

MINUTES

Regular Meeting
Cleveland County Water Board Room

January 10, 2023
Tuesday, 7:00 P.M.

Present: Chairman Donald Melton; presiding, Vice Chairman Dewey Cook, Secretary Bill Cameron, Commissioners Amy Bridges, Tony Brooks, Bruce Martin, Pete Pedersen and General Manager Brad Cornwell. Attorney Tim Moore attended via video conference.

Chairman Donald Melton called the meeting to order at 7:00 PM, welcomed all who were in attendance and recognized Commissioner Dewey Cook who gave the invocation and Commissioner Bruce Martin 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. Chairman Melton requested a motion to adopt the agenda as amended.

ACTION TAKEN: Upon a motion by Mr. Pedersen and second by Mr. Cook, the Board of Commissioners voted unanimously to approve the agenda as presented or amended.

B. Public Comment:

There were no public comments.

C. Consent Agenda:

Action Taken: Chairman Melton presented the Consent Agenda Items. Upon a motion by Mr. Cameron, second by Mr. Brooks, 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 December 13, 2022
- 2) Consideration of Resolution Number 1-2023 A Resolution Accepting TGS Engineers as the Most Qualified to Perform Work Related to Stagecoach Greenway Design WBS Element No. 50388
- 3) Consideration of Resolution Number 2-2023 A Resolution Accepting McGill Associates as the Most Qualified to Perform Work Related to the Cherryville Interconnection Project (S.L. 2022-74 Appropriated Projects)

- 4) Consideration of Ordinance Number 1-2023 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's ARP funded Marion Street Booster Pump Station Project
- 5) Consideration of Ordinance Number 2-2023 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's ARP Funded Casar Lawndale, Sand Hills, and Will Dixon Road Water Main Project
- 6) Consideration of Ordinance Number 3-2023 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's Stagecoach Greenway Project from Grigg Street to Long Rock Park

D. Unfinished Business:

No Unfinished Business was discussed.

E. New Business:

No new business was discussed.

F. General Manager's Report:

Mr. Cornwell introduced Ginger Fern, Finance Director, to present the finance portion of the General Manager's report. Mrs. Fern referred the members to the financial statements at their seats for December. The \$92,000 in the grant revenue line item is for the AIA projects with the local towns. There were five payrolls in December. The \$125,000.00 quarterly transfer for the capital reserve fund is complete. The balance in the capital reserve fund currently is \$2,435,086.00. After the first quarter transfer in the spring the capital reserve bank account will have over \$2,500,000.00. The request for proposals for the financial audit was sent out on December 16, 2022. The return requested date is January 20, 2023. Mrs. Fern shared that the proposal requests were sent to six auditing firms recommended on the Local Government Commission's website. A request was also shared with one firm that was noted to specialize in sanitary district audits. The current auditor for the District was also invited to participate. Mrs. Fern reported that she has been contacted via email by a firm interested in presenting a proposal. The firm asked a series of very good questions. The results of the request for proposals should be shared at the next board meeting. Jeff Earl, Operations Director, continued with the maintenance and water plant reports. The average daily production for the water plant was 4.09 million gallons. The leak report was twenty-four water leak repairs with three main

line repairs and twenty-one service line breaks. There were 101-meter change outs, all radio reads, and approximately 1,800 meters remain for the meter change out project to be completed. The water line installation continues for Belwood with Saint Peter's Church Road being completed within the next week. The clearwell building is half completed with the brick and block exterior. The scaffolding is being relocated to work on the block and veneer on the other side of the building. The tie-ins are nearing completion with the last one being at the pump station for the Belwood and Polkville discharge side. The notice of award was approved by NCDEQ for the Marion Street Booster Pump Station. The award was issued to Brushy Mountain on December 30, 2022. The contracts were mailed the beginning of January to the contractor. The redesigns for the flocculation and sedimentation project have been submitted back to NC Public Water Supply. Once these redesigns are approved the project can be submitted to NCDWI. The Weir project final submittal has been completed, accepted, and approved. The bids will be anticipated sometime in the middle of 2023. The asset inventory and assessment projects will be shared at the corresponding town meetings. The Polkville meeting has already taken place and the Fallston and Lawndale meetings will be soon. The Casar Lawndale Road transmission line is being reviewed for creek crossings. This is the transmission line upgrade for water traveling north and southeast. Chairman Melton asked Mr. Earl about the wet weather because of all the rain. Mr. Earl and Mr. Cornwell shared that the recent weather made work difficult. Mr. Pedersen questioned the low-pressure problem that occurred during the latter part of December in the Mooresboro area. Mr. Earl explained that because of the cold weather there were multiple customer service line breaks that were not turned off for repair and remained flowing. The line breaks required more water than typical distribution demanded. This caused low pressure because the tanks were drained and had to be refilled. This problem occurred throughout the county and lasted for several hours over the weekend while the office was closed. Mr. Pedersen noted that customers were not able to contact the office for information and feedback on the situation. Mr. Cornwell noted that the Customer Service Director, Michelle Alexander, was researching ways to communicate with the customers through IVR messages concerning low pressure problems and outages. The idea situation would be to have these communications GIS linked and only communicate to the customers pertaining to the situation. This sort of technology is several years away but a definite possibility in the future. The new billing software will help to assist with communications to

all customers concerning all situations. Mr. Cornwell referred the members to the maximum gallon day at the water plant for December 27, 2022, detailed in the commissioner packets. On December 24, 2022, the temperature was five degrees and multiple customer service lines froze. Customers were also dripping and running faucets to prevent pipes from freezing. On December 26, 2022, when the temperatures increased the service lines began to thaw, the busted pipes started flowing, and the increase in water demand began. This increased demand restricted the water flow to refill the water tanks. The system water tanks were drained, including the Lattimore tank, and left some areas with low pressure. Mr. Cornwell noted that he noticed several backflow preventors that were spewing water because of the damage caused by the freezing temperatures. This was a holiday weekend with families being home, which multiplied the number of telephone calls to the water plant. Mr. Earl shared that the water plant was staffed by one water plant operator, who was overwhelmed with telephone calls. Mr. Brooks questioned whether the Lattimore Tank assisted with the situation and what would the situation have been like without the Lattimore Tank. Mr. Cornwell and Mr. Earl agreed that the Lattimore Tank was a huge asset during this situation. Mr. Earl noted that these situations can take hours to resolve because it takes time to refill the tank and restore the pressure to the distribution lines after the tank has been refilled. Michelle Alexander, Customer Service Director, continued with the billing report. The billing showed 101,543,377 gallons billed for 22,207 accounts. The disconnection did not take place because of the holidays and staffing issues. The District contacted eighteen customers concerning possible water leaks. The bank drafted customers were 4,223 accounts. There were ten data logs shared. The leak adjustments will increase due to frozen pipes. The gallons billed will increase due to the dripping and running faucets to prevent freezing. Mr. Cornwell noted that Mrs. Alexander has been working diligently on researching and seeking a new billing software company. Mrs. Alexander confirmed that hopefully in March, a new billing software company will be shared with the members. Customers will be calling concerning the water that was flowing to prevent freezing. The leak adjustment policy may require changes to the policy for a minimum bill requirement. Customers are using the leak adjustment policy on small bills to save money, then receiving bigger bills before the three-year period has expired and are not eligible for another leak adjustment. Customers are also experiencing an increase in late fees. Mr. Cornwell explained the process of customers using bill pays through their financial institutions and these

payments are being delayed during processing and the customers are receiving late fees because of the delays. The District is considering offering an incentive for customers to use the bank draft payment option. Mr. Cornwell discussed some of the possible incentives for encouraging customers to use bank drafts. Mr. Pedersen inquired about offering levelized billing to the customers. Mr. Cornwell and Mrs. Alexander will research levelized billing considerations. Mr. Brooks asked if a discount could be offered to the customers applying for bank draft. Mrs. Alexander explained that the billing system doesn't calculate discount rated water bills. Mr. Melton questioned the maximum limitations for the water bill leak adjustments. Mrs. Alexander explained some situations for leak adjustments. Mr. Cornwell noted that the revenue written off due to leak adjustments would probably be shocking. Mr. Cornwell continued his report with updates on the ongoing projects. The steel for the second building at the centrally located operations center is here and onsite. The sewer system has been designed for the Lawndale Park section of the Greenway. The bid packet will be presented around the middle of next month. The Land and Water Fund application through the National Park Service was completed but no response has been received. The Delight Road and Casar Road access point permits have been issued. The final permit is from the State Office of Construction, Mr. Cornwell assures the members that this means that the State of North Carolina has some intention to do work at these sites. The Planning and Zoning for Cleveland County will also need to be completed. The Carolina Thread Trail has \$157,175.00 in funding allocated for Cleveland County. This Grigg Street to Long Rock Park Greenway section has \$350,000.00 appropriated for design through NCDOT. This section will cost a couple million dollars to construct because of the boardwalks, etc. Mr. Cornwell will complete and submit the application to be appropriated for construction on this section. The Paved Trails & Sidewalks Feasibility Study Grant Program application has also been submitted. A synopsis of the application is included in the commissioner packets for reference. The Duke Energy/AT&T utility pole at the New Operations Center has been scheduled for relocation. Ansco has been contacted about the underground utility relocation. Mr. Cornwell informed the members about the planning for this year's retreat. The retreat for this year includes multiple projects currently ongoing. The retreat is typically used for the planning of future projects. This retreat would focus on informing in more detail the projects already ongoing. The members agreed that the meeting information was enough for now. Mr. Brooks requested a time to tour the facility and see some of the new features. Mr. Cameron

asked about the rates for this year. Mr. Cornwell mentioned that this year would not be a rate increase for water customers.

G. Board Members Announcement and Remarks

The members expressed their appreciation.

H. Adjournment

Action Taken: Chairman Melton called for a motion to adjourn. Upon a motion by Mr. Brooks, second by Mrs. Bridges, the Board of Commissioners voted unanimously to adjourn at 7:39 PM.

Respectfully submitted,

Bill Cameron

Bill Cameron, Secretary

