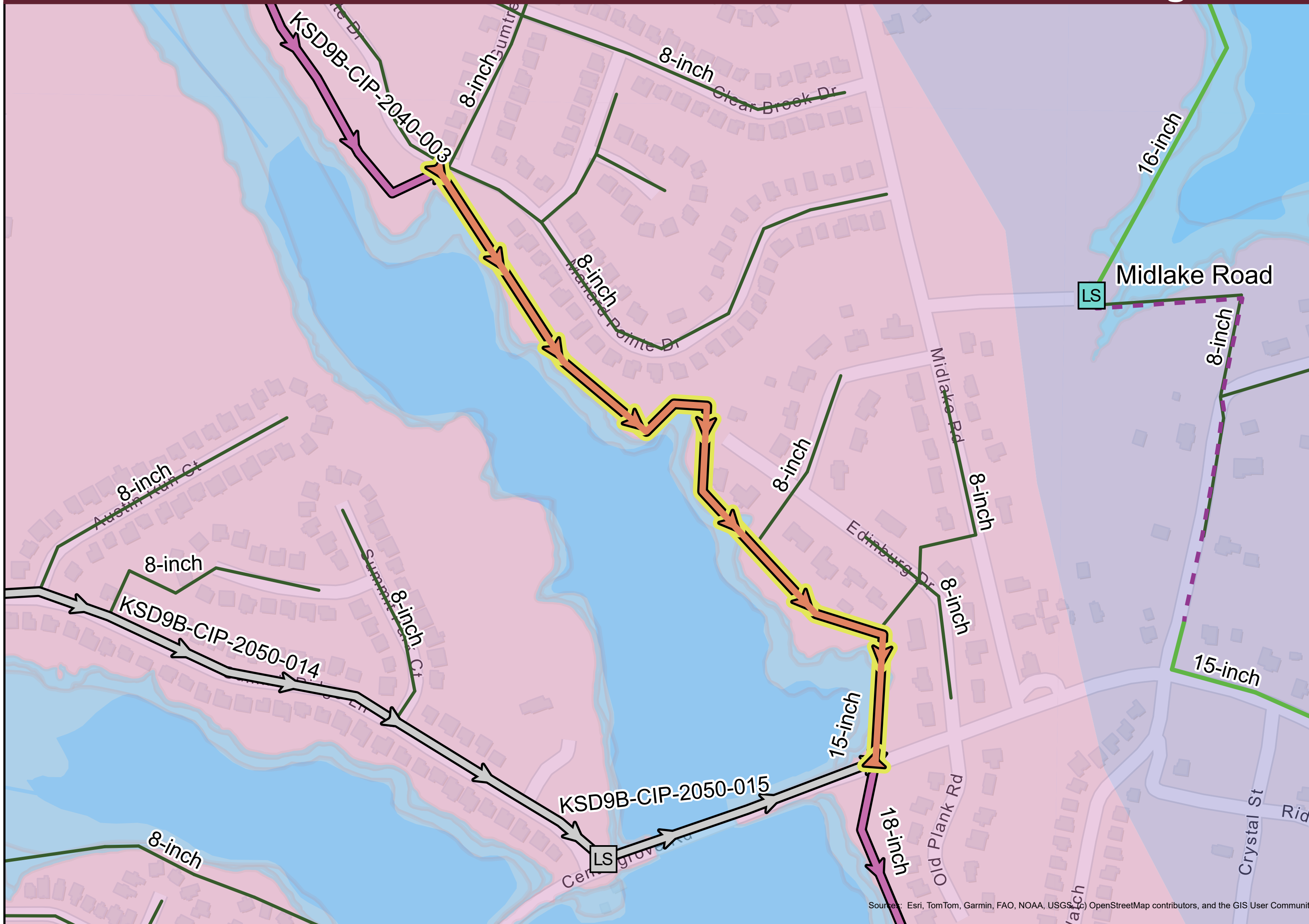
2026 Comprehensive Water and Wastewater Master Plan

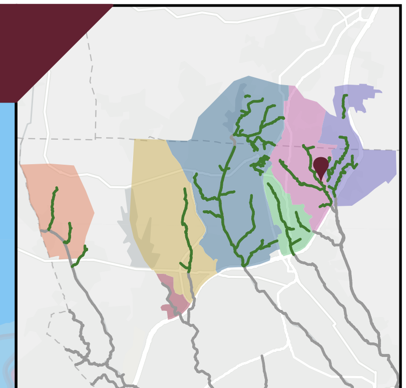
Capital Improvement Plan

City of Kannapolis, NC

Garver Project #: W41-2501262

KSD9B-CIP-2030-002: Edinburg Drive





LS Lift Station

Force Main

Gravity Main

≤ 6-inch
8-inch
10 - 12-inch
15 - 21-inch
24 - 30-inch
42 - 48-inch

Other Lift Station CIP

LS 2050

LS Watchlist

Current Linear CIP

2030

Other Linear CIP

2040

Watchlist

Floodway

Flow Monitor Basin

AFTRUN
CWEXT
IB14
KRR
KSD9B
R08
UCC

Description	Replace 2,100 LF of 18-inch gravity main with 24-inch gravity main.	**Project Trigger**	This project should begin design when peak hourly flows in the area reach 2.5 MGD.
Notes	This project runs along the east side of Concord Lake, and in between KSD9B-CIP-2030-005 and -003.	**Planning Horizon**: 2030	**Fiscal Year**: FY28
		Class 4 OPCC (Estimate in 2028 dollars)	$2,530,238 (Class 4 Accuracy: -30% to +50%)

N

1 inch equals 470 feet

Bar is one inch on original drawing. If not one inch, adjust scales accordingly.

GARVER

City of KANNAPOLIS

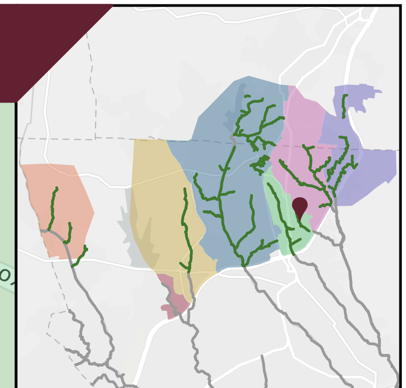
2026 Comprehensive Water and Wastewater Master Plan

Capital Improvement Plan

City of Kannapolis, NC

Garver Project #: W41-2501262

R08-CIP-2030-009: Kentucky Street Local Collector



Gravity Main

≤ 6-inch, 8-inch, 10 - 12-inch, 15 - 21-inch, 24 - 30-inch, 42 - 48-inch

Current Linear CIP

2030

Floodway

Flow Monitor Basin

- AFTRUN
- CWEXT
- IB14
- KRR
- KSD9B
- R08
- UCC

Description	Replace 1,000 LF of 10-inch gravity main with 15-inch gravity main.	**Project Trigger**	This project is recommended to take place immediately, as this area has a reoccurring maintenance problem.
Notes	The most downstream portion of this project is located within the existing floodway. Project planning and coordination should also account for potential impacts to the adjacent residential neighborhood.		

Planning Horizon	Fiscal Year
2030	FY28

Class 4 OPCC Estimate in 2028 dollars: $893,025

Class 4 Accuracy: -30% to +50%

N

1 inch equals 320 feet

Bar is one inch on original drawing. If not one inch, adjust scales accordingly.

GARVER

City of KANNAPOLIS

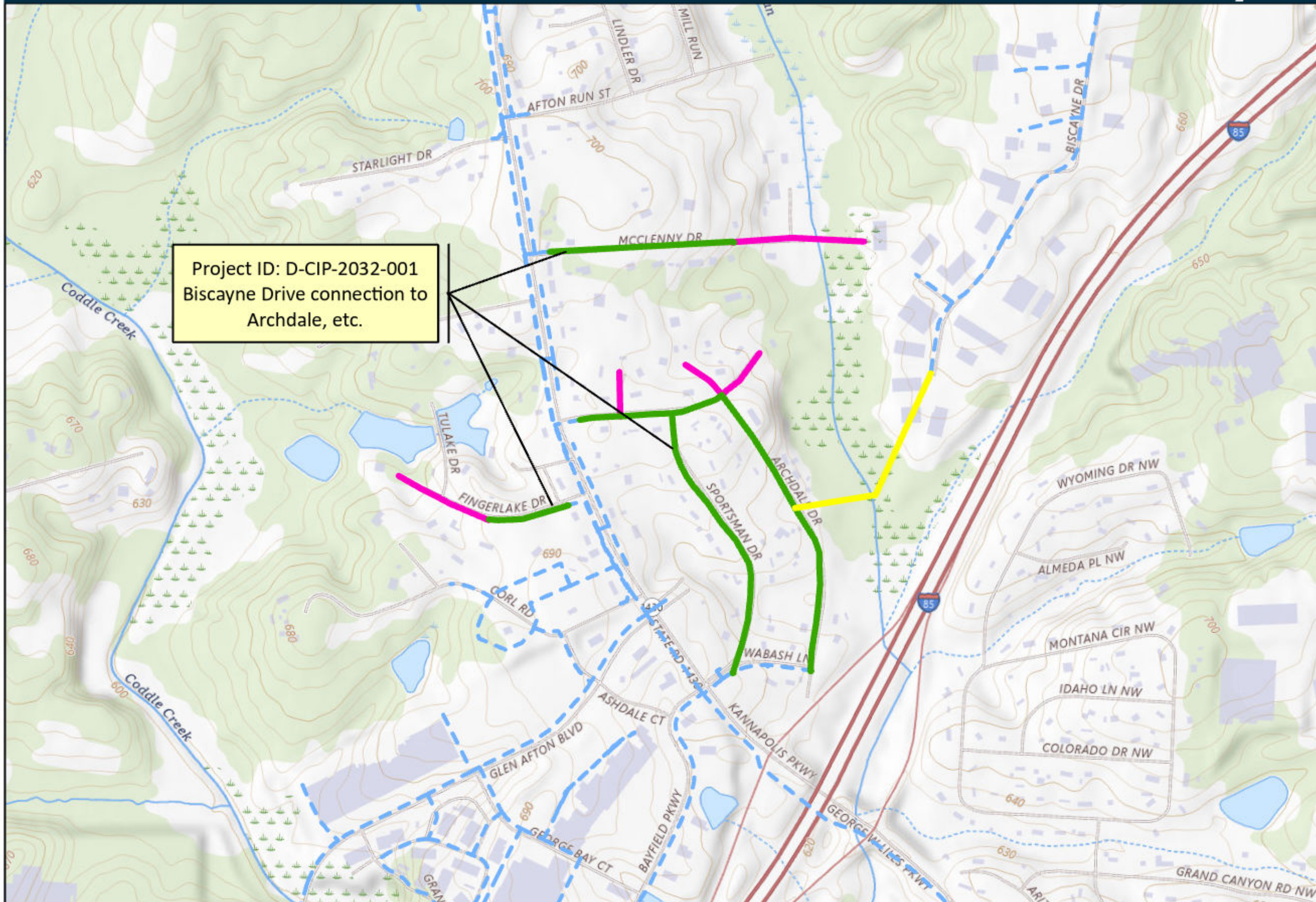
2026 Comprehensive Water and Wastewater Master Plan

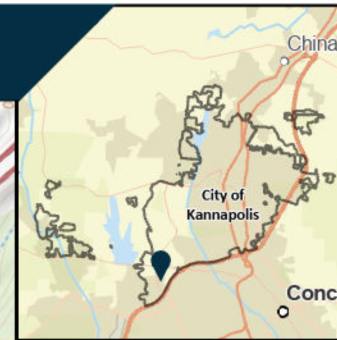
Capital Improvement Plan

City of Kannapolis, NC

Garver Project #: W41-2501262

D-CIP-2032-001: Biscayne





LEGEND

- Existing Pipes

Proposed Pipes

Diameter

- 2-inch
- 8-inch
- 12-inch

Description	Multiple Waterline Extensions. Includes McClenny Drive, Fingerlake Rd, and Navaho Trail from their intersections with Kannapolis Parkway. Archdale Drive and Sportsman Drive are included from their intersection with Navajo Trail to their intersection with Wabash Ln. A connection is also made from Archdale Drive to Biscayne Drive through the woods.	**Project Type**	Expansion
Goals / Justification	Project serves an area currently not served with public water and it connects the new service area to an existing dead-end line on Biscayne Drive to boost service pressure and fire flow in the area.	**Planning Horizon**	2032
		Budget	$3,708,971

N

0 250 500 1,000 Feet

LKC

City of KANNAPOLIS

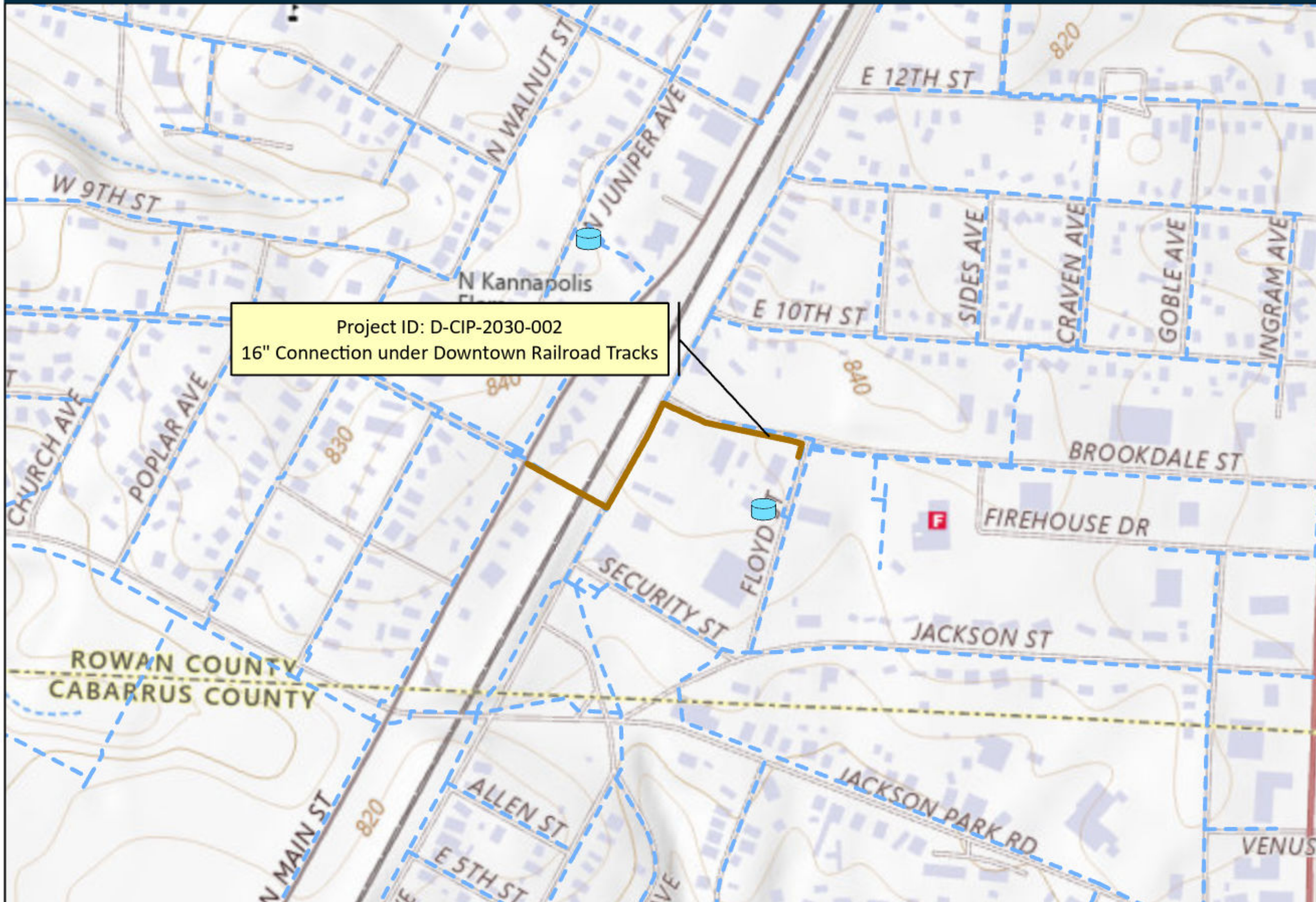
2026 Comprehensive Water and Wastewater Master Plan

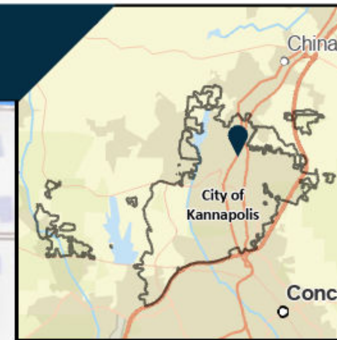
Capital Improvement Plan

City of Kannapolis, NC

LKC Project #: Kann-25.02

D-CIP-2030-002: Under Railroad





LEGEND

- Kannapolis Tanks
- Existing Pipes

Proposed Pipes

Diameter

- 16-inch

Description	Estimate includes a new casing bore under the railroad tracks down to connect the east side elevated tanks to the west side elevated tanks.	**Project Type**	Growth/Capacity
Goals / Justification	Project will provide an additional and hydraulically significant connection between the elevated tanks west of the railroad and the elevated tanks east of the railroad, allowing for more water to be pumped from the WTP into the downtown tanks.	**Planning Horizon**	2030
		Budget	$2,076,115

N

0 125 250 500 Feet

LKC

City of KANNAPOLIS

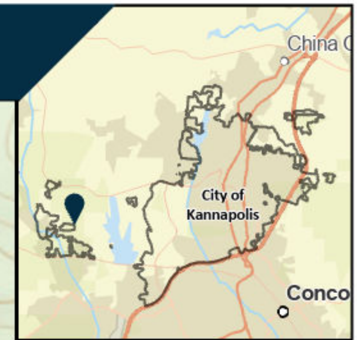
2026 Comprehensive Water and Wastewater Master Plan

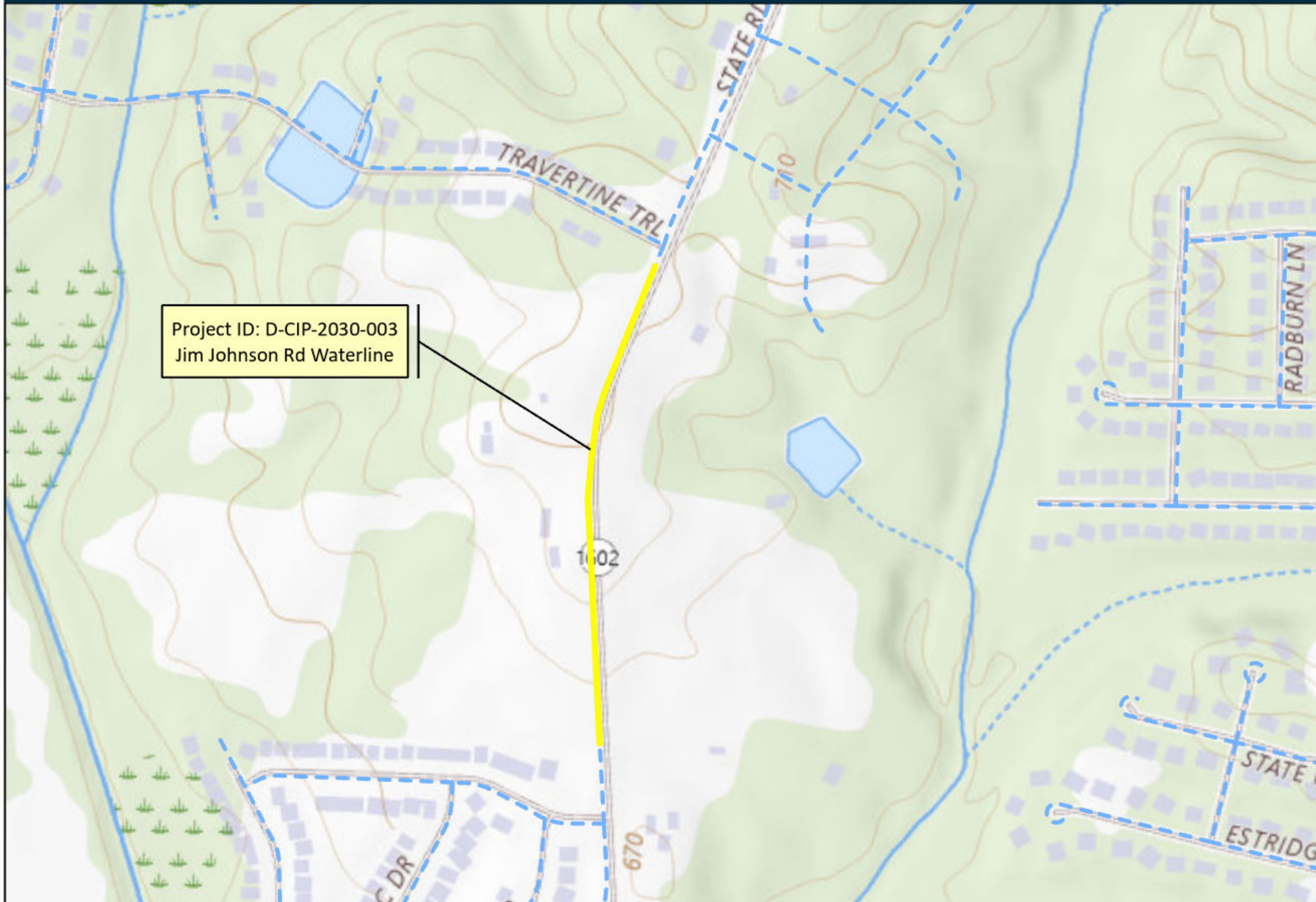
Capital Improvement Plan

City of Kannapolis, NC

LKC Project #: Kann-25.02

D-CIP-2030-003, : Jim Johnson Rd





LEGEND

Existing Pipes

Proposed Pipes

Diameter

12-inch

Description	Project includes a 12-inch Waterline, Along Jim Johnson Rd. Starting near the Travertine Trail intersection, and ending near the Shanaclear Ave intersection.	**Project Type**	Growth/Capacity
		Planning Horizon	2030
Goals / Justification	Project will extend water to a proposed elevated tank site on Odell School Road and to a designated Activity Center in the 2030 Comprehensive Plan.	**Budget**	$1,023,437

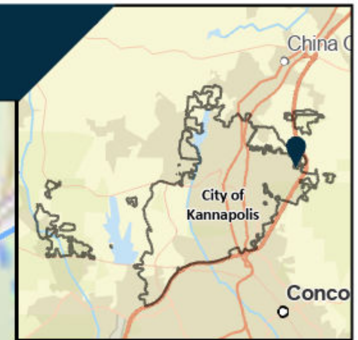
2026 Comprehensive Water and Wastewater Master Plan

Capital Improvement Plan

City of Kannapolis, NC

LKC Project #: Kann-25.02

D-OM-2030-008: NCDOT Project BR-0181



LEGEND

- Existing Pipes

Proposed Pipes

Diameter

- 8-inch

Description	Project consists of replacing an existing 8" water line that is attached to the Lane Street Bridge (DOT bridge) over Lake Fisher. DOT plans to replace the bridge and the water main will be replaced and attached to the new bridge structure.	**Project Type**	Rehab / O&M	N; 0 50 100 200 Feet
Goals / Justification	Project is a requirement of NCDOT.	**Planning Horizon**	2030	LKC; City of KANNAPOLIS
		Budget	$526,339	

2026 Comprehensive Water and Wastewater Master Plan

Capital Improvement Plan

City of Kannapolis, NC

LKC Project #: Kann-25.02

Water Project Summaries Not Included in the Exhibits and Maps

Salisbury Water Connection (2 MGD)

Potential purchase of finished water from the Salisbury-Rowan Utilities (SRU). Would include minor modifications to field piping and vault and wholesale/bulk arrangement with SRU. This project is still under evaluation.

WTP Rehab, Phase 1- PFAS Removal

PFAS is a newly regulated compound by the EPA. This project would be required at the water plant to meet compliance and would feature a new chemical feed system and/or a new secondary filtration system to remove the PFAS contaminate below the regulated threshold.

WTP Rehab, Phase 2 – General (Part A)

This project focuses on recycling the backwash waste stream into Kannapolis Lake, rather than discharging that volume of water into Irish Buffalo Creek. This will allow the City to reuse that volume of water for future treatment purposes rather than discharging it into the creek. The project features a new pump station and pipeline from the water plant to Kannapolis Lake.

WTP Rehab, Phase 2 – General (Part B)

The General, Part B project features miscellaneous upgrades to aging components including filter media replacement, replacing or repairing old filter bottoms, upgrading valves and actuators, and electrical upgrades at the finished water pump station.

WTP Rehab, Phase 2 – General (Part C)

This project features the installation of plate settlers inside the sedimentation basins at the plant. Plate settlers will increase the maximum allowable output of the sedimentation basins and will improve water quality.

2-inch Water Main Replacement

This is an annual funding set-aside for replacement of aging watermains and related infrastructure to the water system. The primary objective is to replace older 2" water lines that do not meet the modern standard for level of service. This could include watermains, water services, fire hydrants and valves and metering equipment.

Sewer Project Summaries Not Included in the Exhibits and Maps

Landis-Kannapolis WWTP (.60 to .80 MGD)

A new jointly-owned treatment facility with 1.2 to 1.6 MGD of capacity. There have been several sites evaluated for a future wastewater treatment facility. The City is evaluating the next step towards environmental permitting and NPDES permit.

SRU Kannapolis Crossing LS Improvements (.35 MGD)

Conversion of the Kannapolis Crossing lift station to pump sewer to SRU for treatment. Includes pump station modifications and wholesale/bulk arrangement with SRU. This project is still under evaluation.

Ongoing Lift Station Maintenance

Routine maintenance and rehabilitation of the City's aging lift stations help ensure the reliable conveyance of wastewater while reducing the risk of equipment failures and sanitary sewer overflows. These investments extend the service life of critical assets, improve operational efficiency, and minimize emergency repair costs.

Annual Sewer Inspection

Annual sewer inspections proactively identify deteriorating pipes, blockages, and other system deficiencies before they become costly failures. Regular assessments allow the City to prioritize repairs, improve system reliability, and support regulatory compliance. This funding will help reduce sewer system Inflow and Infiltration (I&I) over time.

Annual Sewer Rehabilitation

An annual sewer rehabilitation program restores aging infrastructure, reduces I&I, and extends the useful life of existing sewer mains. Investing in planned rehabilitation helps avoid more expensive emergency replacements while maintaining dependable service.

GIS Survey and Update

Maintaining accurate GIS mapping provides reliable information for planning, design, operations, and emergency response. Regular updates improve asset management, support informed decision-making, and ensure infrastructure records remain current as the utility system grows and changes. These five-year reviews are planned to assist our routine and ongoing GIS operations.

Public Works Operations Center

This project was delayed due to funding needs for the Downtown Sewer Outfall Replacement Project. This project would include needed facility improvements and expansion of covered storage and equipment parking areas.

Utility Project Summaries on Watch List

Brantley Road Force Main

Parallel 500 LF of 6-inch force main with 8-inch force main. This project should take place before, or in the same time frame, as The Brantley Road Lift Station Expansion. This project will need to be considered as the sewer basin builds out.

Midlake Road Lift Station Expansion

Expand capacity at Midlake lift station from a total capacity of 1.0 MGD to a firm capacity of 2.2 MGD. An asset inventory is suggested prior to the expansion to understand the remaining

useful life of the existing building structures, fittings, pipes, etc. This project will need to be considered as the sewer basin builds out.

Brantley Road Lift Station Expansion

Expand capacity at Brantley lift station from a total capacity of 0.9 MGD to a firm capacity of 1.75 MGD. It is recommended that this project be completed in the same time frame as The Brantley Road Force Main. This project will need to be considered as the sewer basin builds out.

Future NCDOT U-5761 Reimbursement Utility Relocation Project

Replacement and/or relocation of water and sewer utilities at the intersection of Cannon BLVD and Dale Earnhardt BLVD (HWY 29 and HWY 3). NCDOT is exploring the conversation of this intersection into a Michigan Left style intersection. Relocation of utilities will be required. This project is under review pending NCDOT funding and timing.

Agenda Item: H.B

Kannapolis City Council

City Council Agenda Staff Report
July 27, 2026

To: Mayor and City Council

From: Alex Anderson, Director of Water Resources, Kristin Jones, Assistant City Manager, Brian Roberts, Finance Director

Subject: **PRESENTATION** - System Development Fee (SDF) Analysis

Recommended Action Requested by City Council

No action is needed at this time.

Required Votes to Pass Required Action

Presentation Only. No Action Required

Background

The City of Kannapolis (the "City") retained Willdan Financial Services (Willdan) to conduct a water and sewer System Development Fee (SDF) study. The primary objective of this study was to update the water and sewer SDFs to reflect the cost of providing service to new or expanded development within the City. The analysis developed calculates a cost-based capacity-related charge for new customers connecting to, or requesting additional capacity in, the City's water and/or sewer utility system. SDFs are one-time charges that reflect the demands and costs on City facilities created by new development for additional capacity. The purpose of an SDF is to assign, to the practical extent possible, growth-related capital costs to those customers responsible for such additional costs. To the extent that new population growth imposes identifiable additional capital costs to municipal services, equity and prudent financial practice necessitate the assignment of such costs to those customers or system users responsible for the additional costs rather than the existing user base. This practice has been labeled as "growth paying for growth" without placing the full cost burden on existing users. The calculated fees are equitable and represent the proportionate share of capital costs from which new development will directly benefit.

After this presentation, the proposed SDF report has to be published on the city's website 45 days prior to adoption. After publishing requirements are met, a public hearing is required and then a vote on the new SDF rates, which will be included in the City's revised adopted fee schedule. The public hearing will be tentatively scheduled for the Monday, September 14th City Council meeting.

Fiscal Implications

A budget amendment isn't required at this time.

Alternate Courses of Action

None.

Attachments

None