

MINUTES

Regular Meeting
Cleveland County Water Board Room

November 10, 2025
Tuesday, 6:00 P.M.

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

Vice Chairman Bill Cameron called the meeting to order at 6:00 PM, welcomed all who were in attendance and gave the invocation and Commissioner Pete Pedersen led the *Pledge of Allegiance*.

A. Approval of Agenda:

Vice Chairman Cameron asked Commissioners if anyone had any questions related to the adoption of the agenda. Vice Chairman Cameron requested a motion to adopt the agenda.

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

B. Special Presentations

1) Presentation of the Annual Audit for Fiscal Year ended June 30, 2025, Ms. Morgan Coley with Martin Starnes

Ms. Morgan Coley with Martin Starnes Associates began her presentation by introducing herself to the members with her presentation of the annual audit for the year ending June 30, 2025. An explanation of the audit process was shared including the planning and risk assessment, internal controls, financial statement balances, and concluding report. Martin Starnes issued an unmodified opinion which is a clean opinion and the best opinion that can be issued. Ms. Coley noted appreciation for Finance Director, Ginger Fern, for her assistance with the audit and presenting information in a timely manner. There were no grant findings or questions about costs. The assets in comparison with the last two years show an increase in assets in the amount of \$14.8 million that is due to capital assets and grants and awards. The liabilities decreased by the amount of \$157,000.00 due to decrease in

accounts payable. The total net position shows a continuing increase over the last three years. The quick ratio for 2025 is lower than the prior year, but still outside the Local Government Commission area of concern. Ms. Coley noted that the government shutdown caused the compliance supplements for the USDA projects not to be available. Once the supplements are available the completed audit will be released to the Local Government Commission. Ms. Coley noted that if the members had questions to reach out to Ginger Fern, Finance Director, and if necessary, Mrs. Fern will contact Martin Starnes for any necessary clarification. The members noted appreciation for the presentation. Mr. Cornwell noted that the standard member packets of the financial audit will be shared once the required documents have been received. The Local Government Commission required audit completion date is typically October 31, 2025, however due to the government shutdown, the date has been rescheduled to December 31, 2025.

2) Lawndale Bank Building Rehab Update, Stagecoach Greenway Update and Discussion of Lease Options for Lawndale Bank Building

Ms. Josie Rikard, GIS Coordinator, General Manager Brad Cornwell and District Attorney Delton Barnes

Mr. Cornwell introduced Josie Rikard, GIS Coordinator, to share updates about the newly renovated bank building in Lawndale for the Stagecoach Greenway. Ms. Rikard shared a picture package of the newly renovated building and parking lot. The bank building is located at 100 West Main Street in Lawndale. The parking lot was recently paved by Mike Still with Kings Construction. There are fifteen total parking spaces, two of these parking places have accommodation for handicap parking. The handicap parking is located on the right side of the building which is Garver Street. The bank building before the renovations contained a drop box for banking purposes. This drop box was removed and replaced with a window. The inside renovations were completed by T. C. Strickland Construction. The pictures continued with the spacious interior, Ms. Rikard noted that the lighting was great, because the windows run the wall from the top to the bottom. The building is ready for lease. Ms. Rikard continued her presentation with the Stagecoach Greenway in the section called The Narrows Trail. This section of the greenway travels Casar Lawndale Road, Grigg Street, across Maple Creek to the next portion of the park at Long Rock River Access. Ms. Rikard referred the members to the original map from the beginning design. The Lawndale Park portion of Stagecoach Greenway is

now completed. The project will continue with TGS Engineers with a timeline as follows. The advertising for bids will be done on November 13, 2025. The bid opening is scheduled for December 11, 2025. The construction begin date is set for January 20, 2026, with a proposed completion date of June 13, 2027. These specifications have been supplied by the NC Department of Transportation. Approximately 250 feet will have to maneuver over Maple Creek. The contractor for this section of Stagecoach Greenway will be able to begin the project without waiting for NC DOT because necessary repairs to the culvert pipe have been completed. Ms. Rikard asked if the members had any questions concerning the Stagecoach Greenway. Mr. Pedersen asked for clarification on the location and the length of the bridge. Ms. Rikard verified that the walkway would be on the left side of the road. Mr. Cornwell shared that the distance from Grigg Street to Long Rock Park was three quarters of a mile. The NC DOT is providing the specification book for the bid because the design was created through funding from the NCDOT. The construction project timeline allows extra time due to the possibility of winter weather. The elevated walkway, also known as the Narrows Trail, is 660-foot long. This section has been designed to withstand possible future flooding. The NC DOT has placed rip rap and concrete bags on the bank around the culvert at Maple Creek. This method of repair will provide stability for the bank. Mr. Martin inquired about the Maple Creek crossing; Mr. Cornwell shared that this area was not a bridge, it is a walkway navigating over the culvert of Maple Creek. Mr. Cameron asked about the construction materials used for the walkways. Mr. Cornwell answered that the walkways would be steel and concrete. The bank building was kept with the intention of being a site to support Stagecoach Greenway. Mr. Cornwell reminded the members that the renovations on the bank building were funded with grant money obtained with assistance from Senator Alexander. The \$415,000.00 grant and the fund balance of \$18,000.00 paid for the interior renovations. Mr. Cornwell noted that lease options were on the agenda tonight. The members noted appreciation for the presentation.

C. Public Comment

No one was signed up for public comments.

Vice-Chairman Cameron took the opportunity to remember Chairman Melton and noted that memorial flowers had been placed at his seat in his memory.

Mr. Cameron shared that Chairman Melton never missed a meeting in his twenty years of service. His dedication was appreciated and he will be missed by all.

D. Consent Agenda:

ACTION TAKEN: Vice Chairman Cameron presented the Consent Agenda Items. Upon a motion by Mr. Brooks, second by Mrs. Maddox, 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 October 14, 2025
- 2) Consideration of Ordinance Number 20-2025 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's R4045 US 74 Mooresboro Waterline Project
- 3) Consideration of Resolution Number 36-2025 A Resolution Authorizing Execution of an NCDOT Utility Construction Agreement For TIP # R-4045 WBS Element: 34598.2.2
- 4) Consideration of Ordinance Number 21-2025 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's USDA – Broad River Water Treatment Plant Project
- 5) Consideration of Resolution Number 37-2025 A Resolution Authorizing Execution of an Agreement with McGill Associates, PA for the Study and Report Phase for Amendment No. 1 and Amendment No. 2 for the Cleveland County Water USDA Broad River Water Treatment Plant Project

E. Unfinished Business:

- 1) Consideration of Ordinance Number 22-2025 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's Stagecoach Greenway Project from Grigg Street to Long Rock Park

Mr. Cornwell began unfinished business by sharing that this item on the agenda would not require any action and was meant to be skipped for this meeting. This item required some clarification from NCDOT. Mr. Cornwell provided an explanation and shared that this item would be presented for action at a future meeting if required.

NO ACTION TAKEN

2) Consideration of Resolution Number 38-2025 A Resolution Authorizing the Execution of a Funding Offer and Acceptance From the North Carolina Department of Natural and Cultural Resources for a Land and Water Conservation Fund (LWCF) Grant in the Amount of \$500,000

Mr. Cornwell noted that this resolution accepts grant funding for Stagecoach Greenway from the NC Department of Natural and Cultural Resources. These funds will be used for the Casar Lawndale Road section of the Greenway. These are federal funds from the Department of the Interior and the National Park Service. These funds require special acceptance through a resolution with approval from the Board of Commissioners. Mr. Cornwell noted that along with the acceptance of these funds that the deed to the property would require restrictions that the property would always be used for recreational purposes. The property was originally purchased for this purpose. Lawndale Park had an identical grant. This resolution accepts the grant in the amount of \$500,000 from the Land and Water Conservation Fund.

ACTION TAKEN: Upon a motion by Mr. Pedersen, second by Mr. Brooks, the Board of Commissioners voted unanimously to adopt Resolution Number 38-2025 *A Resolution Authorizing the Execution of a Funding Offer and Acceptance From the North Carolina Department of Natural Cultural Resources for a Land and Water Conservation Fund (LWCF) Grant in the Amount of \$500,000*

3) Consideration of Resolution Number 39-2025 A Resolution Authorizing the Bid Process for the Stagecoach Greenway Project from Grigg Street to Long Rock Park

Mr. Cornwell shared that this resolution authorizes the bid process for the Stagecoach Greenway Project from Grigg Street to Long Rock Park. The preliminary project estimate for this section of the greenway project is \$3,000,000. The current amount of funding available for this project is \$2,425,000. Mr. Cornwell directed the members to the funding breakdown in their agenda packets. There were two applications submitted for grants that were not awarded to the Stagecoach Greenway. The first grant was for \$750,000 for an environmental grant and a \$500,000 PARTF grant. Stagecoach Greenway has been awarded several other grants detailed in the packet. The \$1,000,000 grant from the Office of State Budget and

Management has a deadline of June 30, 2026. This project is ready to be bid to continue the preparation for the project. Mr. Cornwell reminded the members that the local option sales tax is available for Stagecoach Greenway. The budgeted funds for the Stagecoach Greenway have not been spent and are available. Mr. Cornwell shared that knowledge would be received through presenting the project for bid. The bids don't require acceptance; adjustments can be made if the funding is not available. The members have the final approval on the acceptance, and all information will be shared with the members once the bids are received. Mr. Cameron asked if grant applications are still being submitted. Mr. Cornwell replied that no more funding opportunities were available at this time.

ACTION TAKEN: Upon a motion by Mr. Martin, second by Mrs. Bridges, the Board of Commissioners voted unanimously to adopt Resolution Number 39-2025 *A Resolution Authorizing the Bid Process for the Stagecoach Greenway Project from Grigg Street to Long Rock Park*

4) Consideration of Resolution Number 40-2025 A Resolution Authorizing the Chairman, Vice-Chairman, General Manager and District Attorney to Advertise and Seek Proposals for a Short-Term Lease Arrangement for Property Owned by Cleveland County Water for the Benefit of the Stagecoach Greenway in Lawndale

Mr. Cornwell continued with the next resolution in unfinished business. This resolution involves the process of seeking a tenant for the Stagecoach Greenway bank building. The NC General Statutes for leasing property provide rules concerning the lease of property. The property needs to be declared surplus property. This means that the District can lease the property for a non-District use. The declaration of surplus property has been completed twice before for the Town of Lawndale. The first instance was for the Scout Hut in Lawndale and the second instance was with the block building on the Greenway property. The short-term lease means that the tenant agreement is for one year or less with the possibility of renewal through written notice. An advertisement can be placed for short-term lease that would request a proposal be presented with detailed information declaring the intentions for the property. This resolution declares the property as surplus with the intention of seeking a tenant that meets the needs of Stagecoach Greenway. The General Manager is authorized to review and evaluate the proposals. Mrs. Maddox inquired about the

contents of the proposal. Mr. Cornwell noted that the proposal could contain the lease amount or the lease amount could be negotiated. Mr. Pedersen asked about food preparation having the necessary requirements. Mr. Cornwell verified that it would be the tenant's responsibility. Attorney Barnes clarified that the lease would be for a year or less. The authority would be delegated to the General Manager to handle tenant concerns with the advice and consultation of the Attorney. Attorney Barnes has experience and expertise with leases and tenants and commercial property situations. Attorney Barnes noted that by delegating the responsibility to Mr. Cornwell there would be more flexibility. Mr. Cameron asked if a business would typically lease a property for only a year. Attorney Barnes verified that a one-year lease would be an excellent opportunity for new business and existing business. Mr. Pedersen asked if the lease could be written for a year with an option to re-sign and continue the lease. Attorney Barnes verified that the most typical commercial leases were only for a three-year term but the board being a governing body was bound by the General Statutes. Mr. Cameron inquired if a tenant was not successful in their lease terms, would the remainder of the lease require payment. Attorney Barnes verified that the lease in the entirety would require payment. Mrs. Maddox clarified that all conforming proposals would be shared with the members. Mr. Cornwell verified that all proposals would be shared with the members. Mr. Martin shared that if the tenant supported Greenway, options should be made available for mutual good business that would benefit Stagecoach Greenway.

ACTION TAKEN: Upon a motion by Mr. Brooks, second by Mrs. Maddox, the Board of Commissioners voted 5-1 to adopt Resolution Number 40-2025 A *Resolution Authorizing the Chairman, Vice-Chairman, Secretary, General Manager and District Attorney to Advertise and Seek Proposals for a Short-Term Lease Arrangement for Property Owned by Cleveland County Water for the Benefit of the Stagecoach Greenway in Lawndale*

F. New Business:

1) Consideration of Resolution Number 41-2025 A Resolution Authorizing Execution of an Agreement with TGS Engineers, Inc. in the amount of \$89,400 for the CCW/Town of Fallston Regionalization Project

This resolution is funded through a grant in the amount of \$89,400 for the CCW and Town of Fallston Regionalization. The engineering firm TGS Engineers has been selected to perform the work required for this project.

This grant is more than \$400,000. The funds are restricted to engineering the design and water line permitting and cannot be used for construction. This project would design connections of the existing water lines that were never interconnected. Mr. Cameron asked if the sewer lines would be included in this project. Mr. Cornwell answered that the project would be water lines only.

ACTION TAKEN: Upon a motion by Mrs. Bridges, second by Mr. Pedersen, the Board of Commissioners voted unanimously to adopt Resolution Number 41-2025 *A Resolution Authorizing Execution of an Agreement with TGS Engineers, Inc. in the amount of \$89,400 for the CCW/Town of Fallston Regionalization Project*

2) Consideration of Resolution Number 42-2025 *A Resolution Authorizing Execution of an Agreement with McGill Associates, PA in the Amount of \$90,000 for the CCW/Town of Grover Interconnection/Regionalization Project*

This resolution is a grant in the amount of \$90,000 for the Town of Grover interconnection and regionalization project. This agreement also includes the bidding and construction administration for the actual construction phase of the project. The engineering firm selected for this project is McGill Associates. A corresponding construction grant from the Appalachian Regional Commission has been awarded in the amount of \$250,000 for the construction of the interconnection with the Town of Grover. Mr. Brooks asked if the Town of Grover currently purchases water from the City of Kings Mountain. Mr. Cornwell verified that information. Mr. Cameron inquired about the location of the interconnection. The interconnection will be located on Cleveland Avenue at the northern edge of the Town of Grover's city limits. Mr. Hayes, Project Manager, confirmed that the road name of this location was Blackburn Road. Mr. Cameron asked about the pipe size in the area. Mr. Hayes confirmed a six-inch line on the District side and Town of Grover side at this location.

ACTION TAKEN: Upon a motion by Mr. Martin, second by Mrs. Maddox, the Board of Commissioners voted unanimously to adopt Resolution Number 42-2025 *A Resolution Authorizing Execution of an Agreement with McGill Associates, PA in the amount of \$89,400 for the CCW/Town of Grover Regionalization Project*

G. General Manager's Report:

Mr. Cornwell introduced Ginger Fern, Finance Director, to start the General Manager's report. Mrs. Fern began with the financials for October. The local options sales continue to perform good. The sale of assets general ledger account includes revenue received from GovDeals for the sale of three Nissan Frontier trucks and a trailer in the amount of \$18,280.00. The Stagecoach Greenway bank account has been established for donations made in memory of Mrs. Queen. The balance in the Stagecoach Greenway bank account is \$2,440.00. Mrs. Fern shared that the September Cleveland County tax payment was received, and in evaluating this payment, it was found to be less than anticipated. The September Cleveland County tax payment contains several escrowed mortgage property tax payments. There was a problem with the file that was received by Cleveland County, and not all payments were posted in September. Once the problem was corrected, the remainder of the September anticipated amount was received in October. There were five payrolls in October affecting the salary general ledger accounts. The parking lot at the Greenway bank building was paid for in October in the amount of \$67,610.00. The Clearwell and Lattimore tank debt interest payment was paid in the amount of \$62,016.00. Mrs. Fern asked if there were any questions about the financial reports. The audit is waiting for disclosures because of the government shutdown and this information is unavailable. Once the government shutdown has ended and the disclosures are verified, the audit reports will be released, and hard copies will be shared with the members. Mrs. Michelle Alexander, Customer Service Director, continued with the disconnect and billing update. The billing report shows a comparison decrease on the monthly and yearly level. The disconnections are back on schedule and cycle 3 was locked twice in October. The last week for disconnections this year will be the week of November 17th, this is because of the Veteran's Day holiday, Thanksgiving holiday, and Christmas holiday. The disconnections will resume after the first of the year. The leak report includes 135 customer notification telephone calls. There were twenty-six adjustments in the amount of \$16,661.60. There were several large leak adjustments completed in October. The KIOSK payments in Lawndale amounted to 103 payments in October for a total of \$4,710.38. Mr. Cornwell noted that the maintenance and water plant numbers were included in the packet and introduced Chris Hayes, Project Manager, to continue with the project update report. Mr. Hayes shared that the Polkville Tank update consisted of a preliminary walk through; a punch list was shared with

Caldwell Tanks to be completed soon. The Belwood Tank project, renamed to the Hendrick Lake Tank line, had a pre-construction meeting with the contractor, and the anticipated start date for this project is December 1, 2025. The Broad River water treatment plant archeological survey has been completed. Nothing was found during the survey that will require additional reporting. The Lawndale water plant flocculation and sedimentation improvements had the final inspection in October. A punch list has been presented to Bowen Construction for completion. The raw water weir improvements contractor has completed the gate and hydraulic system installation. The gate is now fully operational. The Kings Mountain Interconnection at the Midpines Tank has all the meters, vaults, and pipes installed. This project should be completed in November 2025. Mr. Hayes called for questions from the members. Mr. Cornwell provided an update on the government shutdown and the response to USDA projects. Contact has been made with Senator Budd, Senator Tillis, and Representative Moore offices through online requests. The uniform response from Senator Budd and Representative Moore offices indicates that questions cannot be answered until the government reopens. No response was received from Senator Tillis office. The vendor payments have continued to the USDA weir project contractors. These payments were processed with the authorization of the General Manager but with no approval from USDA. These payments are very large and required by the vendor to continue the project progression.

H. Board Members Announcement and Remarks

Mrs. Bridges noted appreciation for a job well done in maintaining the restrooms and keeping them clean at Stagecoach Greenway. Mr. Cameron asked the members if there would be any interest in parade participation this year for the Christmas parades. After brief discussion, consensus was lacking for any participation. Commissioner Bridges reminded everyone of the CAGO Christmas meal for the members. Mr. Cameron inquired about the board member vacancy formerly occupied by Chairman Melton. Mr. Cornwell responded that no action would be taken until after the official election results are certified. At this time, it appears that Mr. Melton did win a seat during the election. The election results are not official until the Cleveland County Board of Elections certifies the results. The Cleveland County Board of Elections will be responsible for declaring the vacancy. Mr. Cornwell shared how situations were handled in prior vacancies. He suggested an advertisement be posted in the newspaper and website for the

vacancy with a request for letters of interest and request for qualifications. The members would review the information received from individuals interested in serving the remainder of an unexpired term. The members would then select from the qualified applications. A letter of recommendation is then presented to the Cleveland County Board of Commissioners. The Sanitary District General Statutes stipulate that the County Board of Commissioners designates the official to serve the remainder of the term. The current vacancy differs from previous situations because this is an election. The election laws are specific to the Board of Elections declaring the vacancy. Attorney Barnes added that he has already spoken to County Attorney Sink about the vacancy due to Chairman Melton passing. There is an understanding established that the District board members will make a recommendation for the vacancy and that the Cleveland County Commissioners will accept and approve the recommendation. Mrs. Bridges noted that this process would begin at the December board meeting because of the election result certification. Mr. Cameron questioned when the oath would be completed for those that won the election. Attorney Barnes replied that Judge Justin Brackett, former District Attorney, has been contacted about scheduling appointments for swearing in for Mr. Pedersen and Mrs. Bridges. This process will be completed before the December board meeting.

I. 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 and 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., the Board of Commissioners voted unanimously to go into Closed Session at 7:07 PM.

ACTION TAKEN: Upon a motion by Mr. Martin, second by Mr. Brooks, the Board of Commissioners returned to Open Session at 7:33 PM.

ACTION TAKEN: Upon a motion by Mr. Pedersen, second by Mrs. Maddox, the Board of Commissioners voted unanimously to declare the following properties as surplus and to authorize the General Manager and District Attorney to advertise and seek bids for the disposal of said properties in

accordance with NCGS Article 12 Sale and Disposition of Property. The properties are referenced as tax parcel id's 34761, 34762, 21885, 21900, 37971 and 46955.

J. Adjournment

ACTION TAKEN: Vice-Chairman Cameron 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 7:34 PM.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Amy Elliott Bridges", written in a cursive style.

Amy Elliott Bridges, Secretary

