

MINUTES

Regular Meeting
Cleveland County Water Board Room

September 11, 2018
Tuesday, 7: 00 P.M.

Present: Chairman Donald O. Melton, presiding; Vice Chairman Dewey Cook, Treasurer Pete Pedersen, Secretary Bill Cameron, Commissioners Amy Bridges, John Taylor and Tony Brooks, General Manager Brad Cornwell and Attorney Tim Moore. Commissioner Amy Bridges was absent.

Chairman Melton called the meeting to order at 7:00 PM, welcomed all who were in attendance and recognized Dewey Cook who gave the invocation and Pete Pedersen led the *Pledge of Allegiance*.

A. Approval of agenda:

Chairman Melton asked Commissioners if anyone had any questions related to the adoption of the agenda. With no questions, he requested a motion to approve the agenda.

1) Motion to adopt the proposed agenda

ACTION TAKEN: Upon a motion by Mr. Brooks and second by Mr. Pedersen, the Board of Commissioners voted unanimously to approve the agenda.

B. Public Comment:

Chairman Melton requested the time for Public Comment and Mr. Cornwell noted that no one had signed up for Public Comment.

C. Consent Agenda:

Action Taken: Chairman Melton presented the Consent Agenda Items. Upon a motion by Mr. Cameron second by Mr. Taylor the Board of Commissioners voted unanimously to approve the Consent Agenda. The Consent Agenda consisted of the following items:

1) Approval of the Minutes of the Regular Meeting of July 10, 2018

- 2) Consideration of Ordinance Number 16-2018 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's Joes Lake Road Project
- 3) Consideration of Ordinance Number 17-2018 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's GIS/GPS Project

D. Unfinished Business:

No unfinished business was discussed.

E. New Business:

- 1) Consideration of Resolution Number 14-2018 A Resolution Authorizing Submission of an Application for Funding for the Cleveland County Water Clearwell and High Service Pump Station Project to the State of North Carolina

Mr. Cornwell explained that the Clearwell project was presented at the yearly retreat. The project will have a preliminary estimated cost of \$9,900,00.00. The application will be submitted to NC Division of Water Quality/NC Department of Environment and Natural Resources. The funding was inquired upon in December with an interest rate of 1.87% for a twenty-year period. The loan percentage is estimated to currently be 2.25%. The application cycle ends on September 28, 2018. Mr. Cornwell reported that most of the application is currently completed. The application process calls for a resolution authorizing the submittal of the application. Mr. Cornwell called for any questions. Mr. Cameron asked how long the process would take. Mr. Cornwell explained that the process would take at least a year before obtaining approval to begin construction. The funding application would take two to three months to be reviewed. The application along with other applications from other entities across the state would be scored and ranked. Mr. Cornwell expressed concern about the rankings because water rates would be taken into consideration and the current water rates are not high. The age of the system and the size of the system would also be taken into consideration. The current age and size would give a mid-level score. The bigger the system the lower the calculation for the score. Mr. Pedersen questioned what the clearwell project would do for the water system. Mr. Cornwell reported that the

clearwell holds the finished water on site that will be distributed into the system. The current storage is one million gallons. When a main line break occurs in the system the finished water empties to the distribution system very quickly. The water plant was upgraded in the year 2015 and this process required tests and certifications for the water. The tests included how quickly the water traveled and how long the water stayed chlorinated before releasing to the system. The results of the test determined that the current clearwell could not be used below nineteen feet of storage. Mr. Cornwell noted that instead of having one million gallons of finished water storage truthfully only half of the current clearwell storage can be used. The new clearwell will hold three million gallons of finished water. The water plant can currently only be shut down for thirty to forty minutes for maintenance with the current storage capacity. This makes it very difficult to schedule maintenance and repairs in that small amount of time. The high service pump station will replace the existing pumps that distribute water to Polkville and Belwood. The current pumps are thirty-five years old. The valves and the gaskets are wearing out. The normal life of pumps is fifteen to twenty years. The pumps have already been re-built several times. Mr. Pedersen asked if four million gallons of storage would be enough in the event of a major break. Mr. Cornwell explained that with the current daily demand that storage would cover more than half a day of demand. As a reminder, there are tanks in the system that also store water in the distribution system. Mr. Pedersen asked if the Lattimore tank is a clearwell. Mr. Cornwell noted that Lattimore is an elevated tank that holds 750,000 gallons of water. Mr. Brooks asked about the future plans for the new water plant. Mr. Cornwell explained that the existing water plant would always be in service for the upper end. The new plant would service the lower side of Cleveland County. The two water plants would work together to provide for future needs. Mr. Cameron asked about the twelve-inch lines leaving the plant. Mr. Cornwell noted that the lines leaving the plant would be a future construction project. The finished water needs to be stored to release into the system, in the future the line size leaving the plant will be increased and upgraded.

Action Taken: Upon a motion by Mr. Petersen, second by Mr. Cook, the Board of Commissioners voted unanimously to adopt Resolution Number 14-2018 *A Resolution Authorizing Submission of an Application for Funding for*

*the Cleveland County Water Clearwell and High Service Pump Station Project
to the State of North Carolina*

- 2) Consideration of Resolution Number 15-2018 A Resolution Authorizing the General Manager to Forgive Bill Late Payment Fees for a Period of Time

Mr. Cornwell updated on the progress of the new billing system. The new software was started on August 1, 2018. Mr. Cornwell noted some of the problems and issues concerning the switch to the new software. Mr. Cornwell explained that for the month of August with all the confusion customers were not be charged any late fees. The customers are becoming accustomed to the new system, however not everybody has made the change for their payments. This resolution would allow for customers to not be charged late fees for August and September due to the new billing software and the change that has affected staff and customers.

Action Taken: Upon a motion by Mr. Cameron, second by Mr. Pedersen, the Board of Commissioners voted unanimously to adopt Ordinance Number 15-2018 *A Resolution Authorizing the General Manager to Forgive Bill Late Payment Fees for a Period of Time*

- 3) Consideration of Resolution Number 16-2018 A Resolution Authorizing Execution of an Interlocal Agreement for the Billing and Collection of Sanitary Sewer Fees and Charges

Mr. Cornwell explained that this resolution would allow the Town of Fallston customers to pay their bills the same way that Town of Boiling Springs/Lattimore, Kingstown and Polkville pay theirs. The agreement is the same agreement currently in place with these towns. A collections fee of 2% would be held and the sewer paid payments reimbursed back to town. Mr. Brooks asked if the Town of Fallston needed to be present. Attorney Moore noted that the agreement would be returned to the Town of Fallston for signatures and approval.

Action Taken: Upon a motion by Mr. Brooks, second by Mr. Cook, the Board of Commissioners voted unanimously to adopt Ordinance Number 15-2018 *A Resolution Authorizing Execution of an Interlocal Agreement for the Billing and Collection of Sanitary Sewer Fees and Charges*

G. General Manager's Report:

Mr. Cornwell noted that the July and August financial reports were both available. The insurance for the whole fiscal year was paid in July. The month of August had five payrolls. The change in the billing system reporting to General Ledger has some of the financial statement numbers reporting differently. For example, the bulk water revenue is now including the chicken houses billed through the billing software. This change may be reversed at a later time depending on the preference of the statement. The next to the last re-financing payment has been paid so the cash on hand days for September will probably be down. Mr. Brooks asked when the last payment would be. Mr. Cornwell answered that the payment would be made in March of 2019. The maintenance department completed a line extension on Mount Zion Church Road for seven hundred sixty feet of four-inch pipe was installed. The total work orders completed were seven hundred eighty-four. The August average daily demand at the water plant was down. The billing report showed a decrease from last month and also from last year billing numbers. Mr. Cornwell updated on the progress of the construction for the Town of Fallston. The Lattimore Tank Project has been approved by NCDWQ. It will be presented to contractors for bids in the upcoming months. The construction will be scheduled to begin after January 1, 2019. Once the project has been bid the paperwork would return to NCDWQ for final approval before construction begins. Mr. Cornwell complimented Michelle Alexander, Customer Service Director, for her hard work and dedication during the conversion of the software. Mr. Cornwell presented "How to read my water meter" video created by DragonFly Marketing. The start, stop, and move feature was also discussed. This feature will allow customers to apply for service online if an existing meter is present. A third party will be contracted to provide a secure encryption of customer information as it travels to the office for processing. Mr. Pedersen asked about providing information with the application. Mr. Cornwell replied that the existing attachments will still be required. Customers can take a picture with their cell phone and attach the picture to their application.

H. Board Members Announcement and Remarks

Mr. Taylor reported that with Hurricane Florence approaching customers have asked him if we will run out of water and if they need to fill their bathtubs full of water. Mr. Cornwell replied that the plant can run seven to

eight days off the generator. We have ten days of raw water storage. Mr. Cornwell cautioned that with the amount of rain predicted with this hurricane that river crossings could be washed out due to flooding. If the creek crossing were to be affected by the flooding and the lines are damaged there will be areas of the county without water. Mr. Cook noted that during one of the prior hurricanes a customer contacted him about restoring her services and the water was out due to a creek crossing. Mr. Brooks noted appreciation for work on the new website. Mr. Cornwell shared with the members a sample of the water sampling kits being distributed throughout the county by a third party. The customers have been questioning about the necessity of returning the sample of their water. Mr. Cornwell noted that the third party is attempting to sell home filtration systems and water softeners. The members noted appreciation for the hard work.

I. Adjournment

Action Taken: Chairman Melton called for a motion to adjourn. Upon a motion by Mr. Brooks, second by Mr. Taylor the Board of Commissioners voted unanimously to adjourn at 7:44 PM.

Respectfully submitted,

Bill Cameron

Bill Cameron
Secretary

