

MINUTES

Regular Meeting
Cleveland County Water Board Room

October 10, 2017
Tuesday, 7: 00 P.M.

Present: Chairman Donald O. Melton, presiding; Vice Chairman Dewey Cook, Commissioners Amy Bridges, John Taylor and Tony Brooks, General Manager Brad Cornwell and Attorney Tim Moore.

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 John Taylor 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. Bridges, 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. Special Presentations:

1) Presentation by Kim Davis with DragonFly Marketing on Branding, Website, and Logo Design

Mr. Cornwell introduced Kim Davis from DragonFly Marketing to start the presentation. Sam and Kim Davis own and operate their marketing firm out of Shelby, North Carolina. Mr. Cornwell explained that DragonFly has worked on several area projects, including the American Legion World Series, Foothills Shooting Range, and The Cleveland County Economic Development Partnership. The importance of branding and logos was explained. Mrs. Davis discussed the importance of color and what different colors represent. She noted that the current logo when the

words were taken away was just a series of water drops. Mrs. Davis shared an older logo that was designed but not approved by the governing board, the logo featured a water tank and the outline of Cleveland County. Once the public gets familiar with the new brand it will represent trust and security along with good customer service. Mrs. Davis called for questions. Mrs. Bridges asked if a selection of logos would be presented to the council for approval. Mrs. Davis responded that Mr. Cornwell would be the point of contact for the marketing firm. The proposed concepts would be presented to Mr. Cornwell as the point of contact. There will be three to five concepts with strong representation of our image. Mr. Cornwell and DragonFly will be working together to change, merge and alter the concepts before presentation to the board. Mr. Cornwell noted that the staff will also be working on this project. The staff would consist of Jeff Earl, Ginger Fern, Michelle Alexander and Karen Brackett. Mrs. Davis pointed out that before the website construction could begin it was important to work on the brand and to pick a logo for representation. The website will be built around the brand. The process will be very systematic. The colors will be chosen first, with blue being the color of water, the brand will be primarily blue. The process will be followed by the fonts and images to also be used. Mr. Brooks noted how difficult it was to locate the current logo at the American Legion World Series games. He appreciated Mrs. Davis pointing out that the letters stood out more than the logo. Once the logo is selected the building of the website will begin using the same colors as appears in the logo. Mr. Cornwell shared he had been told that the IT Director's son designed the logo. The unofficial logo shares some historical moments in the CCW history. The first logo used by Upper Cleveland County Water was the water spigot. When the name change was approved for Cleveland County Sanitary District the water tank with CCSD on the tank became the logo. The unofficial logo merged the prior logos together and added the Cleveland County outline into the logo. The board expressed their appreciation to Kim Davis for attending the meeting.

- 2) Discussion of Meter Reading Routes and DriveBy Meter Reading
Mr. Cornwell presented a map that he and Jeff Earl had worked on together that represented five meter reader routes. Mr. Cornwell referenced the recent difficulty in staffing the meter reader positions. The job is tough and monotonous. It isn't a job that can normally be done long term because of the physical demands of walking and getting in and out

the truck all day. There were some discussions during the budgeting process concerning meter change outs due to technology changes and outdated meters. Some of the water meters in the system right now are thirty years old. The meters are manufactured with the average accuracy rating of fifteen years. In January of 2011 the billing consisted of 19,188 customer accounts. Today the billing has increased to 20,400 accounts. In the past six years assuming that the average route holds 400 meters that is three additional routes. There are currently seven of our routes that contain drive-by technology. Mr. Cornwell has discussed in the past the short battery life on these drive-by meters. Technology is improving and the life on the batteries are getting longer. In the past some money was set aside every year, for a period of three to four years, to invest in drive-by meters, however in 2009 the investment stopped. Mr. Cornwell color coded the routes to distinguish the size of the routes. A budget ordinance requesting \$100,000.00 to be taken from the fund balance and invest in drive-by meters is being considered. The current budget calls for fifteen thousand in meter change outs. The total of \$115,000.00 would be invested back into drive-by meters to try to increase speed and improve accuracy on the oldest meters in the system. Mr. Cornwell explained some of the discrepancies in the routes and how some of the routes interconnect and cross each other. The monies appropriated for the drive-by meter investment would allow seven hundred fifty meters to be replaced. That would replace all the route one meters and the odd location route two meters for improvements. Mr. Cornwell explained the number of meters in each cycle and what time of the month each was billed. Mr. Cornwell noted that the meter is the cash register, when the meter slows down in accuracy with age the revenue that meter is supposed to bill is not billed. Mr. Cornwell brought some examples of the older meters in the system for reference. Older meters get hard to read as they age. Meter readers can be quicker and more accurate with new easier to read meters. Mr. Cornwell called for questions. Mr. Brooks asked if the new meters would have the drive by capability. Mr. Cornwell verified that the new meters would have that capability. He also explained that the technology isn't capable of driving by too fast. Mr. Cornwell also explained the capabilities of some of the pricier water meters. Mr. Brooks questioned the price of the basic meter versus the drive-by meter. Mr. Cornwell noted that the standard basis master meter is \$68.00 and the newer drive-by meters are \$212.00. Mr. Taylor asked how many current meters are drive-by meters. Mr. Earl responded that

about four thousand meters in current system are drive-by meters. Mr. Brooks made aware that some of the revenue generated from the new meters could off-set the cost of the new meters. Mr. Taylor questioned if the staff would be doing the meter change outs. Mr. Earl replied that the staff would be swapping the meters. Attorney Moore questioned how the old meters were disposed. Mr. Cornwell noted that the old meters were sold as scrap. The meters were collected in a designated area and during employee slow time disposed of for scrap. Mr. Earl noted that anything that could be sold as scrap was sold. The copper and the brass was also sold. Mr. Taylor asked if route one was the best location for the new meters. Mr. Cornwell verified that route one was the best location with the oldest meters.

D. 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 Regular Meeting of September 12, 2017
- 2) Consideration of Ordinance Number 10-2017 An Ordinance Establishing a Capital Project Budget Ordinance and Budgets for Cleveland County Water's Waterline Relocation on Tobe Bridge Road
- 3) Consideration of Ordinance Number 11-2017 An Ordinance Establishing a Capital Project Budget Ordinance and Budgets for Cleveland County Water's Waterline Relocation on Ball Park Road
- 4) Consideration of Ordinance Number 12-2017 An Ordinance Establishing a Capital Project Budget Ordinance and Budgets for Cleveland County Water's Waterline Relocation on Crawley Gin Road
- 5) Consideration of Ordinance Number 13-2017 An Ordinance Establishing a Capital Project Budget Ordinance and Budgets for Cleveland County Water's Waterline Relocation on Kadash Church Road
- 6) Consideration of Ordinance Number 14-2017 An Ordinance Establishing a Capital Project Budget Ordinance and Budgets for Cleveland County Water's Waterline Relocation on Padgett Road
- 7) Consideration of Ordinance Number 15-2017 An Ordinance Establishing a Capital Project Budget Ordinance and Budgets for Cleveland County Water's Waterline Relocation on Pruett Road

E. Unfinished Business:

- 1) Consideration of Ordinance Number 9-2017 A FY 2017-2018 Budget Ordinance Amendment for Cleveland County Water Amendment No. 1

Mr. Cornwell briefly stated that this budget amendment would be for the drive-by meter improvements that were just discussed prior in the meeting.

Action Taken: Upon a motion by Mr. Cook, second by Mr. Brooks, the Board of Commissioners voted unanimously to adopt Ordinance Number 9-2017 A *FY 2017-2018 Budget Ordinance Amendment for Cleveland County Water Amendment No. 1*

F. New Business:

- 1) Consideration of Resolution Number 23-2017 A Resolution Authorizing Execution of An Agreement to become a member of the National Joint Powers Alliance (NJPA)

Mr. Earl found this group when collecting quotes for some past new equipment. In researching Mr. Cornwell discovered that it is necessary to have a resolution on file that establishes the desire become a member of the National Joint Powers Alliance. This organization would allow discounts on equipment purchases such as tractors. The membership is completely authorized by the General Statutes and membership is free. Mr. Cornwell referred to a list of fifteen pages of local governments in North Carolina who already participate with this organization.

Action Taken: Upon a motion by Mr. Brooks, second by Mr. Cook, the Board of Commissioners voted unanimously to adopt Resolution Number 23-2017 A *Resolution Authorizing Execution of An Agreement to become a member of the National Joint Powers Alliance (NJPA)*

G. General Manager's Report:

Mr. Cornwell began with the financial statements. A large Cleveland County check for \$349,000.00 has been received for property and vehicle taxes. The Finance Director, Ginger Fern has transferred the quarterly OPEB reserve funds to the proper account. The September debt service payment has been paid in the amount of \$720,000.00. The maintenance and water plant report were presented. The water plant's daily average is reflecting fall temperatures and decreasing the amount of water pumped from the plant. The billing reflects the previous month usage which August was a wet month reflecting a billing decrease. Mr. Cornwell is predicting an increase for next month billing since September was a dry month with very little to no rain accumulation. Mr. Cornwell shared an appreciation card from a customer thanking us for all we do. We also received a letter from a customer expressing appreciation for the future return envelopes with the new billing starting in November. Mr. Cornwell noted that the message on the current bill card informs that new bills with return envelopes will be mailing in the future. The Cleveland County Chamber expressed appreciation for the sponsorship of the table at the Upper Cleveland County breakfast. Mr. Cornwell informed that a customer came to the office and expressed his dissatisfaction because the return envelopes with the new bill would not be postage paid or stamped so that the postage would be free. Mr. Cornwell shared that if approached with this question that the stamps for all customers would not be used because not everyone mails in their payment and the unused stamps would never be used. Mr. Cornwell updated on the progress of the office renovations. The architect has completed the plans. There has been some difficulty in finding a contractor. Mr. Cornwell expressed that he would like to have three bids for this job. The District boundary extension is scheduled to be on the Board of Health and Human Services agenda for November. The customers residing on Conifer Way will not be allowed to vote for commissioners at this November election. Once the boundary extensions have been approved their future ballot will reflect the vote for CCW commissioners. Mr. Cornwell noted that the landscaping at the office will be changing. Shelby Nursery will be designing and replanting the flower beds. The Cleveland County Water sign in front of the office will be repainted and restored. Mr. Cornwell informed that the website update will include an updated commissioner information page. The contact information for the members on the website will change to general information about the

member. This space may be used for experience and background of the member or whatever the member may want to share with the public.

G. Board Members Announcement and Remarks

Mr. Taylor asked about how much debt was remaining on the outstanding loan debt balance. Mr. Cornwell responded that the debt would be paid off in two and a half years in the amount of \$3,750,000.00. Mr. Brooks questioned what the debt was for. Mr. Cornwell replied that the debt was existing from the 1980s and had been refinanced several times. The members expressed appreciation for 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 Commissions voted unanimously to adjourn at 8:04 PM.

Respectfully submitted,

Bill Cameron

Bill Cameron

Secretary

