

MINUTES

Regular Meeting
Cleveland County Water Board Room

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

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

Chairman Melton called the meeting to order at 7:00 PM, welcomed all who were in attendance and recognized Pete Pedersen who gave the invocation and 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. Taylor and second by Mr. Pedersen, the Board of Commissioners voted unanimously to approve the agenda as presented.

B. Public Comment:

Chairman Melton noted it was the time for Public Comment and Mr. Cornwell noted that there was no one signed up for Public Comment.

C. Consent Agenda:

Action Taken: Chairman Melton presented the Consent Agenda Items. Upon a motion by Mr. Brooks and a 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 Regular Meeting of March 14, 2017
- 2) Approval of a Special Meeting Notice for Tuesday, May 23, 2017

D. Unfinished Business:

- 1) Consideration of Resolution Number 11-2017 A Resolution Adopting an Agreement for Management of the Town of Fallston Water Supply System

Mr. Cornwell reminded Commissioners of the discussion over the past few years about working with Fallston. He noted that since Fallston was moving forward with the USDA loan of \$1.8 Million and the grant of \$1.4 Million that we would be entering into a management agreement with them and in turn leasing their system for approximately \$68,000 per year which would take care of the USDA payment required by Fallston. He stated that he hoped in about 8-10 years CCW would be able to pay off the loan owed from USDA through Fallston and then assume ownership of the Fallston System. Commissioners expressed many positive remarks about this process and that they were very pleased to continue working with Fallston in this manner.

Action Taken: Upon a motion by Mr. Pedersen and a second by Mrs. Bridges, the Board of Commissioners voted unanimously to approve Resolution Number 11-2017.

E. New Business:

- 1) Consideration of Resolution Number 12-2017 A Resolution Accepting Johnson, Price and Sprinkle, PA as the Most Qualified to Perform Work Related to the Annual Cleveland County Water Audit

Mr. Cornwell introduced this item by reminding Commissioners that Cherry Bekaert has served as the Auditor for CCW since 1992. Mr. Cornwell elaborated that this was bad practice since the LGC recommended changing auditors about every 5 years along with going through an LGC recommended Request for Qualifications process. Mr. Cornwell noted that staff was recommending JPS and that they had interviewed them, visited their facilities and checked references. He noted that they had very good references and served several governmental entities in McDowell County and Buncombe County. Several Commissioners asked about price of the annual audit. Mr. Cornwell stated that the LGC posts all the governmental entities

and for a unit our size that he would expect the fee to be in the \$40,000-\$50,000 range. He elaborated that with our current upcoming audit, we now had a number of Capital Project Budget Ordinances as well as several grants and loans that would increase the auditors time and expense. He stated that while the price has come down over the past two years due to the extra work Mrs. Fern has absorbed, he would expect our price to be a little higher this year given the increased complexity of our budget.

Action Taken: Upon a motion by Mr. Taylor and a second by Mr. Pedersen, the Board of Commissioners voted unanimously to approve Resolution Number 12-2017.

- 2) Consideration of Resolution Number 13-2017 A Resolution Adopting the Goals and Visions of the Cleveland County Water Board of Commissioners From the 2017 Cleveland County Water Board of Commissioners Retreat.

Mr. Cornwell stated that this resolution was prepared as a result of the Commissioner feedback provided from the retreat summary. Commissioners were asked to prioritize their goals and this was the ranking summary in order.

Action Taken: Upon a motion by Mr. Brooks and a second by Mr. Pedersen, the Board of Commissioners voted unanimously to approve Resolution Number 13-2017.

- 3) Consideration of Resolution Number 14-2017 A Resolution Adopting a Utility Preliminary Engineering Agreement with the North Carolina Department of Transportation

Mr. Cornwell explained that this item was placed on the agenda because NCDOT is replacing a bridge on Tobe Bridge Road. Mr. Cornwell noted that the engineering fee was reimbursable by NCDOT because we are a Sanitary District. He stated that we would pay for the costs up front, and then seek reimbursement from NCDOT.

Action Taken: Upon a motion by Mrs. Bridges and a second by Mr. Brooks, the Board of Commissioners voted unanimously to adopt Resolution Number 14-2017.

F. General Manager's Report:

Mr. Cornwell began with the financial statements. Mr. Cornwell noted that during the month of March the District made a \$720,517 debt service payment. He also noted there were five full payrolls during the month of March and that we also received a reimbursement from NCDOT for the C Section of the Bypass in the amount of \$78,980. Mr. Cornwell also summarized the maintenance, water plant and billing reports noted in the agenda. Mr. Cornwell stated that he was going to bring his Boy Scout Troop here on April 22nd for an Earth Day project and a roadside cleanup of trash from our offices at CCW to Main Street in Lawndale. He noted that he was inviting Commissioners to join their efforts and would also extend an invitation to staff if anyone wanted to volunteer to help. Mr. Cornwell noted the Legislative Meeting on April 24 and requested Commissioners tell him their desire to attend so he could make arrangements. He also updated Commissioners on meeting with a Forestry Consultant to assist with the timber thinning on our Broad River property. He updated Commissioners on their I-9 forms at their seat and he would be meeting with them to get that information updated.

G. Board Members Announcement and Remarks

Commissioners Bridges and Taylor expressed their gratitude to staff for the outstanding work and all the progress that was being made on the plant and system improvements and for their work on the auditor selection.

H. Adjournment

Action Taken: Chairman Melton called for a motion to adjourn. Upon a motion by Mr. Brooks, second by Mr. Taylor, the Board of Commissions voted unanimously to adjourn at 7:25 PM.



Respectfully submitted,

Bill Cameron

Bill Cameron
Secretary