MINUTES

Regular Meeting | July 14, 2026
Cleveland County Water Board Room | Tuesday, 6:00 P.M.

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

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

A. Approval of Agenda:

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

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

B. Public Hearing

1) Stagecoach Greenway Summer Beach Blast and Greenway Update

Mr. Cornwell introduced Josie Rikard, GIS Coordinator, to share information about the event held at the Stagecoach Greenway. Mr. Cornwell shared that several positive compliments have been received about the event. Ms. Rikard reported that the Summer Beach Blast was held at Lawndale Park on Thursday, June 4, 2026, from 4:00 p.m. to 8:00 p.m. The weather was phenomenal. Ms. Rikard shared the names of several organizations that were present at the event. There were three food trucks available for food and refreshments. Cleveland County was able to provide attendance information through cell phone pings and reported that 379 cell phones pinged the area during the time of the event. Ms. Rikard is estimating between 400 and 500 people in attendance. The average stay was 100 minutes with the beach being available, the organization information tents, and the food trucks on site. Cleveland County Animal Control attended with adoptable animals from the animal shelter. Safe Kids (provider of the children's life jackets at the park) and Emergency Management Services (emergency phone and AED at the park) were in attendance. Ms. Rikard provided an update on the construction ongoing at Stagecoach Greenway. The Narrows Park project has begun construction and Grigg Street has permanently been closed behind the Lawndale Post Office location. Narrows Park covers from Grigg Street to Long Rock Park on Casar Lawndale Road. Kemp Sigmon Construction has received their authorization to construct, and the clearing area has been marked. Mr. Pedersen noted that the park is beautiful and more people are in attendance. Ms. Rikard noted that the Stagecoach Greenway now has a Facebook page. This page is updated frequently to share information about the greenway with the public. Amanda Strickland from Soil and Water Conservation contacted Ms. Rikard about hosting an event at Lawndale Park. The planning for next year's Summer Beach Blast has already begun. Ms. Rikard provided information concerning travel on the river due to the drought. The float travel time from Brackett Cedar Park to the Delight Road access point is approximately three hours long. The float travel time from Delight Road access point to Lawndale Park is approximately six hours long. There will be signage added at the access points and the park that will indicate float travel times to assure that visitors complete the float before dark. Mr. Martin inquired if Grigg Street would be the connector between Lawndale Park and Narrows Park without any vehicle traffic. Mr. Cornwell provided clarification concerning the traffic flow for Grigg Street. The Town of Lawndale closed Grigg Street. The road is very narrow and will only allow one vehicle to navigate the road. There are safety concerns with pedestrians and vehicles navigating the same road, therefore Grigg Street has been closed to vehicles. There will be barricades installed after the construction of Narrows Park is completed.

C. Public Comment

There were no public comments.

D. Consent Agenda:

ACTION TAKEN: 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 June 9, 2026

2) Approval of the Minutes of the Closed Session of June 9, 2026
3) Consideration of Ordinance Number 14-2026 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's ARP Funded Waco Booster Pump Station Project
4) Considerations of Ordinance Number 15-2026 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's ARP Funded Polkville Tank and Booster Pump Station Project
5) Consideration of Ordinance Number 17-2026 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's FEMA Hurricane Helene Creek Crossing Replacement Project
6) Consideration of Ordinance Number 18-2026 A FY 2025-2026 Budget Ordinance Amendment No. 3 for Cleveland County Water

E. Unfinished Business:

1) Consideration of Resolution Number 22-2026 Resolution Authorizing Acceptance of a Letter of Conditions for a USDA Rural Development Loan Not to Exceed $99,999,999 for the USDA Broad River Water Plant Project

Mr. Cornwell began by sharing the current demands and conditions of the drought. These circumstances determine that the Broad River Water Plant is a necessity. He shared maps with the members for the USDA Broad River water plant project. The construction estimate for the Broad River water plant and the water line improvements on the map will be an estimated cost of $60M. The water plant will be designed to process six million gallons per day. The 16" water line will distribute the treated water into the system for years to come. This will be the minimum necessity that could be financed and set up in payments without a struggle to process the payments. This design will open industrial access to the south side of the county for the I-85 corridor. Mr. Cornwell explained the different colored phases on the map and the construction costs for each colored area of the map. The grant application to the Economic Development Administration for $18M with 80% grant funding, if awarded, will not be known until October-December of this year. This grant would be $14.5M grant funding with a match of $3.5M. The best offer that the USDA can currently provide would be a loan up to $99,999,999 with $11M in grant funds. Mr. Cornwell is recommending that the letter of conditions from USDA be accepted with the terms provided by USDA to use the funding that is needed and return the remainder of the funding. If the USDA offer is rejected, the loan amounts could potentially be reduced, and the construction timing would be delayed. The interest rate is 3.75%

interest. Mr. Brooks asked how confident the estimated construction costs were at $60M. Mr. Cornwell shared that cost savings can be achieved in certain construction designs, however there are betterments that may provide longer life for the water plant and may be implemented during construction. Mr. Cornwell also shared that the market for materials is unstable and constantly fluctuating. The size of this construction contract will create competition with the competing contractors that may provide competitive bids. Mr. Pedersen shared that the new water plant will maximize economic development that the current water plant can't provide. Mr. Cornwell noted which color phase areas on the map had pending subdivisions that the District currently could not provide services. Mr. Cornwell noted that the application process for the USDA Broad River Water Treatment Plant started in August of 2024. Mr. Cornwell noted that the FONSI (Finding of No Significant Impact) for the environmental assessment was accomplished in six months. This resolution will authorize the acceptance of the letter of conditions for the loan not to exceed $99,999,999 and $11M in grant funding to obligate the project. Mr. Cornwell shared some statistics from the USDA score card. This is used to determine the loan and grant amounts. The only qualifier that was met on the scorecard was health and sanitary because of the information that was included in the environmental assessment.

ACTION TAKEN: Upon a motion by Mr. Martin, second by Mrs. Maddox, the Board of Commissioners voted unanimously to adopt Resolution No. 22-2026 *Resolution Authorizing Acceptance of a Letter of Conditions for a USDA Rural Development Loan Not to Exceed $99,999,999 for the USDA Broad River Water Plant Project*

F. New Business:

1) Consideration of Resolution Number 21-2026 A Resolution Accepting Drinking Water State Revolving Fund – Helene Funds for System Resiliency Improvements SRF-D-DEL-0055

   Mr. Cornwell introduced Assistant General Manager, Garrett Gilbert, to continue with new business. Mr. Gilbert reminded the members of the creek crossing damage caused by Hurricane Helene in September of 2024. There are eight creek crossings that are exposed in the current locations. The FEMA funding is available for the repair of these creek crossings. The SCADA project was created because of the lack of communication with the tank and pump stations during the Hurricane Helene storm. A budget of $390,000.00 was created to improve communication with the tank and pump station sites during bad weather and outages. Resolution 4-2026 was approved at the February board meeting for the submission of a funding application for grant funds for these projects. The grant funding was awarded on June 10, 2026, in the amount of approximately $850,000.00. The request for qualifications was advertised on July 1, 2026, to be completed in August of 2026 for the creek crossing damage repair. This loan is $4.2M and will be used to fund the Casar tank and water line improvements related to the Casar Tank. The funding is half grant funds and half loan funds. The loan has a 0% interest rate. The proposed location of the tank will be behind the Casar Volunteer Fire Department on Deviney Street. The town council of Casar will be meeting to approve the property and the construction of the water tank. The storage tank will be an elevated tank. Mr. Gilbert shared on the map a section of water line that will require in increased size to support the water tank. The Casar tank will eliminate the Moriah Tank and assist with the load that is currently on the Bald Mountain tank and pump station. The first resolution will accept the funding from the NC State revolving fund. The second is the budget ordinance for the project. Mr. Cameron asked about the size of the tank. Mr. Gilbert responded that the capacity would be approximately 500,000 gallons.

ACTION TAKEN: Upon a motion by Mr. Pedersen, second by Mrs. Maddox, the Board of Commissioners voted unanimously to adopt Resolution Number 21-2026 *A Resolution Accepting Drinking Water State Revolving Fund – Helene Funds for System Resiliency Improvements SRF-D-DEL-0055*

2) Consideration of Resolution Number 16-2026 An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's Drinking Water System Resiliency Improvements Project SRF-D-DEL-0055

ACTION TAKEN: Upon a motion by Mr. Pedersen, second by Mrs. Maddox, the Board of Commissioners voted unanimously to adopt Ordinance Number 16-2026 *An Ordinance Establishing a Capital Project Ordinance and Budgets for Cleveland County Water's Drinking Water System Resiliency Improvements Project SRF-D-DEL-0055*

G. General Manager's Report:

Mr. Cornwell introduced Ginger Fern, Finance Director, to present the financial report. Mrs. Fern reminded the members that June is the final month of the fiscal year. The report presented is unaudited as more June invoices will be added as the invoices are presented. The District received a couple PFAS environmental litigation settlements in the amount of $40,520.00. All the tax revenues have been received from Cleveland County. The final tax numbers were all better than budgeted. The maintenance material expense line shows with a negative balance because the Hoover Road project was completed and adjusted to the capital account. The capital accounts show the additions of the influent valve upgrade, the operations center maintenance department parking lot asphalt paving, and the Costner Road directional drill. The annual payments for the USDA Operations Center and the Town of Fallston were paid. The Operations Center payment was the third payment of forty payments. The Town of Fallston payment was the seventh payment of forty payments. Mrs. Fern reminded the members that the June financial report includes everything at the time of the meeting and is unaudited for the end of the fiscal year. The final audit will be in the third week of August. Michelle Alexander, Customer Service Director, continued with the Disconnection and Billing Update. The billing report included 128,174,893 billed gallons for $816218.73 in revenue. This is 23,570 customer accounts. All three billing cycles were disconnected. Cycle 1 took two days for 63 customers and $10,436.17 in revenue. The call systems placed 281 telephone calls with 243 completed and 38 failed. Cycle 2 took one day for 86 customers and $16,471.00 in revenue. The call systems placed 305 telephone calls with 259 completed and 46 failed. Cycle 3 took one day for 67 customers and $12,363.75 in revenue. The call systems placed 306 telephone calls with 254 completed and 52 failed. There were 149 leak calls with 22 adjustments for $4,555.17. The KIOSK accepted 88 payments for $3,847.29. There were 70 drop box payments at the Operations Center in Shelby. Mr. Cornwell noted that customer usage has increased because of the drought. The project sheet is available for reference, with several projects closing out. Mr. Cornwell directed the members to a letter to Town of Casar concerning the proposed Casar Tank was available in the agenda packet. Mr. Gilbert returned for an update on the drought. The most recent weekly NC Drought Update sheet was shared. Mr. Gilbert noted that the circle for the water shed river head waters was included on the map for reference. The Lawndale water plant has the capability to access water from two sources, First Broad

River and Knob Creek. Knob Creek's flow is low, and the water flow is not available to pull from Knob Creek. The NC Drought Updates have been provided for the last four weeks of data. The severe drought has remained the same for the last month. The river flow today was 230 cubic feet per second, before the rainfall received this weekend the river was between 25 and 30 cubic feet per second. Mr. Gilbert reminded the members that the voluntary water restrictions are still in effect. The water treatment plant has been pushed to the limit with customer demand. The water shortage response plan was shared with the members. The most recent changes to the plan are the position changes with the creation of the Assistance General Manager position. The notification changes include the recent addition of the social media Facebook page. Mr. Gilbert shared the drought surcharge information contained in the different stages of water reductions. These surcharges encourage water reductions with customers attempting to reduce their water bills. The surcharges follow guidelines provided by the State of North Carolina and are comparable to the surrounding systems in the area. Mr. Gilbert shared that if the river flows were to be below 25 cubic feet for a duration of fourteen days that would trigger the next stage in the mandatory restrictions. The river flow has already reached this level this year but has not been at that level for fourteen consecutive days. The second condition is the water plant production capacity. The water plant capacity has been at 80% for two separate occasions so far this year, one in April and again in July over the holiday weekend. Mr. Gilbert explained the conditions of the subsequent stages in comparison to conditions at the Lawndale water plant. The Water Shortage Response Plan will be posted on the website and with the board approval will be adopted at the September board meeting. Mr. Gilbert called for questions and comments. Mr. Cook asked about the conditions of stage 5. Mr. Cornwell explained that at stage 5 there would be areas of the system without water and mandatory water boiling would be required. Mr. Pedersen inquired about the public notifications for the mandatory reductions. Mr. Gilbert and Mr. Cornwell confirmed that the public would receive notifications through the water billing and social media Facebook pages.

ACTION TAKEN: Upon a motion by Mrs. Bridges, second by Mrs. Maddox, the Board of Commissioners voted unanimously to schedule a public hearing during the September board meeting for public feedback on the Water Shortage Response Plan.

H. Board Members Announcement and Remarks

The members expressed their appreciation for the expertise and the social media Facebook page. Mr. Martin noted appreciation for Josie Rikard and the Lawndale Park events. Mr. Martin visited the office as a customer and customer service was the most pleasant experience.

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 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. Martin, second by Mr. Brooks, the Board of Commissioners voted unanimously to go into Closed Session at 7:16 PM.

Action Taken: Upon a motion by Mr. Brooks, second by Mrs. Maddox, the Board of Commissioners returned to Open Session at 7:30 PM.

Action Taken: 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 7:31 PM.

Respectfully submitted,

Tony Brooks, Secretary

CLEVELAND COUNTY WATER CORPORATE SEAL NORTH CAROLINA