

## MINUTES

Regular Meeting  
Cleveland County Water Board Room

July 11, 2017  
Tuesday, 7: 00 P.M.

Present: Chairman Donald O. Melton, presiding; Treasurer Pete Pedersen, Secretary Bill Cameron, Commissioners Amy Bridges, John Taylor and Tony Brooks, General Manager Brad Cornwell. Vice Chairman Dewey Cook 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 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. Pedersen and second by Mr. Taylor, the Board of Commissioners voted unanimously to approve the agenda as presented.

### 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 Mrs. Bridges, 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 Special Meeting of May 23, 2017
- 2) Approval of the Minutes of the Regular Meeting of June 13, 2017
- 3) Approval of the Notice of the Cancellation of the Regular Meeting for August 8, 2017

D. Unfinished Business:

No unfinished business was presented.

E. New Business:

- 1) Consideration of Resolution Number 20-2017 A Resolution by Cleveland County Water Authorizing the General Manager to Accept an Offer to Purchase for Real Property in Accordance with North Carolina General Statute 160A-269

Mr. Earl was contacted by a potential developer concerning the Mooresboro Tank site. This tank has been off line for approximately twenty years and is no longer in use. The developer questioned that since the property was not recorded at the Rutherford County office, could he tear down the water tank. The property was researched through the Rutherford County GIS website and was not found. Mr. Cornwell researched the records for Cleveland County and discovered that the deed was recorded in Cleveland County instead of Rutherford County. This property is very close to the county line. After consulting with the attorney, a certified copy of the deed was obtained from Cleveland County and recorded in Rutherford County. There may be interest from the developer in potentially acquiring the property. The developer was acting as a broker for a larger land owner and attempting to piece together properties for a future potential school. Mr. Melton asked about the size of the property. Mr. Cornwell responded that the property was a half of an acre. Mr. Cornwell and Mr. Earl discussed the future use of this property and there is no need to retain the property. Mr. Cornwell indicated that there are several ways to dispose of property and referred to General Statute 160A-269. Mr. Cornwell is suggesting that a proposal be accepted for the purchase of the property. Once the proposal is accepted an advertisement process must be completed. The tank has been fully depreciated and has been retired from our accounting books. The property and tank would be disposed of "as is". The costs of tearing down the tank would be the responsibility of the buyer. The advertising process would include an option for other bidders to present a higher offer. The offer process does require a deposit. If the buyer is interested in the property, has presented their offer and this offer has been accepted, the buyer would need to pay a five percent deposit on their offer price. This

resolution establishes surplus property and allows the General Manager to accept bids for the property. The approval and acceptance of the bids will require approval of the governing board. Mr. Melton questioned how we acquired the property. Mr. Cornwell explained that the property was used a water tank that was established in the late 1980s. The tank had a problematic history and as the service area grew the use of the tank was no longer required. Mr. Cameron asked about the possibility of selling the tank for scrap metal. Mr. Cornwell replied that the tank is not a large elevated storage tank, but rather a ground storage tank. The tank holds 250,000 gallons. The costs to cut down the tank would not warrant the revenue from the scrap metal sale. Mr. Brooks mentioned contacting the surrounding property owners about the intentions of this property. Mr. Cornwell responded that our property was part of the property that the developer contacted us about. There are only two more adjoining properties.

Action Taken: Upon a motion by Mr. Taylor, second by Mr. Pedersen, the Board of Commissioners voted unanimously to adopt Resolution Number 20-2017 *A Resolution by Cleveland County Water Authorizing the General Manager to Accept an Offer to Purchase for Real Property in Accordance with North Carolina General Statute 160A-269*

#### F. General Manager's Report:

Mr. Cornwell began with the financial statements. The June financial statements are being presented and noted as unaudited. This is because it is the end of the fiscal year. This month includes the cleaning of the sludge lagoons under the contracted services line item. The materials expense is in the negative due to the completions of Trent McSwain and Barclay Road line extensions. There were five payrolls and comp time checks in June. The water plant treatment average increased to 5.4 MGPD. The highest demand day was June 4, 2017 with 5.9 MGPD. There were seventeen new taps installed. The water line on Trent McSwain Road was replaced by the maintenance department. The measurement was 5,340 feet of pipe which is the equivalent of a little more than a mile. A new line was installed on Barclay Road for 1,575 feet. The billing report reflects 112,365,816 gallons of usage and \$547,609.76 in revenue. This amount has increased over the month of May of this year but is down from June of last year. Mr. Cornwell reminded concerning the Kings Mountain State of the Community Breakfast

on July 12, 2017. The Bank of the Ozarks Customer Deposit account is now closed. The account was left open in the event of any customers that found or wished to cashed their customer deposit refund checks.

#### G. Board Members Announcement and Remarks

Mr. Brooks asked if bi-weekly payrolls had ever been considered. Mr. Cornwell explained the decision of weekly payroll versus bi-weekly payroll. Mr. Cameron questioned if the employees were currently at full staff. Mr. Cornwell responded that the employees were at full staff with the exception of the two new maintenance positions presented in the new budget. Those new positions are currently being advertised. Mr. Cameron asked if the water bills with the new water rates had been mailed yet. Mrs. Alexander informed that the new bills would be mailing on Friday. Mr. Cornwell added that one month of bills had already been mailed informing customers of the rate increase. Mr. Brooks noted that he came to the office to purchase a new water tap and the office was very busy. The meter is set and everything went great. He reported that he didn't realize how busy the staff was at the office.

#### H. Closed Session

- 1) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option exchange or lease in accordance with North Carolina General Statute 143-318.11 (a)(5)

Action Taken: Upon a motion by Mr. Pedersen, second by Mr. Taylor, the Board of Commissioners voted unanimously to go into Closed Session pursuant to North Carolina General Statute 143-318.11 (a)(5) at 7:20 PM.

Action Taken: Upon a motion by Mr. Pedersen, second by Mr. Taylor, the Board of Commissioners returned to Open Session at 7:50 PM. Mr. Cornwell checked to see if any public remained outside to invite them back into the meeting and there were none.

I. Adjournment

Action Taken: Chairman Melton called for a motion to adjourn. Upon a motion by Mr. Brooks, second by Mr. Pedersen, the Board of Commissions voted unanimously to adjourn at 7:51 PM.

Respectfully submitted,

*Bill Cameron*

Bill Cameron

Secretary

