

MINUTES

Regular Meeting
Cleveland County Water Board Room

May 14, 2024
Tuesday, 6:00 P.M.

Present: Chairman Donald Melton; presiding, Vice Chairman Bill Cameron, Secretary Amy Elliott Bridges, Commissioners Tony Brooks, Bruce Martin, Pete Pedersen, and Pamela P. Maddox. General Manager Brad Cornwell was present. Attorney Tim Moore was absent.

Chairman Donald Melton called the meeting to order at 6:00 PM, welcomed all who were in attendance and recognized Commissioner Pamela Maddox 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. Chairman Melton requested a motion to adopt the agenda.

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

B. Public Comment

No public comments were presented.

C. Special Presentation

- 1) Update on SCADA System Master Plan and Resiliency Improvement Program for FY 2023-2024 Budget Year by Garrett Gilbert, Water Plant Superintendent/ORC

General Manager, Brad Cornwell, introduced Water Plant Superintendent/ORC, Garrett Gilbert to present information to the members for the water plant's SCADA system and the resiliency upgrades. These upgrades were discussed during the yearly board member retreat. A capita project budget ordinance will be presented to the members for approval to begin the project and get the upgrades installed at the water plant. Garrett Gilbert began by informing the members that the computers and the SCADA software at the water plant have not been upgraded in many years and is severely outdated. The SCADA boxes will be consolidated, this will allow for more room in an already confined space

at the water plant. The generator switch gear will also be included in this project. The generator switch gear allows the transfer of power from Duke Energy to the generator during a power outage. The loss of power and the switch over to the generator is challenging on the pumps, motors and the mechanics of the water plant. The upgrade of the transfer switch will allow for a smoother transition to the generator without the difficult switch on the water plant components. This upgrade will also reduce the power surges that occur during this switchover. Mr. Gilbert shared pictures of the existing equipment and the future upgrades that will be installed. The portions of this project that are within the water plant staff's capabilities will be performed by the staff to allow for cost savings. The SCADA upgrades will be completed by an outside contractor that specializes in this technology. Photos were shared of the current transfer switchgear. The SCADA system assures that all the distribution pump stations, and tank sites communicate information back to the water plant. Each pump station and tank site will be upgraded with new communication radios, SCADA panels, and transmitters. Mr. Gilbert shared examples of current equipment in place for communication between the water plant and the distribution system. These components can't be purchased anymore and are obsolete and because of their age, the replacement equipment is being purchased from eBay and other sources. The old components consist of several pieces to allow communication. The new technology equipment is all in one piece, it is smaller and easier to install for better communication. Willis Engineers, Distribution Superintendent, Chris Hayes, and other maintenance staff have visited the distribution sites to evaluate the necessary upgrades for each site. Some sites will require upgrades to the incoming power, this will include providing underground power instead of existing overhead power. Some sites don't have a backup power source and will require generator power and weather protection. Mr. Cameron asked how long the work would take to complete. Mr. Gilbert answered that the water plant upgrades will take a couple of months. The distribution system requirements would take longer because the work would be done in steps. The SCADA software for each site will cost between \$15,000 and \$20,000.00. This software has not been upgraded during the eight years that Mr. Gilbert has been employed. Mr. Pedersen asked if Bald Mountain and Belwood had back-up power. Mr. Gilbert clarified that Bald Mountain does not have a back-up power source, but that Belwood did have a back generator already in place. The Bald Mountain site needs back-up power to allow distribution for the Casar and Upper Cleveland County area.

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 April 9, 2024
- 2) Consideration of Ordinance Number 8-2024 An Ordinance Amendment for Cleveland County Water's ARP Funded Polkville Tank and Booster Pump Station Project
- 3) Consideration of Ordinance Number 9-2024 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's Elam Road Bridge Project
- 4) Consideration of Ordinance Number 10-2024 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's Wastewater Merger and Regionalization Feasibility Study
- 5) Consideration of Ordinance Number 11-2024 An Ordinance Establishing Capital Project Ordinance and Budgets for Cleveland County Water's Water Merger and Regionalization Feasibility Study
- 6) Consideration of Ordinance Number 12-2024 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's Lawndale Park Project
- 7) Consideration of Ordinance Number 13-2024 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's Muddy Fork Creek Crossing Replacement Project

E. Unfinished Business:

- 1) Consideration of Ordinance Number 14-2024 An Ordinance Amendment for A Capital Project Ordinance and Budgets for Cleveland County Water's Centrally Located Operations Center

Mr. Cornwell explained that the two items under unfinished business were related, and an explanation would be provided for both items. The action for the items would need to be taken separately. The final payout for the New Operations Center contractor, Beam Construction, has been paid. There were project cost savings of \$170,000.00 on the project bid. The USDA required that the funds be spent as part of the loan agreement. While the interim finance funding was in a separate bank account for the project, it

accrued interest in the amount of \$73,000.00 in interest. This also needs to be spent on the operations center project. This budget ordinance will also appropriate an additional \$215,000.00 for the remainder of the key card access project and the balance of the equipment shed project. The truck bays and equipment shed bids were received over budget and at the time it was agreed to continue this part of the project later, when constructions cost materials reduced in cost. The bid will be awarded for the equipment shed project. This project includes truck bays, equipment storage, concrete slabs, electrical improvements to be installed for this area. The project was bid with an add on for the extra lighting requirement. The maintenance entrance area is dark at night, this project will include lighting installation to brighten this area. Greene Building Corporation was the lowest bidder. The District has a history with Greene Building, they did the remodeling of the lobby in the Lawndale Administration Building.

ACTION TAKEN: Upon a motion by Mr. Cameron, second by Mr. Brooks, the Board of Commissioners voted unanimously to adopt Ordinance Number 14-2024 *An Ordinance Amendment for A Capital Project Ordinance and Budgets for Cleveland County Water's Centrally Located Operations Center*

- 2) Consideration of Resolution Number 24-2024 A Resolution Awarding the Bid for Cleveland County Water's Equipment Shed and Site Electrical Improvements

This resolution will approve the award of the bid for equipment shed and the electrical improvements already explained.

ACTION TAKEN: Upon a motion by Mr. Martin, second by Mr. Pedersen, the Board of Commissioners voted unanimously to adopt Resolution Number 24-2024 *A Resolution Awarding the Bid for the Cleveland County Water's Equipment Shed and Site Electrical Improvements*

F. New Business:

- 1) Consideration of Ordinance Number 15-2024 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's SCADA/Water Plant Upgrades Project

Mr. Cornwell explained that this ordinance approves the upgrades from the special presentation provided by Garrett Gilbert and provides for the funding

of the project. The water plant staff and Mr. Gilbert will be providing labor and coordination for most of this project. If an engineer was called upon to assist with this project, it would increase the cost of the project. The staff can schedule and coordinate contractors to provide the work instead of an engineer to allow for cost savings. Mr. Cornwell is predicting that the entire project will take two years to complete. A capital project budget ordinance allows for a project to carry over into subsequent budget years until completion. Mr. Cornwell referred the members to the section in their packets that included the budget for this project. Not all the necessary components are included in the budget. There are three to four tank and pump station sites that will require back-up generators. Those generators are between \$40,000 to \$50,000 per generator. The costs of generators fluctuate and typically take months to order and receive. The approval of this budget ordinance can begin the project, once the time comes for the generators to be ordered, the budget ordinance can be changed and updated to include the current price of the generators. Mrs. Maddox questioned the \$90,000.00 professional services on-the-budget ordinance. Mr. Cornwell explained that the labor for the contractor for the SCADA system would be in this budget item. Mrs. Maddox asked about the employee labor costs, can the scope of work take place during regular hours or would additional compensation be required. Mr. Gilbert noted that the staff are paid from the budgeted payroll and it wouldn't require extra costs. Mr. Brooks noted that when the staff do the work, they know where the cost is being spent.

ACTION TAKEN: Upon a motion by Mr. Pedersen, second by Mrs. Bridges, the Board of Commissioners voted unanimously to adopt Ordinance Number 15-2024 *An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's SCADA/Water Plant Upgrades Project*

- 2) Consideration of Resolution Number 25-2024 A Resolution Authorizing the General Manager to Execute a Polling Place Usage Agreement with the Cleveland County Board of Elections for 439 Casar Lawndale Road

Mr. Cornwell explained the Cleveland County Board of Elections expressed interest in using the Lawndale Administration building for early voting in the upper end of Cleveland County. Mr. Cornwell called the members to discuss the opportunity. This resolution would allow use of the building for early voting for the election.

ACTION TAKEN: Upon a motion by Mrs. Bridges, second by Mr. Brooks, the Board of Commissioners voted unanimously to adopt Resolution Number 25-2024 *A Resolution Authorizing the General Manager to Execute a Polling Place Usage Agreement with the Cleveland County Board of Elections for 439 Casar Lawndale Road*

G. General Manager's Report:

Mr. Cornwell introduced Ginger Fern, Finance Director, for the financial report for April. April is the first full month that the new Utility Billing software was used after the conversion. There will be no late fee revenue for the customers because of the conversion. The expense side of the financials does not include the sewer payments for Boiling Springs, Fallston, Kingstown and Polkville because of the conversion. This line item will be over budget for May to make up for no expense in April. The final installment financing payment for vehicles/equipment was made in April. The interim annual financial audit has begun and will be completed virtually. The final part of the audit is scheduled for the last week of August. Mrs. Fern referred the members to a letter in the packet concerning notice of risk level assessment. This is a new department formed under NC DEQ, the department scheduled an appointment to review projects. The appointment contained discussion about procedures and projects costs and funding. The letter was shared with the members because CCW was assessed as a high-risk level because the amount of funding received had been more than \$10,000,000.00. The letter notes that the risk level will be monitored and can be reduced based on future reassessments. Michelle Alexander, Customer Service Director, continued with the disconnection and billing update. Mrs. Alexander reported that April billings were consistent with the numbers of customers billed from the old software. The usage for the billings was not consistent because the cycle 1 readings were done early because of the software conversion. These numbers will even out with the May billings on a regular schedule. The disconnections for non-payment have not taken place because of the conversion. Disconnections will not be run strictly from Tyler until there are three months of history in the new Tyler software. There were only twenty leak calls, because of the conversion and getting the correct reports from the Tyler software. The KIOSK is going great with the new account numbers and there were 202 payments collected from the KIOSK. Mr. Cornwell explained to the members about customers who use their banking software to pay their water bills. CCW takes multiple types of payment from customers. Mr. Cornwell explained that the customers who use their banking software

have been challenging to get updated because of the banking template they use and that these payments are still being sent to the Lawndale Post Office box. The account numbers have also changed from the old software to the new software. Jennifer Mathis, the Accounting Technician, has made efforts and attempts to contact customers concerning these new changes. This is a good customer service practice to keep customers from getting late fees from their water bills. Mrs. Alexander gave some feedback concerning the new customer payment portal provided by Tyler. Mr. Cornwell shared that the bank draft schedule for customer payment may change because of how the new software handles bank drafts, instead of drafting once a month, the process may take place three times a month to accommodate all three billing cycles. Mr. Cornwell noted that the members had a capital project update at their seats for review. The Cleveland County Economic Development provided a notice concerning new employees, this information is included in the packet. The Cleveland County Justice Center is having a foundation dedication, this information is also included in the packet. The budget workshop meeting will be on May 21, 2024. The State Employees Credit Union has delayed the installation of the ATM at the New Operations Center. The Credit Union is going through a rebranding of their ATM machines and the updates for existing ATM machines will be completed before any new ATM machines are installed. Mr. Cornwell requested a traffic count for local ATM locations. The most popular times for ATM usage are Thursday and Friday. The representative from the Credit Union informed Mr. Cornwell that it could be a year before the new ATM was installed. The Water System inspection letter was shared with the members, the letter reported no deficiencies and only recommendations. The Department of Commerce through the Appalachian Regional Commission has invited the District to submit an application for \$500,000.00 in funding assistance for the Lawndale street scape and old bank building renovation. Mr. Cornwell will be attending some meetings concerning this in the future. Lawndale Park will require a board-approved ordinance for rules and regulations before the opening of Lawndale Park. Mr. Cornwell supplied some paperwork to the members for review and suggestions concerning these rules and regulations.

H. Board Members Announcement and Remarks

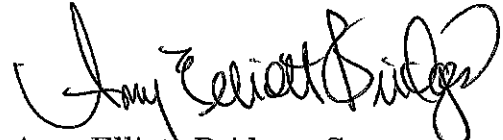
Mr. Cameron inquired about camping at the access points. Mr. Cornwell clarified that the Delight Road access point could have a campground later since there is additional land, but as of right now, camping is not permitted. This could be a future project concept. Mrs. Bridges noted appreciation for

the software conversion work. The members 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 Commissioners voted unanimously to adjourn at 6:48 PM.

Respectfully submitted,



Amy Elliott Bridges, Secretary

