

## MINUTES

Regular Meeting  
Cleveland County Water Board Room

March 11, 2025  
Tuesday, 6:00 P.M.

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

Chairman Donald Melton called the meeting to order at 6:00 PM, welcomed all who were in attendance and recognized Commissioner Bruce Martin 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 Mrs. Maddox, the Board of Commissioners voted unanimously to accept the agenda.

### B. Public Comment

No public comments were presented.

### C. Consent Agenda:

ACTION TAKEN: Chairman Melton presented the Consent Agenda Items. Upon a motion by Mr. Cameron, 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 February 18, 2025
- 2) Consideration of Resolution Number 6-2025 A Resolution Authorizing the Execution of Property Owner Acknowledgement of the Terms for the Voluntary Donation of Property of Cleveland County Water
- 3) Consideration of Resolution Number 7-2025 A Resolution Authorizing Execution of a Contract to Audit Accounts With Martin Starnes &

Associates, CPA's PA For The Cleveland County Water FY 2024-2025  
Annual Audit

- 4) Consideration of Resolution Number 8-2025 A Resolution Adopting Certain Updated Personnel Policies

D. Unfinished Business:

- 1) Consideration of Resolution Number 9-2025 Resolution of Cleveland County Water Accepting the Conditions of the Letter of Conditions From USDA, Rural Development (Fallston USDA Transfer/Assumption)

Mr. Cornwell explained that this resolution creates the acceptance of the letter of conditions for the Town of Fallston and the corresponding loan. The USDA has sent the letter of conditions to the office in Washington, DC. The letter of conditions has not been returned from the Washington DC office. The letter of conditions is standard with all USDA loans, for example the completed Operations Center and the currently under construction Weir project. The list of requirements from USDA has been completed with the exception of the deed to the properties and the loan assumption. The District boundary extension has been completed. This enabled the citizens of the Town of Fallston to vote for the commissioners during the next election. Mr. Cornwell and Ginger Fern, Finance Director, are working with the Cleveland County Tax office to provide updated property tax information for those affected in the Town of Fallston. The letter of conditions will state that the District will assume the outstanding loan for the Town of Fallston in the amount of \$1,691,000.00 and assuming the remaining terms of the loan. The USDA loan term amount is forty years. This loan has thirty-five or thirty-six years remaining on the loan. The current annual payment for the loan is \$65,000.00 and the interest rate is 1.75% interest. This loan payment is already being paid through budget funds as a lease to the Town of Fallston.

*ACTION TAKEN: Upon a motion by Mr. Martin, second by Mr. Pedersen, the Board of Commissioners voted unanimously to adopt Resolution Number 9-2025 Resolution of Cleveland County Water Accepting the Conditions of the Letter of Conditions From USDA, Rural Development (Fallston USDA Transfer/Assumption)*

- 2) Consideration of Resolution Number 10-2025 A Resolution Authorizing Execution of an Agreement with Boomerang Design in the Amount of \$56,633 for the CCW Lawndale Administration Building

Mr. Cornwell introduced Garrett Gilbert, Water Plant Superintendent to present this item to the members. Mr. Gilbert explained that this resolution authorizes an agreement with Boomerang Design for the redesign of the Lawndale Administration Building. The agreement will be in the amount of \$56,633.

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**ACTION TAKEN:** Upon a motion by Mr. Cameron, second by Mr. Martin, the Board of Commissioners voted unanimously to adopt Resolution Number 10-2025 *A Resolution Authorizing Execution of an Agreement with Boomerang Design in the Amount of \$56,633 for the CCW Lawndale Administration Building*

- 3) Consideration of Ordinance Number 1-2025 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's Lawndale Administration Building Redesign Project

Mr. Gilbert continued that this ordinance would establish the capital project ordinance and budgets to pay Boomerang Design for the redesign of the Lawndale Administration building. Mr. Cameron asked about the fluoride feed for the project. Mr. Gilbert answered that this project is for the administration building only. Mr. Pedersen asked for clarification of the dollar amount in question and Mr. Gilbert clarified the amount.

**ACTION TAKEN:** Upon a motion by Mr. Pedersen, second by Mrs. Maddox, the Board of Commissioners voted unanimously to adopt Ordinance Number 1-2025 *An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's Lawndale Administration Building Redesign Project*

**E. New Business:**

- 1) Consideration of Resolution Number 11-2025 A Resolution Authorizing the Execution of NCDOT Utility Relocation Agreement and Engineering Consultant Agreements for R-4045 US 74 Bypass at Mooresboro

Mr. Cornwell explained that this resolution is for the section of the Highway 74 Bypass in the Mooresboro interchange area. This project will affect several utilities in the area including Duke Energy, AT&T, and multiple fiber

and cable companies. This area contains the District's eight inch water line which is the main feeder line to the southwestern portion of the county. This project is referred to as a design/build project. This interchange area will require a unique construction concept that the NCDOT uses in areas such as this. This project started in April of last year and has had numerous conflicts since the beginning of the project. CCW is considered a Sanitary District, because of this distinction the NCDOT is required to financially reimburse the sanitary district for the relocation of water lines and assist to provide betterments or improvements with the expense being paid by the sanitary district. CCW contracted TGS Engineers to assist in the design/build to assure that the construction would be managed correctly. The NCDOT is required to reimburse for an inspector on site at the project. TGS Engineers will be on site during construction for the duration of the water line portion of the construction project. A budget ordinance will be presented at the next meeting to establish a capital project ordinance and budgets. These agreements will be completed and returned to TGS Engineers and forwarded to NCDOT. Mr. Cornwell called for questions and noted that he and the Distribution Superintendent, Chris Hayes, visited the construction site and the area had drastically changed since the last visit. The water line has not been disturbed yet, but construction in the area has begun. Mr. Pedersen shared that he was in the area today. There was a lot of large equipment and changes in the traffic patterns. Mr. Cornwell noted that a large ramp for Highway 74 will be constructed, and the large equipment is moving dirt for this on/off ramp. Mr. Pedersen inquired about the water line location in reference to the construction work. The main feeder line is installed on the right of way of Highway 74 on the same side as the Cornerstone Church. Mr. Cameron asked about how many feeds the District had in the construction area. Mr. Cornwell shared that there are two feeds under Highway 74 in the construction area and at the beginning of the project, a suggestion was made to eliminate one of the main feeds. Mr. Pedersen inquired about the size of the line under Highway 74. Mr. Cornwell reported that there was an eight-inch and a six-inch water line. Mr. Martin requested clarification on the quote from TGS Engineers. Mr. Cornwell answered that the preliminary engineering would be \$9,000.00 for this project, and the inspector hour costs would be \$84,900.00. This would enable the District to have an inspector from TGS Engineers on-site during the entire water line construction duration. Mr. Pedersen asked about the time frame of the project. Mr. Cornwell informed members that the project was scheduled to begin in May but the final designs for the project have not been completed. The Public

Water Supply permit process takes between four to five months to complete for their required approvals.

ACTION TAKEN: Upon a motion by Mr. Brooks, second by Mr. Cameron the Board of Commissioners voted unanimously to adopt Resolution Number 11-2025 *A Resolution Authorizing Execution of NCDOT Utility Relocation Agreement and Engineering Consultant Agreements for R-4045 US 74 Bypass at Mooresboro*

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F. General Manager's Report:

Mr. Cornwell introduced Finance Director, Ginger Fern, to share the financial reports for February. The local options sales tax is 30% over the budgeted projections. The installment financing has been finalized for the vehicles and equipment that have already been purchased. The first draw from the installment financing has been received in the amount of \$577,135.00 of the full installment of \$661,250.00. A Ford F550 service truck has been ordered, and the estimated arrival is April. This item will be reimbursed once purchased and received. The expenses for the month were mostly in budget. The NC Capital Management Trust statement is included in the financial report. Mr. Cornwell shared the disconnection and billing update from the packet. The disconnects have been completed for all cycles. The leak calls and KIOSK payments are also included in the packet. The maintenance numbers were shared including a line extension on Fairview Road for 471 LF of 6" water line that connected into the NCDOT water lines from the new bypass. The water plant numbers are in the packet for reference. Mr. Cornwell referred to the members to the latest inspection letter from the NC DEQ for the water plant and the distribution system. Mr. Cornwell noted that most of the items that were noted have already been repaired, and other items are larger projects that will be repaired in future projects. The Municipal Insurance Trust has announced their closure effective June 30, 2025. MIT is the health insurance part of the NC League of Municipalities. This provides health, dental, vision and life insurance coverage to the employees and retirees of the District. The MIT pool is comprised of 200 municipalities and has been in business since the 1980s. The notice was shared with little warning. Mark III is the broker that CCW has contracted with to provide insurance representation. The broker is currently researching other options for insurance coverage, including a larger pool that is underwritten through Blue Cross and Blue Shield. There will be more information shared as it becomes available. Mr. Cornwell referred the members to the capital project update sheet and recent photos of progress on projects. The photos shared

were of the Polkville Tank and booster pump station, water plant flocculation and sedimentation project, and the weir project. Mr. Cornwell offered site visits for any members wishing to view the projects in person.

G. Board Members Announcement and Remarks

The members noted appreciation for hard work and service. Mr. Melton noted that Lawndale Park was a nice location for a visit and encouraged the members to take time to visit Lawndale Park.

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 or other material terms for a contract or proposed contract for the acquisition of real property by purchase, option, exchange or lease in accordance with NCGS 143-318.11(a)(5)

Action Taken: Upon a motion by Mr. Brooks, second by Mr. Martin, the Board of Commissioners voted unanimously to go into Closed Session at 6:33 PM.

Action Taken: Upon a motion by Mr. Cameron, second by Mrs. Maddox, the Board of Commissioners returned to Open Session at 6:56 PM.

Action Taken: Upon a motion by Mr. Martin, second by Mr. Pedersen, the Board of Commissioners voted to authorize the General Manager and District Attorney to proceed with purchasing of County Tax Parcel #45329 in the amount of \$40,000 and to pay for all legal and closings costs associated with the transaction.

I. Adjournment

Action Taken: Chairman Melton called for a motion to adjourn. Upon a motion by Mr. Brooks, second by Mrs. Maddox, the Board of Commissioners voted unanimously to adjourn at 7:01 PM.

Respectfully submitted,



Amy Elliott Bridges, Secretary