

MINUTES

Regular Meeting
Cleveland County Water Board Room

July 9, 2019
Tuesday, 7: 00 P.M.

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

Chairman Donald Melton called the meeting to order at 7:00 PM, welcomed all who were in attendance and recognized Commissioner Tony Brooks who gave the invocation and Chairman Don Melton led the *Pledge of Allegiance*.

Mr. Cornwell noted that there was an additional item added to the consent agenda to include an ordinance to create the budget for the Clearwell and High Service Pump Station project. A summary sheet was shared with the members that included the details for this ordinance.

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. Cameron and second by Mr. Taylor, the Board of Commissioners voted unanimously to approve the agenda as amended to include item C-4.

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. Consent Agenda:

Action Taken: Chairman Melton presented the Consent Agenda Items. Upon a motion by Mr. Brooks second by Mr. Cook 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 June 11, 2019
- 2) Approval of the Notice of Cancellation of the August 13th, 2019 Regular Meeting
- 3) Consideration of Resolution 14-2019 A Resolution Honoring Cynthia Nance Hannon (Cyndi) on the Occasion of Her Retirement from Employment with Cleveland County Water
- 4) Consideration of Ordinance Number 7-2019 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water Clearwell and High Service Pump Station Project.

D. Unfinished Business:

- 1) Consideration of Resolution Number 12-2019 A Resolution Ratifying the Purchase of Real Property Located in The Town of Lawndale, NC from Mrs. Betty Hord

Mr. Cornwell explained that over the course of the last several meetings there were discussions held concerning the creation of a greenway and beach/river access in the Lawndale area. The General Manager had approval to complete two property purchase transactions. The transactions have been completed and now the members are ratifying or accepting the purchase of those properties. These properties are real property under the jurisdiction and operation of CCW. The first property is the purchase from Mrs. Betty Hord.

Action Taken: Upon a motion by Mr. Taylor, second by Mr. Cameron, the Board of Commissioners voted unanimously to adopt Resolution Number *12-2019 A Resolution Ratifying the Purchase of Real Property Located in The Town of Lawndale, NC from Mrs. Betty Hord*

- 2) Consideration of Resolution Number 13-2019 A Resolution Ratifying the Purchase of Real Property Along Casar Lawndale Road from Mr. John B. Elmore III and wife, Sandy Lang Elmore

Mr. Cornwell noted that this resolution ratified or accepted the second property purchase from Mr. John B. Elmore III and his wife Sandy Elmore.

Action Taken: Upon a motion by Mr. Taylor, second by Mr. Cameron, the Board of Commissioners voted unanimously to adopt Resolution Number *13-2019 A Resolution Ratifying the Purchase of Real Property Along Casar Lawndale Road from Mr. John B Elmore III and wife, Sandy Lang Elmore*

E. New Business:

No new business was discussed.

F. General Manager's Report:

Mr. Cornwell began with the June financial reports. The installment financing proceeds for vehicles and equipment have been received. The final quarterly transfers to the capital reserve account have been completed. The Cleveland County Tax revenues for property, vehicle and local options were discussed with all the final budget figures reporting over the estimated budget figures. Mr. Cornwell explained that the local options sales tax was indicative of the strength of the economy and consumer confidence and spending. There were some concerns in prior financial reports about how the water sales would complete the fiscal year. This year has been a wet year with abundant rainfall that has affected the water sales in the budget year. Mr. Cornwell noted that June was a great month and brought the final numbers closer to the estimated budget. The overage on the Cleveland County tax revenue assisted in balancing the shortage on water sales to balance the revenues for the fiscal year budget. The maintenance report reflected an increase in leaks with the summer heat and increased customer usage. The water plant production averages were shared along with the billing reports. The billing reports showed an increase for the month and an increase for the year. Mr. Cornwell noted that the preliminary engineering portion of the Clearwell project has begun. The deadline for this portion of the project is August 1, 2019. The Fallston water line project completion date is Friday, July 12th. After this date the liquidated damages begin. The contractor was granted two change orders for almost fifty days due to rain and NCDOT constraints. Mr. Cornwell explained some of the frustrations and issues with the work being done. A request has been made through the

project engineer, McGill Associates for the daily logs and detailed work schedules. This information will be retained on file. The liquidated damages are in the amount of \$500.00 a day. There will be progress meeting on Thursday. The Lattimore Tank project will continue with the construction of the tank beginning in the last week of July or the first week of August. The Lattimore water line portion of this project is complete. A meeting with USDA will be held on August 9th in Raleigh. Mr. Cornwell and Finance Director, Ginger Fern, will be traveling to the meeting for discussion concerning the funding for the future centrally located operations center. While in Raleigh, discussions will be held concerning the erosion problems at the river intake and possible solutions to repair those erosion problems. Mr. Cornwell praised the process and the financing advantages involved with USDA. Mr. Cornwell will be meeting with the Carolina Thread Trail concerning funding for the greenway and beach/river access master plan. Mr. C.D. Spangler, a Cleveland County native, designated a contribution through Carolina Thread Trail for improvements funded inside of Cleveland County. Mr. Cornwell noted that some of the monies have been used for improvements on the Gateway Trail in Kings Mountain. The City of Shelby received some of the funds for their trail. Broad River Greenway was also assisted with their facility. Mr. Cornwell explained about the Article 46 Sales Tax Resolution for Support. This item will appear on the November election ballot for an additional sales tax to be added to some purchases in Cleveland County. The fund from this additional sales tax will be used to support school capital and community development. This sales tax would be added to the current sales tax rate and support projects needed in Cleveland County. Some examples may include the greenway and the auditoriums for the local high schools. Mr. Cornwell added information about this sales tax referendum in the monthly packet for review. A resolution in support of the sales tax referendum will be presented for approval in the upcoming monthly packet. Mr. Cook commented that at the last election public safety attempted to increase the sales tax for increased funding for public safety. The public voted against the public safety tax however the home owners fire insurance rates were increased more than the tax increase for public safety would have been. Mr. Cornwell encouraged the members to show support in the community for the sales tax referendum. The local community volunteer fire departments are participating in their ISO (Insurance Service Office) ratings. A percentage of the ISO rating is based on the public water supply source. There are thirteen volunteer fire departments in Cleveland County. Several

fire departments have contacted Cleveland County Water during the last two months for repairs and testing concerning their fire hydrants.

G. Board Members Announcement and Remarks

Chairman Melton called for comments and remarks. There was more discussion concerning the ISO ratings and testing. Mr. Cornwell noted some of the concerns and issues with how fire hydrants are turned off and on. The rapid turning on and off of the fire hydrants causes sediment and debris in the water lines to break loose and enter customers' homes. It was also noted that there would be more line breaks due to the fire hydrants being turned off and on very quickly instead of slowly and taking necessary time. Mr. Cornwell noted that if the members were contacted by fire departments or customers with concerns that may be related to the fire hydrant testing to have those persons contact the office for further instructions and information.

H. Closed Session

- 1) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or other proposed contract for the acquisition of real property by purchase, option, exchange or lease in accordance with NCGS 143-318.11 (5).

Action Taken: Upon a motion by Mr. Brooks, second by Mrs. Bridges, the Board of Commissioners voted unanimously to go into Closed Session at 7:31 PM.

Action Taken: Upon a motion by Mr. Cook, second by Mr. Taylor, the Board of Commissioners returned to Open Session at 7:56 PM.

Action Taken: Upon a motion by Mr. Taylor, second by Mr. Brooks, the Board of Commissioners voted unanimously to authorize the General Manager to complete the Cline property purchase in the amount of \$25,000.00.

I. Adjournment

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

Respectfully submitted,

Bill Cameron

Bill Cameron
Secretary

