

MINUTES

Regular Meeting
Cleveland County Water Board Room

February 14, 2023
Tuesday, 7:00 P.M.

Present: Chairman Donald Melton; presiding, Vice Chairman Dewey Cook, Secretary Bill Cameron, Commissioners Tony Brooks, Bruce Martin, Pete Pedersen, and General Manager Brad Cornwell. Attorney Tim Moore attended via video conference. Commissioner Amy Bridges 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 Commissioner Pete Pedersen 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. Mr. Cornwell reviewed items on the consent agenda and noted that the agenda had been amended to include number six on the consent agenda. Chairman Melton requested a motion to adopt the agenda as amended.

ACTION TAKEN: Upon a motion by Mr. Pedersen and second by Mr. Cook, the Board of Commissioners voted unanimously to approve the agenda as amended to include item C6.

B. 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. 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 January 10, 2023
- 2) Consideration of Resolution Number 3-2023 A Resolution Authorizing the General Manager to Proceed with Agreements and Relocation Charges to the Duke Energy for Utility Relocation at the New Cleveland County Water Operations Center

- 3) Consideration of Ordinance Number 7-2023 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's Centrally Located Operations Center
- 4) Consideration of Ordinance Number 6-2023 An Ordinance Amendment for Cleveland County Water FY 2022-2023 Supplemental Budget Ordinance
- 5) Consideration of Resolution Number 7-2023 A Resolution Authorizing the Execution of an Agreement with McGill Associates, PA in the Amount of \$493,300 for the Cleveland County/Cherryville Interconnection Project
- 6) Consideration of Resolution Number 8-2023 A Resolution Authorizing Execution of Agreements with the North Carolina Wildlife Resources Commission to Construct Boating Access at NC Highway 10 and Delight Road

D. Unfinished Business:

- 1) Consideration of Resolution Number 4-2023 A Resolution Authorizing Execution of a Utility Construction Agreement with NCDOT for the R-2707-D US 74 Bypass Project

Mr. Cornwell introduced Jeff Earl, Operations Director, to present the unfinished business with details concerning the Highway 74 bypass. Mr. Cornwell noted that these items would be years in the future but well planning and attention to detail can avoid problems that may happen in the future. Mr. Earl shared pictures of the areas affected by section D and section E of the Highway 74 bypass. The water line upgrades in the section D plans will include Borders Road, Fairview Road, Elizabeth Avenue and North Post Road. The water line size will be increased to allow more water to flow to the south side of the county. The cost of upgrading and installing larger lines will be cheaper during the bypass construction than to bore and install new water lines after the bypass is completed. The pressure and flow in this area will be improved with the future addition of the Marion Street booster pump station. The Highway 74 bypass project section E will have more upgrades with more roads being affected. The section E portion will begin at Buffalo Valley Creek and end at David Baptist Church Road. The Longbranch Road access from Highway 74 will no longer be available from the new bypass. The NCDOT has secured an easement in this area and the District's water line will be included in this easement to route the water lines. A new twelve-inch line will be installed under the existing bypass. The District currently only has one water line under Highway 74, this bore is located at Highway 74 and Marion Street. The new crossing will allow

another feed to the south side and have a double feed to the customers on the southern side of the county. This new feed will be an asset for emergencies and give the capability to pump water from the plant to the southern end of the county, flowing to the Sandy Plains area and then gravity feeding the Mid Pines area. Mr. Earl noted that this plan was purposely included in the bypass construction because once the bypass reaches completion, the costs to install new water lines under the bypass will be very expensive. Mr. Cornwell explained that during the construction phase of the bypass, the NCDOT is responsible for replacing any existing water lines with equal replacements. Any upgrades are the responsibility of the Sanitary District to pay for the additional expense. The NCDOT bids are requested with the equal replacements and the upgrade costs. The District is responsible for paying the difference between the two bids. The section D costs for the NCDOT betterments are \$350,000.00. The addition of the new feed under the Highway 74 bypass is not a betterment because there isn't an existing feed there. The installation of this additional feed is important because there is a risk of not being able to install a feed after the construction is completed. The NCDOT would need to make that determination if a water line could be installed under the bypass. The request to include the feed in the planning allows the District to have that additional feed necessary for future planning. The costs for this feed would be funded in full by the District. Section E costs will be \$650,000.00. Mr. Cornwell noted that the funding for the NCDOT projects would total over \$1,000,000.00 and would be paid from the capital reserve fund. The future budgets would include further funding for the capital reserve fund and this project is still several years before reaching completion. Mr. Martin asked if the existing Highway 74 would be bored, or the new bypass be bored. Mr. Earl explained that the existing Highway 74 would be bored and then lay outside of the control access the encasing pipe. The NCDOT contract would include all the requests for betterments and then the invoice would follow later. Mr. Cornwell explained that the construction would be invoiced after the project was complete and then the funds would be disbursed. Mr. Cook asked what size the encasement pipe would be. Mr. Earl responded that the encasement for the 12" line would be 24" encasement pipe. Mr. Cook asked if a larger pipe could be installed later. Mr. Earl explained that by NCDOT standards the encasement pipe was required to be double the size of the carrier pipe. Mr. Cameron asked about the process of obtaining an easement. Mr. Earl answered that NCDOT procures a public utility easement, and that easement is then recorded with deed to the property. Mr. Brooks asked if the extra twelve-inch line would assist with

the growth of the southern side of Cleveland County. Mr. Earl explained how the water line would assist the distribution of water throughout the system. Mr. Cornwell noted that this additional feed would also assist with the future water plant to be built on the south side. Mr. Cornwell explained the following four items were in accordance with Section D and Section E for the 74 bypass and the corresponding capital project budgets for these projects.

ACTION TAKEN: Upon a motion by Mr. Cameron, second by Mr. Pedersen, the Board of Commissioners voted unanimously to adopt Resolution 4-2023 *A Resolution Authorizing Execution of a Utility Construction Agreement with NCDOT for the R-2707-D US 74 Bypass Project*

- 2) Consideration of Ordinance Number 4-2023 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's US 74 Bypass Relocation R-2707-D Project

ACTION TAKEN: Upon a motion by Mr. Brooks, second by Mr. Cook, the Board of Commissioners voted unanimously to adopt Ordinance Number 4-2023 *An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's US 74 Bypass Relocation R-2707-D Project*

- 3) Consideration of Resolution Number 5-2023 A Resolution Authorizing Execution of a Utility Construction Agreement with NCDOT for the R-2707-E US 74 Bypass Project

ACTION TAKEN: Upon a motion by Mr. Cameron, second by Mr. Martin, the Board of Commissioners voted unanimously to adopt Resolution 5-2023 *A Resolution Authorizing Execution of a Utility Construction Agreement with NCDOT for the R-2707-E US 74 Bypass Project*

- 4) Consideration of Ordinance Number 5-2023 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's US 74 Bypass R-2707-E Project

ACTION TAKEN: Upon a motion by Mr. Cook, second by Mr. Pedersen, the Board of Commissioners voted unanimously to adopt Ordinance Number 5-2023 *An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's US 74 Bypass Relocation R-2707-E Project*

E. New Business:

- 1) Consideration of Resolution Number 6-2023 A Resolution Selecting Martin Starnes & Associates, CPA's, PA to perform Audit Services for Cleveland County Water

Mr. Cornwell introduced Ginger Fern, Finance Director, to report on the selection of the new financial auditor. The request for proposals were mailed after the last board meeting to seven audit firms. The audit firms included six new firms and the auditor that is currently retained. The current auditor contacted Mrs. Fern, before the bids were due, to explain why they would not be presenting a bid proposal. The financial audit for the 2021/2022 fiscal year costs \$65,000.00 to complete. Three audit firms responded back with proposals Forvis, Martin Starnes, and Thompson, Price, Scott & Adams Co. (TPSA & Co.). A score sheet was used to compare the pros and cons of each auditing firm. Mrs. Fern noted that both Forvis and Martin Starnes emailed questions requesting more information. The decision was made that Martin Starnes would be the chosen auditor. Martin Starnes has reported willingness to travel and come onsite for in-person auditing versus remote auditing. The references used for Martin Starnes included the City of Shelby. The City of Shelby retained Martin Starnes and after the contract ran out, made a request for proposal, and retained Martin Starnes again. Mr. Brooks asked if the new audit firm would bill other fees. Mrs. Fern answered that additional fees would only be for anything outside the original scope of the audit. If there were other circumstances outside of the audit, those situations would require additional billing. Mr. Pedersen asked about the terms of the contract. Mrs. Fern noted that the contract would be for five years, and each year would offered an incremental price increase based on the market.

ACTION TAKEN: Upon a motion by Mr. Pedersen, second by Mr. Cameron, the Board of Commissioners voted unanimously to adopt Resolution Number 6-2023 A *Resolution Selecting Martin Starnes & Associates, CPA's, PA to perform Audit Services for Cleveland County Water*

F. General Manager's Report:

Mr. Cornwell continued with Ginger Fern, Finance Director, to present the finance portion of the General Manager's report. The local options sales tax continues to be better than budget at an average of \$12,000.00 a month. The

installment financing payment was made in January for the vehicles in the amount of \$59,079.00. Mr. Earl continued with the operations and project Update. The Marion Street Booster pump project contracts have been executed and were mailed on January 31, 2023. The pre-construction meeting is scheduled for February 15, 2023. The Clearwell project update included that the brick work is completed, and the roof work is in progress. The flocculation and sedimentation project are waiting for a response from NCDEQ. The weir project contracts have been signed for USDA and are waiting for final approval, with the possible bid date of spring of 2023. The asset management and inventory projects have all been presented at the corresponding town meetings by General Manager Cornwell and approved by their boards. The Casar Lawndale Road, Sand Hill and Will Dixon water line project is still in the design phase awaiting the creek crossing for the wetlands. The Polkville and Belwood Tank and Booster Pump project is in the design phase. The Waco Pump Station is waiting for surveying. The Belwood ARP water line improvement project was finished last week for the Town of Belwood. The crews relocated from St. Peters Church Road to Old Post Road to work on water line installation. The Old Post Road project is almost completed. The crews will relocate to Shuford Drive and Delight Road projects to install more water lines. The Clyde Wallace Road 8" water line project has been presented for bid. The bids are due on Friday, February 17, 2023. The NCDOT has presented the R-4045 Bypass Project for a closed access freeway in Mooresboro. This project will begin at the Sandy Run Shops and continue to the other side of Mooresboro. The project will include building a new roundabout that will affect an eight-inch feeder line that distributes water to the west side of the county. This project has been on the list for construction for some time. It will close the side access roads that merge and enter Highway 74 traffic. Mr. Earl is working with Mr. Cornwell and engineers to determine the best route for the water line relocation. A new bridge will be built at Academy Street in Lattimore to access Highway 74, this bridge will be the only access to Highway 74, except for the entrance and exit ramps. Mr. Pedersen asked how long before this project would begin construction. Mr. Earl responded that this project will probably begin as soon as possible and before the end of the calendar year. The project is called a Design/Build. Mr. Brooks asked if this project would happen before the Highway 74 bypass. Mr. Earl verified that this would happen before section D and E of the 74 Bypass project. Mr. Cornwell clarified that the NCDOT would be working with the railroad right-of-way on both sides of Highway 74 while removing the existing side access roads and constructing the new roads

to access these properties. There are multiple eight inch lines crossing under and running parallel to Highway 74. Mr. Pedersen questioned access to Ellenboro. Mr. Cornwell and Mr. Earl verified that the access road will no longer be available with the new construction. Mr. Cornwell explained that this project was being shared with the members because of the size and the magnitude of construction that it affects. The NCDOT contacted Mr. Earl recently for construction details and budgets. Mr. Brooks asked if the betterments for this project would be the same as the 74 Bypass project. Mr. Earl verified that the invoicing process would be the same. Mr. Cornwell mentioned that the affected area contained several water lines, some of the existing water lines would need to be relocated. The existing water lines in their current locations would be in the middle of a highway interchange and other NCDOT components of the project. The existing footage for water lines would not be comparable to footage required to re-route the existing water lines. Mr. Earl also noted the public utility easements would need to be obtained for all utilities, for example power, sewer, gas, phone, etc. Mr. Cameron asked about the process of how utilities were contacted and who engineers the highway changes. Mr. Cornwell responded that changes are proposed under a statute through a company that designs and builds the project. Mr. Brooks asked if the project had been bid on. Mr. Cornwell reported that it had been bid, but he didn't recall who was awarded the bid. Michelle Alexander, Customer Service Director, continued with the billing report. The January usage billed was 135,114,852 gallons which is a 33% increase over December usage. Mrs. Alexander reminded the members about the cold December weather and the line breaks. The billing department completed fifty-three leak adjustments for \$12,000.00. The leak adjustments for next month will be on the high usage billed for January. The billing department called fifty-four customers concerning high usage and water leaks. Mrs. Alexander updated the members on the billing software search status. All the software presentations have been presented by their vendors. The companies will be reviewed and referenced, and a recommendation will be presented at the March meeting. Mr. Cornwell began his portion of the meeting with an update on the New Centrally Located Operations Center. The members were sent an email update and Mr. Cornwell reminded that if members would like to visit the construction area to please let him know. During the overhead constructions phase, hard hats and vests are required by any visitors onsite. The Lawndale Park design has tentatively set the bid date for March 17, 2023. All the permits have been submitted. The erosion control permit was returned requesting more information. These questions

may alter the bid date. The Land and Water Conservation Fund application is still being reviewed for funding. The Carolina Thread Trail application for Grigg Street to Long Rock Park for \$157,175.00 has been submitted. The Paved Trails & Sidewalks Feasibility Study Grant Program was granted for \$82,400.00 instead of the \$60,000.00 requested. Mr. Cornwell noted that he was encouraged by this and hopes that the money will go a long way towards making a successful study for the Town of Lawndale. The 2022 Consumer Confidence Report was shared with the members. The State of North Carolina has received and approved the report. The link to the Cleveland County Water's website for the CCR report is printed on the customers' water bills. A special mailing for the consumer confidence report is no longer required. The Stagecoach Greenway has been awarded contingency money in the amount of \$350,000.00 for the section of greenway along the Casar Lawndale Road. TGS Engineers was contracted for this section. The NCDOT sent a letter to confirm the selection process of the engineering firm and to supply a copy of the contract to them for their approval. The old bank building has been completely emptied of the inside contents. The roof was leaking so badly the construction contractor was stopped and told not to continue until the roof was repaired. The original bank roof was tar and gravel, another membrane roof was added to the tar and gravel. According to the building code, no more than two layers of roofing material are allowed. The roof layers required removal and replacement of a new layer. The lowest bidder of the three bidders was \$50,000.00 to remove and replace the roof. After the roof is replaced, the construction crew can continue with the painting and the lights. There have been several contacts made by the community concerning the prospects for the building. Mr. Cornwell mentioned that the designer of the greenway would be involved to give feedback concerning the future plans for the building and incorporating the building into the design plans. This design process would be included in the operating budget for the next fiscal year. Mr. Cameron asked if the Stagecoach Greenway Committee was still active. Mr. Cornwell reported that three of the four-member committee were still available. The representative for Burns High School has since retired. Mr. Cameron shared that maybe the committee could communicate the future intentions of the old bank building. Mr. Pedersen mentioned some of the changes in ownership and businesses on Main Street in Lawndale. Chairman Melton mentioned the recent fire to a home in Grover. Mr. Cornwell gave clarification that the Town of Grover has a water system that provides water to the citizens of the

Town of Grover. The Town of Grover has expressed interest in the possibility of a future interconnection with the District.

G. Board Members Announcement and Remarks

The members expressed their appreciation.

H. Adjournment

Action Taken: Chairman Melton called for a motion to adjourn. Upon a motion by Mr. Cameron, second by Mr. Cook, the Board of Commissioners voted unanimously to adjourn at 7:55 PM.

Respectfully submitted,

Bill Cameron

Bill Cameron, Secretary

