

MINUTES

Regular Meeting
Cleveland County Water Board Room

February 9, 2021
Tuesday, 7: 00 P.M.

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

Chairman Donald Melton called the meeting to order at 7:00 PM, welcomed all who were in attendance and recognized Commissioner John Taylor 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.

ACTION TAKEN: Upon a motion by Mr. Cook and second by Mr. Taylor, the Board of Commissioners voted unanimously to approve the agenda.

B. Special Presentation:

Presentation by Mr. Steve Smith, Area Specialist with USDA

Mr. Cornwell introduced Steve Smith and Judy Hunt, Area Specialists with USDA to present the Raw Water Weir Improvements and the Operations Center funding projects. Mr. Smith began by explaining the letters of conditions for each project. The letters of conditions contain information pertaining to the funding for these projects. The totals of the loan were shared, along with the matching funds required for the Operations Center. The details for the Weir project were shared, this project does not require matching funds. The interest rate is 1.75% for both loans. The projects should be completed within thirty-six months. The terms of the loans cover a forty-year period. The security for the loans will be a water revenue bond. The Operations Center will have one water revenue bond, the Weir project will have two water revenue bonds. The loan payments will be drafted directly from the bank account. The loan payments won't begin until completion of the project. The project does require interim financing, Local Government Commission will assist with the interim financing. The projects will be bid for pricing within the budgeted guidelines from USDA. Once the bid is awarded the interim financing

will be used to fund the bid until the completion of the project. When the project has reached completion, USDA will fund the interim financing and the payment process begins. Mr. Smith shared more details pertaining the construction phase of the project. The reserve funding and maintenance requirements were discussed. Projects should be completed within a three-year time frame. A copy of the rules and regulations will need to be submitted to Rural Development on a yearly basis. The process for excess funds was shared. The insurance and bond requirements were discussed. There will also be risk assessment requirements and emergency response plan requirements. Mr. Smith shared some information concerning the closing process, the attorney and bond council will be involved with this process. Mr. Smith called for questions and comments from the members. Mr. Cornwell reminded about the capital reserve fund and the matching funds for the Operations Center. The matching funds for the Operations Center will be funded by the capital reserve fund because this allowed the project to be kept local for USDA funding and not be presented in Washington DC for federal review. Mr. Smith noted his appreciation to Mr. Cornwell, the engineers, the architects, and the staff for the courteous and professional work conducted during this phase of the project.

- 1) Consideration of Resolution Number 4-2021 Resolution of Cleveland County Water Accepting the Conditions in the February 9, 2021 Letter of Conditions from USDA, Rural Development (Raw Water Weir Improvements)

Action Taken: Upon a motion by Mr. Cameron, second by Mr. Martin, the Board of Commissioners voted unanimously to adopt Resolution Number 4-2021 *A Resolution of Cleveland County Water Accepting the Conditions in the February 9, 2021 Letter of Conditions from USDA, Rural Development (Raw Water Weir Improvements)*

- 2) Consideration of Resolution Number 5-2021 Resolution of Cleveland County Water Accepting the Conditions in the February 9, 2021 Letter of Conditions from USDA, Rural Development (Operations Center)

Action Taken: Upon a motion by Mr. Brooks, second by Mrs. Bridges, the Board of Commissioners voted unanimously to adopt Resolution Number 5-2021 *A Resolution of Cleveland County Water Accepting the Conditions in the February 9, 2021 Letter of Conditions from USDA, Rural Development (Operations Center)*

C. Recess

Chairman Melton called for a brief recess at 7:27 p.m. Chairman Melton called the meeting back to order at 7:31 p.m. and continued the agenda.

D. Public Comment:

There were no public comments.

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 January 12, 2021
- 2) Consideration of Resolution Number 6-2021 A Resolution Authorizing the Execution of an Agreement with the NC 811 System to Pain the NC 811 Logo on the Airport Road Tank

D. Unfinished Business:

- 1) Discussion Regarding Bid Tabulation for Clearwell, High Service Pump Station and Waterline Project No. WIF1973

Mr. Cornwell updated the members on the progress of the High Service Pump Station and Waterline Project. This project will be funded by a loan awarded from NCDENR. The bids for the construction of this project have exceeded the amount of the budgeted construction money in the project. Mr. Cornwell noted that the costs for concrete and construction materials have quadrupled due to the pandemic. The cost of constructions materials has therefore increased since this project was engineered. Mr. Cornwell noted that the bids were consistent and comparable to each other. The process of engineering and applying for funding for this project takes time and unfortunately during that time, the pandemic changed matters to the current situation. The NCDENR has offered to fund the difference and change the loan amount. Mr. Cornwell is not recommending that the additional loan funds be accepted. The design for the High Service Pump Station can be altered to make some changes in the design of the pump station. These design changes are being recommended by the contractor to reduce the costs of the project. The changes to the re-designed plans will need to be reviewed and reapproved by NCDENR before continuing.

This process will take a little bit of time to redesign but will allow the project costs to be reduced. The contractor has a good reputation and wants to do the project. Mr. Cornwell asked the members if this solution was acceptable to bring the project back to the NCDENR loan amount. Mr. Cook asked if the basement was removed from the project would there be enough room. Mr. Cornwell noted that there would still be two stories to the building however there would be less concrete and metal structure required. Mr. Brooks asked what the basement would have been used for. Mr. Cornwell answered that it would have been used for easier access and additional storage. Mr. Cornwell noted that the shafts for the pumps are contained, instead of building structurally sound open area around the shafts the area will be poured in concrete to support the shafts but reduce the construction costs. The soil found through the geotechnical process was very damp and swampy. The weight of the water on the swampy soil also raised the costs of the project. Mr. Brooks noted that the times made the process very difficult, the costs of everything that was budgeted had increased.

E. New Business:

No new business was discussed at this time.

F. General Manager's Report:

Mr. Cornwell began with the financial report, sharing that local option sales tax revenue was up from the budgeted amount for the fiscal year. This is the tax that is indicative of the spending habits of the public. The overall local options sales tax for the year is increased from the prior year. This tax is currently being used to assist the funding for the Greenway budget. The maintenance, water plant and billing reports are in the agenda for reference. Mr. Cornwell shared the customer compliments that were received. Jacob Wiggins, Meter Technician, had a customer call to share appreciation for bringing a water leak to their attention. Michelle Alexander, Customer Service Director, received a compliment for assisting customer. The McKee property owner has agreed to sell the property. Mr. Cornwell has contacted Tom Martin to process the purchase of the property. Mr. Cornwell updated on the status of the tenant that is residing on the future Marion Street pump station property. The tenant contacted Mr. Cornwell and shared that he would be vacated from the property by the appointed deadline. The home behind the old BB&T bank will be burned on Saturday, February 27, 2021.

Mr. Cornwell shared construction plans for a subdivision on Hamilton Road in Boiling Springs. The water line in this area is only a three-inch line. The contractor for the project has contacted Mr. Cornwell concerned about not having adequate water for the twenty-one homes that are going to be constructed. The contractor also noted that fire flow for these homes would be preferred. Mr. Cornwell noted that the Hamilton Road area was not a developed area that had potential for future construction. The Whitaker Road water line that feeds Hamilton Road is an old line that would need to be replaced. Mr. Cornwell requested the opinion of the members to spend future budget money in this area in the future. These future upgrades would allow the water line size to be increased and give the preferred fire flow protection. Mr. Cameron questioned that this was CCW water and not Boiling Springs. Mr. Cornwell verified that this area was inside the District. The members noted agreement with upgrading in this area. Mr. Cook noted that the planning department would require fire flow. Mr. Cornwell clarified that the fire flow was only if it was available. Mr. Brooks noted that this was a good area for an upgrade. Mr. Cornwell shared that there was another very large parcel in that same area. Mr. Martin asked if this upgrade was available for anybody. Mr. Cornwell clarified that within reason and within the District boundaries. The members agreed that this was a good area for upgrades. Mr. Cornwell shared some concerns about a recent newspaper article concerning the Town of Kingstown with the members. Mr. Cornwell shared the public meeting time for the Greenway Project. All members are invited to attend the meeting at Burns Middle School on February 23, 2021 from 4:30 to 6:30 p.m. The next monthly meeting will have a presentation by Destination by Design. The final master plan for the Greenway project will be presented for adoption by the members. A public meeting will be held on March 18, 2021 for a parks and recreation trust fund grant application. This application will require a meeting specifically for the application. The Piedmont building in Lawndale is not available on this date. Details about the location for the public meeting will be shared when a location is selected. During the April meeting, Destination by Design will return to share the results of the public meeting with the members. A resolution will be presented at the April meeting for the application process to continue. Mr. Melton inquired if Casar was too far away for a meeting location. Mr. Cornwell noted that a local location would be more advantageous for this meeting. The members noted several locations that would be local to the Stagecoach Greenway for the public meeting.

I. Board Members Announcement and Remarks

The members noted appreciation for the hard work and the USDA presentation at the meeting.

J. Adjournment

Action Taken: Chairman Melton called for a motion to adjourn. Upon a motion by Mr. Brooks, second by Mr. Taylor the Board of Commissioners voted unanimously to adjourn at 7:59 PM.

Respectfully submitted,



Bill Cameron, Secretary

