

MINUTES

Regular Meeting
Cleveland County Water Board Room

July 10, 2018
Tuesday, 7: 00 P.M.

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

Chairman Melton called the meeting to order at 7:00 PM, welcomed all who were in attendance and recognized Tony Brooks who gave the invocation and Don Melton 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. Cameron and second by Mrs. Bridges, 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. Brooks 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 June 12, 2018
- 2) Consideration of the Cancellation Notice for the August 14, 2018 Regular Meeting

D. Unfinished Business:

No unfinished business was discussed.

E. New Business:

- 1) Consideration of Ordinance Number 14-2018 Cleveland County Water Reimbursement Resolution with Regard to Installment Financing for FY 2018-2019

Mr. Cornwell explained the process for installment financing. This resolution is required to establish the process of purchasing and financing the equipment for the new fiscal year. These items in the amount of \$177,500.00 are purchased and paid with budgeted funds. A package for these purchases will be presented to banks for financing. The bank will then submit proposals with their financing options and payments are established for reimbursement back to the financial institution.

Action Taken: Upon a motion by Mrs. Bridges, second by Mr. Brooks, the Board of Commissioners voted unanimously to adopt Ordinance Number 14-2018 *Cleveland County Water Reimbursement Resolution with Regard to Installment Financing for FY 2018-2019*

- 2) Consideration of Ordinance Number 15-2018 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water US74 Bypass Relocation R2707E Engineering and Design

Mr. Cornwell explained section "E" of the Highway 74 bypass project. This section of the project will follow the existing Highway 74 bypass bridges over Buffalo Creek in the direction going towards Kings Mountain. It will contain the exits of Bethlehem Road and Longbranch Road and require a new service road installation between Bethlehem Road and Longbranch Road. The engineering work will be done by TGS Engineers. The cost for the engineering will be \$79,843.30. These engineering fees will be paid and then reimbursed back from NCDOT. There are no charges for relocating of existing water lines. This section of the bypass will require some line upsizing. NCDOT does bill for upgrades or betterments. This resolution will establish the funding and allow for execution of the contracts for the NCDOT and TGS engineering.

Mr. Cameron asked how timely the NCDOT was on their reimbursements. Mr. Cornwell explained that in some instances the reimbursements take thirty days and other instances it takes ninety days. Mr. Cornwell explained that the funds were available to entirely complete the project and submit all invoices in one package. Some reimbursements take longer than others depending on the size of the project.

Action Taken: Upon a motion by Mr. Brooks, second by Mr. Cameron, the Board of Commissioners voted unanimously to adopt Ordinance Number 15-2018 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water US74 Bypass Relocation R2707E Engineering and Design

G. General Manager's Report:

Mr. Cornwell referred to the June unaudited financial report and began his report with the water sales. The budget was completed with honest semi-conservative numbers, for several months the water sales were behind for the fiscal year. The water sales finished above budget with a strong June and budget expectations were met. Mr. Cornwell continued with the local option sales tax. The June local options sales tax was more than expected. Mr. Cornwell explained that he questioned the increase with other local governments. Mr. Brooks asked if the payment reflected April's purchases. Mr. Cornwell explained that the local options sales tax is three months behind the current month. The month reflected would have been March. Mr. Brooks suggested that this may have been because of the public spending their tax refunds. Mr. Cornwell explained the vehicle tax budget was good. The property taxes were under budget. Mr. Brooks asked if the revaluation had been set. Mr. Cornwell noted that Cleveland County has not set their revaluation yet. The General Statutes calls for revaluation every eight years and the last revaluation took place in 2016. Mr. Cornwell explained the OPEB and the capital reserve transfers. The costs of the meter change outs and the parking lot improvements were paid in June. The parking lot asphalt paving went over budget due to the costs of additional gravel. The base of the parking lot had issues with shifted gravel or no gravel. The costs to correct the project was increased by \$15,000.00 to provide a good base for the office parking lot. The maintenance and water plant reports were reviewed. Mr. Cameron asked if the need demanded, could the water plant produce eight million gallons of treated water. Mr. Cornwell replied that the

permit allowed for 7.3 million gallons to be produced. The water plant could do eight million gallons if the demand was there. Mr. Cornwell addressed the billing report. The billing report increased 25.7% over the prior month billing. The Town of Fallston with the assistance of Local Government Commission and Mr. Cornwell has completed their paperwork for financing for the Fallston project. Mr. Cornwell updated on the clearwell project. NCDENR has shared that their funding cycle begins in September for the application to be submitted for review. This project is one of the established goals from the retreat. At a future meeting the resolution will be presented to have the application submitted to NCDENR. The Lattimore Tank project is still being reviewed by NCDENR and has not been approved yet. The other permits are already completed for this project. Mr. Cornwell had a customer compliment for Tony Holt in the Maintenance Department. Mr. Cornwell reviewed the Annual Congressional Luncheon set for Tuesday, August 7, 2018 with Patrick McHenry to see if the members will like to attend. Mr. Cornwell explained the process of the software conversion to QS/1 on August 1, 2018. The payments currently processing through Payment Service Network won't be capable of processing because all the customers will have new account numbers. Payment Service Network will be available for auto pays through the end of August. Customer can access online and telephone payments through the new Global Company with their new account numbers. Effective with the new software, customers will be able to pay at the office with a credit card or debit card. Mr. Cornwell shared the insert to be in the distribution with the customer water bills in July. Mr. Brooks asked about the fees involved using the credit and debit in the office. Mr. Cornwell addressed that a small fee will be assessed depending on what credit card types customers are using to pay with. Mr. Cornwell reviewed the new website with the members. The new website will be available in a couple of months. The changes taking place with the software conversion the website will be staying the same until customers become accustomed to the new software and using their new account numbers. The new website will allow for new customers at existing locations to apply for service online without coming to the office for paperwork. The new taps will still need to continue to personally apply at the office. Mr. Cornwell shared the pages for the rates, instructional videos, the office staff and the board members. Information was shared concerning the way the website was designed, where the information came from, what was deemed most important to the customers and what they wanted to see. Mr. Cameron asked if water restrictions were enforced could we notify through the website. Mr. Cornwell

verified that any alerts could be listed on the website. Mr. Cornwell noted that the link to the email address would be emailed to the members for their review.

H. Board Members Announcement and Remarks

Mr. Taylor noted appreciation for the website and the hard work. Mr. Brooks noted that the budget was a good job. The numbers were close to show hard work. Mr. Melton reminded that there would be no August meeting.

I. Adjournment

Action Taken: Chairman Melton called for a motion to adjourn. Upon a motion by Mr. Taylor, second by Mr. Brooks the Board of Commissions voted unanimously to adjourn at 7:36 PM.

Respectfully submitted,

Bill Cameron

Bill Cameron
Secretary

