

MINUTES

Regular Meeting
Cleveland County Water Board Room

June 8, 2021
Tuesday, 7:00 P.M.

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

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. Cameron and second by Mr. Martin, the Board of Commissioners voted unanimously to approve the agenda.

B. Public Hearing:

Chairman Melton opened the public hearing for the 2021-2022 fiscal year budget at 7:01 and introduced General Manager Cornwell. Mr. Cornwell noted that he had received no written inquiries or comments concerning the budget. It was also noted that no citizens were in attendance for the public hearing. Mr. Melton closed the public hearing at 7:03 p.m.

1) Proposed Fiscal Year (FY) 2021-2022 Annual Operating Budget for Cleveland County Water

a. Consideration of Fiscal Year (FY) 2021-2022 Budget Ordinance: Ordinance No. 7-2021

ACTION TAKEN: Upon a motion by Mr. Taylor, second by Mr. Martin, the Board of Commissioners voted unanimously to adopt Ordinance Number 7-2021 A FY 2021-2022 Annual Operating Budget for Cleveland County Water

b. Consideration of Fiscal Year (FY) 2021-2022 Supplemental Budget Ordinance: Ordinance No. 8-2021

Mr. Cornwell provided some clarification on the items contained in the supplemental budget, for example: the personnel summary, fee schedule and the employee benefits for fiscal year 2021-2022.

ACTION TAKEN: Upon a motion by Mr. Brooks, second by Mrs. Bridges, the Board of Commissioners voted unanimously to adopt *Supplemental Budget Ordinance No. 8-2021*

C. Public Comment:

There were no public comments.

D. Special Presentation:

Presentation by Tim Johnson, Destination by Design Lawndale Park
NC Water Resources Development Grant and Recreational Trails Program

Mr. Cornwell introduced Mr. Tim Johnson from Destination by Design to discuss and present the grant applications of the NC Water Resources Development Grant and the Recreational Trails Program to fund the Lawndale Park section of the Stagecoach Greenway. Mr. Johnson began with the NC Water Resources Development Grant. This grant was originally planned for an application in the amount of \$125,000.00. After a site visit with the grant representative several weeks ago, it was encouraged to apply for the entire grant amount of \$200,000.00. The match for the grant would be the equal dollar amount. This can be fulfilled with District funds; or any grant funds received. The application is due at the end of the month. A copy of the grant application has been shared with Mr. Cornwell for review. The special presentation continued with the Recreational Trails grant application. The District was not awarded this grant last year but did apply for this grant in the prior year cycle. The grant funds for this year were decreased to \$100,000.00 and this grant requires a \$25,000.00 match. The application is due at the end of August. Mr. Cameron requested clarification on the prioritization of the grant funds once the funds were received. Mr. Johnson explained which areas required funding and a spreadsheet was shared that showed the two categories for funding: planning, engineering and management and construction. The timing of the spending is important as

some grants can not be used to pay expenses incurred prior to the grant award. Mr. Johnson noted that a new grant had been discovered with Land and Water Conservation Fund, an application will be submitted for this grant also. The options for funding with different scenarios were discussed. Mr. Cornwell shared some other projects in our area with submitted PARTF applications. The PARTF will fund a limited quantity of projects within a certain same area. The Town of Fallston has contributed a donation for \$10,000.00 for the Stagecoach Greenway and Lawndale Park. Mr. Cornwell noted that a letter of appreciation would be appropriate for the donation. The members agreed that this action would be appropriate. Mr. Johnson shared that the site representative for the NC Water Resource Development also viewed the Long Rock site during the onsite visit. The cycle for the NC Water Resource Development funding is twice a year, in the spring and the fall.

- 1) Consideration of Resolution Number 26-2021 A Resolution Authorizing Submission for a Water Resources Development Grant

ACTION TAKEN: Upon a motion by Mr. Martin, second by Mr. Cameron, the Board of Commissioners voted unanimously to adopt Resolution Number 26-2021 *A Resolution Authorizing the Submission for a Water Resources Development Grant*

- 2) Consideration of Resolution Number 27-2021 A Resolution Authorizing Support of an Application to the 2022 Recreational Trails Program for Lawndale Park First Broad River Access

ACTION TAKEN: Upon a motion by Mrs. Bridges, second by Mr. Taylor, the Board of Commissioners voted unanimously to adopt Resolution Number 27-2021 *A Resolution Authorizing Support of an Application to the 2022 Recreational Trails Program for Lawndale Park First Broad River Access*

D. Consent Agenda:

Action Taken: Chairman Melton presented the Consent Agenda Items. Upon a motion by Mr. Brooks, second by Mr. Martin, 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 May 11, 2021
- 2) Approval of the Minutes of the Special Meeting of May 25, 2021

- 3) Consideration of Ordinance Number 5-2021 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's Flocculation and Sedimentation Improvements Project
- 4) Consideration of Ordinance Number 6-2021 A FY 2020-2021 Budget Ordinance Amendment No. 2 for Cleveland County Water FY 2020-2021 Budget
- 5) Consideration of Resolution Number 21-2021 A Resolution Adopting and Accepting a Contract by and Between Tim Moore and His Firm, Tim Moore Attorney at Law, P.A. and the Cleveland County Water Board of Commissioners
- 6) Consideration of Resolution Number 22-2021 An Updated Resolution Authorizing the Execution of a Funding Offer and Acceptance from the North Carolina Department of Environmental Quality for the Additional Funds Related to the Clearwell & High Service Pump Station Project
- 7) Consideration of Resolution Number 23-2021 A Resolution Authorizing the Execution of a Funding Offer and Acceptance from the North Department of Environmental Quality for the Flocculation and Sedimentation Improvements Project

F. Unfinished Business:

- 1) Consideration of Resolution Number 24-2021 A Resolution Authorizing the Acceptance of Potential Grant Funds from the American Rescue Plan (ARP)

Mr. Cornwell shared information concerning the research that has been done for the American Rescue Plan (ARP) funds. The response from most organizations is that the District will not be eligible for funding. Those entities that are eligible have been advised to draft and approve resolutions for the acceptance of the ARP funds. In the hopes that the District receives ARP funds, this resolution will be on file for the acceptance of such funding. Mr. Cornwell noted that the funding would be beneficial for multiple projects in the asset management plan. Mr. Brooks inquired what the funds could be used for other than water and sewer infrastructure. Mr. Cornwell replied that there were provisions that the funding could be used to replace lost revenues due to the pandemic. The lost revenues due to the pandemic, have been calculated in the amount of \$270,000.00. The webinars are available online to educate these entities and the public about the rules and guidelines for the ARP funds. The NC League of Municipalities is also providing webinars and education tools.

Mr. Brooks asked if other entities were in similar situations with the access for funding. Mr. Cornwell noted that we were the only in the area with this situation because of the distinction of Sanitary District.

ACTION TAKEN: Upon a motion by Mr. Brooks, second by Mr. Taylor, the Board of Commissioners voted unanimously to adopt Resolution Number 24-2021 *A Resolution Authorizing the Acceptance of Potential Grant Funds from the American Rescue Plan (ARP)*

- 2) Consideration of Resolution Number 25-2021 A Resolution Updating the Filing Fee for Candidates for Cleveland County Water Board of Commissioners

Mr. Cornwell shared that this resolution would update the filing fee for the Cleveland County Board of Commissioners. The general statute was shared with each of the members containing what the file fee could be set as. The future filing fee for a candidate running for election to the Cleveland County Board will be \$42.00. Mr. Cornwell noted the wording in the resolution is for this year and future election years, the General Manager will be directed to notify the Cleveland County Board of Elections with the filing fee for the subsequent elections.

ACTION TAKEN: Upon a motion by Mr. Cameron, second by Mr. Martin, the Board of Commissioners voted unanimously to adopt Resolution Number 25-2021 *A Resolution Updating the Filing Fee for Candidates for Cleveland County Water Board of Commissioners*

E. New Business:

- 1) Consideration of Resolution Number 28-2021 A Resolution Adopting and Accepting a Conflict of Interest Policy for Cleveland County Water

Mr. Cornwell shared the research done by himself and Finance Director, Ginger Fern and found that there is no conflict of interest policy on file for the members and the management staff. The NC Division of Water Resources requires a conflict of interest policy to be adopted as part of their grant application process. The UNC School of Government has templates available for completion of such a policy. Mr. Cornwell shared the process of using the template for the District guidance. Attorney

Moore has reviewed and approved the policy. This resolution will adopt the conflict of interest policy. Mr. Cornwell clarified that the personnel policy contained conflict of interest policies for the employees.

Action Taken: Upon a motion by Mr. Taylor, second by Mrs. Bridges, the Board of Commissioners voted unanimously to adopt Resolution Number 28-2021 *A Resolution Adopting and Accepting a Conflict of Interest Policy for Cleveland County Water*

F. General Manager's Report:

Mr. Cornwell began by sharing the finance report for May. The fiscal year is eleven months complete. The water revenues are really good, and the tax revenues are exceptionally good. The Town of Fallston lease payment was discussed with the concern that the budget did not reflect the payment that was made. The USDA loan for the Town of Fallston was closed at a lower interest rate than originally calculated. The maintenance report is available for review. The water taps for May have increased due to growth. The maintenance department has been very busy installing new water meters. The billing report for May was identical to the billing report from last month the numbers were also identical to last year. The legislative breakfast is scheduled for June 14, Mr. Cornwell reminded the members that were attending. The EPA and the State of North Carolina are providing new guidance to the PFAS in drinking water. PFAS are synthetically created chemicals found in drinking water. The District is required to do water sampling requirements based on the State of North Carolina rules and guidelines. These samples are measured in the parts per trillion of a water sample. Mr. Cornwell shared information with the members concerning PFAS and the future plans for PFAS treatment found in the drinking water. Attorney Moore gave further comments and details concerning PFAS. Mr. Cornwell met with the Service Coordinator of Camp Tekoa, formerly known as Camp Loy White. The Service Coordinator's spouse is the Camp Director and a Methodist Minister. Camp Tekoa is excited about the Stagecoach Greenway project and want to be involved with the project. A flyer was shared with the members detailing information about the camp and community service availability.

H. Board Members Announcement and Remarks

Mr. Cameron questioned the vulnerability to ransom ware and computer hacking at the District. Mr. Cornwell verified that ransom ware and computer hacking could happen anywhere. Mr. Cornwell detailed more information and protections with the members, not to be disclosed in the minutes for sensitivity issues. Mr. Melton noted appreciation to Attorney Moore for attending the meeting via conference call.

I. Adjournment

Action Taken: Chairman Melton called for a motion to adjourn. Upon a motion by Mr. Brooks, second by Mr. Cameron the Board of Commissioners voted unanimously to adjourn at 7:43 PM.

Respectfully submitted,

Bill Cameron

Bill Cameron, Secretary

