

## MINUTES

Regular Meeting  
Cleveland County Water Board Room

June 9, 2020  
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, General Manager Brad Cornwell. Attorney Tim Moore attended the meeting via video conference.

Chairman Donald Melton called the meeting to order at 7:00 PM, welcomed all who were in attendance and recognized Secretary Bill Cameron 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 as amended.

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

### B. Public Hearing:

Chairman Melton requested the time for the FY 2020-2021 Budget Public Hearing. Chairman Melton opened the public hearing at 7:01 and closed the public hearing at 7:05. Mr. Cornwell noted during this time that Governor Cooper's executive order was extended another sixty days. The executive order was issued to provide rules and guidelines for utility customers during the pandemic. The utility customers can't be charged late fees or service charges and customers can't be locked for non-payment during the time of the executive order. The revenue lost because of the extension in the executive order resulted in changes to the original proposed budget. The original budget was proposed with one month of lost revenue due to the executive order, with the extension the lost revenue will stretch into four months. There have been some expenditures removed to offset the lost revenue. The members agreed to adjust off late fees to encourage customers to pay their accounts. It was also agreed to absorb the customer debit/credit card fees during the time of the pandemic. The budget has added the expenditure to

absorb these fees for a longer amount of time because of the sixty-day extension. Mr. Cornwell shared the expenditures that were removed from the budget. The employee cost of living adjustment, the employees will still receive their annual performance evaluations, the rebuilding of a pump at the water plant, the new vehicle purchase for the maintenance department, the remaining adjustment was made in the meter change out program, these items were deleted from the budget because of the loss of revenue. Mr. Cornwell noted that the budget hearing is advertised, and the public is welcome to ask questions and make comments in writing, over the telephone or at the public hearing. No comments or questions were received by Mr. Cornwell and no one from the public was present to speak.

- 1) Proposed Fiscal Year (FY) 2020-2021 Annual Operating Budget for Cleveland County Water
  - a. Consideration of Fiscal Year (FY) 2020-2021 Budget Ordinance: Ordinance No. 8-2020

ACTION TAKEN: Upon a motion by Mr. Cameron, second by Mr. Taylor, the Board of Commissioners voted unanimously to adopt Ordinance Number 8-2020 *A FY 2020-2021 Annual Operating Budget for Cleveland County Water*

- b. Consideration of Fiscal Year (FY) 2020-2021 Supplemental Budget Ordinance: Ordinance No. 9-2020

ACTION TAKEN: Upon a motion by Mr. Taylor, second by Mr. Martin, the Board of Commissioners voted unanimously to adopt *Supplemental Budget Ordinance No. 9-2020*

C. Public Comment:

There were no public comments.

D. Consent Agenda:

Action Taken: Chairman Melton presented the Consent Agenda Items. Upon a motion by Mr. Brooks second by Mrs. Bridges, 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 10, 2020
- 2) Approval of the Minutes of the Special Meeting of May 26, 2020

3) Consideration of Resolution Number 19-2020 A Resolution Authorizing Execution of an Agreement to Audit Accounts with Johnson, Price, Sprinkle, PA for the Cleveland County Water 2019-2020 Annual Audit

E. Unfinished Business:

No unfinished business was discussed.

F. New Business:

No new business was discussed.

F. General Manager's Report:

Mr. Cornwell expressed his appreciation to the members for their assistance in working on this budget and started his report with the financial reports. The month of May was a good month. The water usage was up because the customers are staying at home during the pandemic. The amount of customers applying for new services increased during the month of May and the water tap sales reflect that increase. The tax revenue for May was also good, Mr. Cornwell is estimating that the property tax revenue for this fiscal year will be more than the budgeted amount. At the July meeting those tax numbers will be reviewed for the end of year final amounts. Mr. Cornwell noted that the telephone line item has increased. These are the final bills with the current vendor before the switch to the new vendor. Mr. Cornwell shared some of the differences between the old telephone system and the new telephone system. There have been some customers that are noting that they can't contact the office. Mr. Cornwell explained how the telephone queue system worked and how some customers were disconnected while in the queue instead of waiting for their call to be answered. The credit card fee amounts for May were shared. The maintenance report and water plant reports were reviewed. A customer compliment was received on the stub of payment. The customer noted that nothing can be done without water and that everybody should be thankful for good water plant operators. A forty-dollar anonymous payment was received in the drop box along with a note to assist as many customers as possible. Mr. Cornwell noted that the payment was held until a need could be found. A customer that is a cancer survivor that recently started chemotherapy for the third time was granted the payment and it was posted in full on their water account. The staff has started to contact customers to attempt to collect on balances owed. Mr. Cornwell shared some statistics from the 401 customers that were contacted in the cycle three billing

group. The total number of customers contacted who have paid their bills in full or at least to the current bill was 144 customers. These accounts do require the adjustment of the late fees accrued. Forty of the customers contacted replied that they intend to pay their account before it is locked for non-payment to receive the late fee adjustment. Ten customers are stating their interest in a payment arrangement and two customers have already signed their payment arrangements. There have been some instances of water accounts being closed because a customer no longer resides at the address where the service was being provided or other situations. Half of the customers contacted in the cycle three billing group have not returned the telephone call, have invalid numbers, or have not responded to the door hangers that have been delivered to their home address. Mr. Cornwell noted that these customers will likely be the customers locked for non-payment. The extension of Governor Cooper's executive order was announced on the expiration date of the executive order. The office staff has worked hard to contact the customers and share information with them concerning the executive order and the future plans for their past due accounts. Mr. Cornwell shared an email that he sent to the Attorney General's office and the Utility Commission and the responses received, if any. The email contained these customer statistics and the concerns of the extension on the budget and operations of the water utility. The District continues to receive water requests from customers in Rutherford County. The contact in the Planning Department at Rutherford County, Danny Searcy, reported that there would be no future funding assistance for water line extensions in Rutherford County. The Hopewell funding was eliminated in 2010 and the program was removed in 2014. There is a customer in this area that would like to contribute to the costs of having water line installed to his property on McKinney Mill Road. Mr. Cornwell is recommending that the line be installed with the customer's assistance to help with the costs. There are four other customers that are potentially interested in tapping onto this water line. This customer has already dug a well on the property, but the water contained Sulphur. Mr. Cornwell asked the opinion of the members. A developer's agreement would be provided to the customer to sign containing all the details of the installation plan and costs. The agreement would also clarify the future taps onto the main line. The agreement will be created and presented at the July board meeting. Mr. Brooks inquired about the line size. Mr. Cornwell answered that the water line would be a six-inch line. Mr. Brooks asked if that line size would support a fire hydrant. Mr. Cornwell verified that a fire hydrant could be installed. Mr. Cornwell has submitted the application for Land Acquisition Funding to the Carolina Thread Trail in the amount of \$50,000.00. The preliminary engineering report for the Clearwell project will be available next week for review. The preliminary engineering report for the

Centrally Located Office is finished and has been reviewed. The only item missing is some information from the City of Shelby concerning the sewer system. The Greenway project continues with the property easements from the Whisnant owners and the Lawndale Methodist Church. All parties are in agreement that the retaining wall can be removed. The power will be disconnected to the kwanza hut and the existing electrical will be removed from the building during this time.

#### G. Board Members Announcement and Remarks

Mr. Cameron had a question about whether the meter readers still notified customers about water leaks. Mr. Cornwell reported that the meter readers do continue to notify customers about water leaks but only if the meter is indicating a leak while the meter is being read. Mr. Cameron asked about how the process works on the drive by meters. Mr. Cornwell explained that there is a notification in the system that indicated that the wheel was turning at the time of the meter reading. Mr. Brooks noted appreciation for Brad being on top of things concerning the executive order. Mr. Cook noted that the Shelby Star did a good job on the new Lattimore Tank article. Mr. Cornwell agreed. Mr. Martin shared appreciation from his mother-in-law, Nancy Queen for the water quality.

#### I. Adjournment

Action Taken: Chairman Melton called for a motion to adjourn. Upon a motion by Mr. Cook, second by Mr. Taylor the Board of Commissioners voted unanimously to adjourn at 7:28 PM.

Respectfully submitted,

*Bill Cameron*

Bill Cameron, Secretary

