

## MINUTES

Regular Meeting  
Cleveland County Water Board Room

June 12, 2018  
Tuesday, 7: 00 P.M.

Present: Chairman Donald O. Melton, presiding; Vice Chairman Dewey Cook, Treasurer Pete Pedersen, Secretary Bill Cameron, 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 Pete Pedersen led the *Pledge of Allegiance*.

### A. Approval of agenda:

Mr. Cornwell clarified that the items number three and four were added to the consent agenda for the approval in changing the general liability and workers compensation insurance from the current carrier to the NC League of Municipalities. The resolutions included were required to perform the switch and are standard resolutions for new fiscal year coverages.

#### 1) Motion to amend the agenda

ACTION TAKEN: Upon the motion by Mr. Taylor and second by Mr. Pedersen, the Board of Commissioners voted unanimously to amend the agenda to include the resolutions under the consent agenda items.

#### 2) Motion to adopt the agenda

ACTION TAKEN: Upon the motion by Mr. Brooks and seconded by Mr. Cameron, the Board of Commissioners voted unanimously to adopt the amended agenda.

### B. Public Hearing:

Chairman Melton requested the time for Budget Hearing. Chairman Melton opened the public hearing at 7:05 and closed the public hearing at 7:06. Mr. Cornwell noted that no verbal or written comments or questions were received from the public.

1) Proposed Fiscal Year (FY) 2018-2019 Annual Operating Budget for Cleveland County Water

- a) Consideration of Fiscal Year (FY) 2018-2019 Budget Ordinance: Ordinance No. 12-2018

*ACTION TAKEN:* Upon a motion by Mr. Pedersen, second by Mr. Taylor, the Board of Commissioners voted unanimously to adopt Ordinance Number 12-2018 *A FY 2018-2019 Annual Operating Budget for Cleveland County Water*

- b) Consideration of Fiscal Year (FY) 2018-2019 Supplemental Budget Ordinance: Ordinance No. 13-2018

*ACTION TAKEN:* Upon a motion by Mr. Cameron, second by Mr. Brooks, the Board of Commissioners voted unanimously to adopt *Supplemental Budget Ordinance No. 13-2018*

C. Public Comment:

Chairman Melton requested the time for Public Comment and Mr. Cornwell noted that no one had signed up for Public Comment.

D. Consent Agenda:

Action Taken: Chairman Melton presented the Consent Agenda Items. Upon a motion by Mr. Brooks second by Mr. Pedersen 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 April 10, 2018
- 2) Approval of the Minutes of the Special Meeting of May 22, 2018
- 3) Consideration of Resolution Number 12-2018 A Resolution Executing the Interlocal Agreement for a Group Self-Insurance Pool for Property and Liability Risk Sharing
- 4) Consideration of Resolution Number 13-2018 A Resolution Executing the Interlocal Agreement for a Group Self-Insurance Pool for Workers' Compensation Risk Sharing

E. Unfinished Business:

No unfinished business was discussed.

F. New Business:

- 1) Consideration of Resolution Number 11-2018 A Resolution Authorizing Execution of a Contract to Audit Accounts with Johnson, Price, Sprinkle, PA for the Cleveland County Water FY 2017-2018 Annual Audit

Mr. Cornwell noted that the audit contract for fiscal year needed to be approved. The contract for this 2017-2018 fiscal year audit calls for a fee of \$35,000.00. The preliminary audit hearing with the auditor has already taken place but the field work can not begin until the audit contract is approved.

Action Taken: Upon a motion by Mr. Pedersen, second by Mr. Cook, the Board of Commissioners voted unanimously to adopt Ordinance Number 11-2018 A *FY 2017-2018 Budget Ordinance Amendment for Cleveland County Water*

G. General Manager's Report:

Mr. Cornwell began with the financial statements for April and May. The regular meeting for May was cancelled therefore two months of financials were available for review. Mr. Cornwell explained that the April financial statement included the beginning material purchases for the meter change out program. It also included the Town of Lawndale fee to compensate for the customers coming into the system. There were five payrolls in May so the salaries for the month were increased. Mr. Cornwell noted that the end of the year is almost here and Mrs. Fern will be monitoring the numbers for the end of the year to ensure balancing. The water sales budget, with eleven months recorded, will probably exceed the budget total for the end of the year. The maintenance and water plant report were included for reference. The May billing report shows a four percent decrease from April's report. The Town of Lawndale customers have been notified of the switch to our water system. Most customers returned their applications for service and have received and paid their first water bills. The bid for the Town of Fallston project has been awarded. The next step

will include working with the Local Government Commission on the financing approval. The actual construction will begin on the project in the late summer or early fall of this year. The Lattimore Tank project is currently being reviewed by NCDENR for approval of the tank and the water line improvements. Mr. Cornwell has been working on the District boundary maps with Dobbin Lattimore to make corrections and address discrepancies. These changes will include newly expanded areas. This project is almost finished. A customer from Judy Road called Chairman Melton requesting a fire hydrant be installed in her area. Judy Road is located at the base of South Mountain. The customer had spoken to members of the local fire department and had some concerns about fire protection in her area. The South Mountain area in the past year has been affected by forest fires. Judy Road has a four-inch line capacity for drinking water only. Mr. Cornwell noted that Odom and Associates assisted in researching the feasibility of providing for fire flow to this location. Because of the location and elevation of the area it is not feasible to provide fire flow to this customer. Mr. Cornwell explained that he will be contacting the customer soon with the results of the research. Mr. Cornwell updated on the Clearwell project. Mr. Cornwell, Mr. Earl, and Mrs. Fern were to attend a meeting at Isothermal Planning to obtain more information on the Clearwell project and were unable to have the meeting due to sickness. Bailey Thomas helped a customer after hours to dip water out of her meter box while she was looking for water leak. This customer contacted the office to note her appreciation for his assistance. A different customer reported that he appreciated the restoring of services from a water leak in his area at the The Pointe. The maintenance crews responded at 4:00 a.m. in the morning and the services were restored by 10:00 a.m. that morning. He noted his appreciation for the hard work.

#### H. Board Members Announcement and Remarks

Mr. Cameron noted appreciation with the budget process going so smoothly and noted that it was a good job. Mr. Cook asked if the customers at the tank were satisfied. Mr. Cornwell explained that the contractor painting the water tank located on Hendrick Lake Road was working on a windy day. In the process of working he dripped paint to several vehicles and the top of a camper. Mr. Cornwell complimented Mr. Earl for speaking with several of the customers in the area about the situation. Mr. Cornwell noted that the contractor had several car-covers on-site but didn't cover any of the effected

cars. Mr. Cornwell and Mr. Earl conveyed to the contractor that this crew was not welcome on future painting projects. The contractor was to accept responsibility for the damages and ensure the customers were happy with repairs to property. Mr. Pedersen had no comments. Mrs. Bridges asked about the Town of Fallston bids. Mr. Cornwell reported that Fuller Contracting was awarded the bid for the construction and the bids were in the budgeted amount. Mr. Brooks noted that everything was good. Mr. Taylor noted appreciation to Mr. Cornwell and the staff for the hard work. Mr. Melton also noted appreciation for the hard work.

## I. Adjournment

Action Taken: Chairman Melton called for a motion to adjourn. Upon a motion by Mr. Brooks, second by Mr. Pedersen the Board of Commissions voted unanimously to adjourn at 7:22 PM.

Respectfully submitted,

*Bill Cameron*

Bill Cameron  
Secretary

