MINUTES

Regular Meeting — August 11, 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, Pete Pedersen and Dewey Cook. Attorney Delton W. Barnes and General Manager Brad Cornwell were present. Absent was Commissioner Pamela P. Maddox

Chairman Cameron called the meeting to order at 6:00 PM, welcomed all who were in attendance. Commissioner Tony Brooks 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. Mr. Cornwell shared that a handout was available at the members' seats as a substitute for the incomplete item number 6 included in the agenda packet. The proposals for this project were received, and the staff were directed to review and score the proposals for approval of the resolution by the board at this meeting. The recommendation is to accept TGS Engineers as most qualified for Resolution 24-2026. This project will be referred to as Phase II of the Polkville ARP grant. Chairman Cameron requested a motion to adopt the agenda.

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

B. Public Comment

There were no public comments.

C. Consent Agenda:

ACTION TAKEN: Chairman Cameron 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 as amended to include substitute item 6 accepting TGS Engineers as most qualified. The Consent Agenda consisted of the following items:

1) Approval of the Minutes of the Regular Meeting of July 14, 2026
2) Approval of the Minutes of the Closed Session of July 14, 2026
3) Consideration of Ordinance Number 19-2026 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's ARP Funded Hendrick Lake Tank Waterline Improvements Project (Formerly Belwood) ARP Project SRP-D-ARP-0035
4) Considerations of Ordinance Number 20-2026 An Ordinance Amendment for a Capital Project Ordinance and Budgets for Cleveland County Water's R-4045 US 74 Mooresboro Waterline Project
5) Consideration of Resolution Number 23-2026 A Resolution Accepting McGill Associates, PA As the Most Qualified to Perform Work Related to the SRF Helene Funding: Drinking Water Resiliency Improvements
6) Consideration of Resolution Number 24-2026 A Resolution Accepting TGS Engineers As The Most Qualified To Perform Work Related to the Cleveland County Water 8" Waterline Replacement Projects

E. None at this time

F. New Business:
   1) Consideration of Resolution Number 25-2026 A Resolution by the Town of Lawndale and Cleveland County Water to Proceed with Merger and Regionalization of the Town of Lawndale Local Water Supply System

   Mr. Cornwell and Assistant General Manager, Garrett Gilbert have met with all the towns concerning their individual merger and regionalization studies. The towns include Lawndale, Fallston, Polkville and Kingstown. The towns of Lawndale, Fallston and Polkville have expressed willingness to continue with the merger process. The Town of Kingstown council members expressed hesitancy and the need for more discussions with the community before making a merger decision. The Town of Polkville has some financial concerns, and Mr. Cornwell has volunteered to provide some billing rate advice to the Town Mayor. The Town of Fallston currently has expressed continuation of the merger process. The Town of Lawndale has expressed that the non-viable designation option be implemented. The State of North Carolina and the Town of Lawndale must agree that the town has a burden and assistance is required. A meeting has been scheduled with the State of North Carolina and the Town of Lawndale. This resolution is to proceed with the merger and the regionalization. The Town of Lawndale will be adopting the same resolution. The process will begin with applying for grant funding under the Town of Lawndale name. The District will oversee the projects for the improvements through interlocal agreements when grant funding is awarded. The process will continue with interlocal agreements to operate and maintain the system. This step also includes the transfer of assets. The Town of Lawndale system identification will then be dissolved, and ownership will be transferred to the District. The final step in the process will include the Town of Lawndale becoming part of the District, this includes updating the boundaries, updating the District voting area to include Lawndale, and the citizens being included in the Cleveland County tax collection. This is the same process and procedure as the Town of Fallston. Mr. Cook asked about the water flowing in the fire hydrants on the west side of the river. Mr. Cornwell verified that that the pump station for that flow was removed as part of the Stagecoach Greenway improvements. The old fire suppression system from the former Cleveland Mill is owned by the Town of Lawndale and the town purchases all the water supply from the District. Mr. Cook asked about the tank on Main Street being the former supply for those fire hydrants. Mr. Cornwell verified that the water tank has been isolated from the current water supply lines. Mr. Cameron asked about the existing Lawndale water tank. Mr. Cornwell reported that once the interconnections were established that tank would be obsolete. The tank would be beneficial back-up, and Mr. Cornwell will recommend that the property become part of the District during the transfer of assets. The Town of Lawndale also has a well system that may be beneficial and included in the transfer of assets. Mr. Cornwell referred the members to the attachment of this resolution. This includes the amount of grant money available for the current cycle in the amount of $3,000,000.00 and the scope of the work required for the merger. Mr. Cameron asked how many connections were included in the Town of Lawndale. Mr. Cornwell reported that there were 276 customers and there is only one connection to the District lines. Mr. Cameron noted that the size was comparable to the Town of Fallston. Mr. Cornwell verified this information as correct.

ACTION TAKEN: Upon a motion by Mr. Pedersen, second by Mr. Cook, the Board of Commissioners voted unanimously to adopt Resolution Number 25-

2026 *A Resolution by the Town of Lawndale and Cleveland County Water to Proceed with Merger and Regionalization of the Town of Lawndale Local Water Supply System*

G. General Manager's Report:

Mr. Cornwell began the General Manager's Report. The July financial report was shared, the system development fees started July 1st and are a new line item on the financial report. The final audit review will begin in two weeks. The disconnection and billing report included 150,091,996 gallons billed for $1,016,865.45 in revenue. This is the first time that the billing revenue has surpassed the million-dollar mark. Mr. Cornwell explained that poultry farms use a system referred to as a cooling cell and several poultry farmers had increased usage on their most recent bill. The hot days of June and July caused the cooling cells in the poultry houses to use more water. Mr. Cornwell noted that there were seven hundred-degree days and the remaining were in the ninety-degree days. The July billing was a 17.1% usage increase and a 24.6% revenue increase from the month of June. This increase is 19% more than July of 2025. Mr. Cornwell noted that the original agricultural rate required a back-up alternative water source installation if a drought occurred and the agriculture meter would be turned off to provide water to residential customers. There are several poultry farms that started with two houses and have built additional houses but not added another water meter. The disconnection information is available in the packet. The water leak calls increased and there were 27 adjustments for $10,066.35. The maintenance report included more water leaks and 9 water mainline breaks all at the end of the month of July. The rain returned at the end of July and the ground softened up. The peak day at the water plant was 7.08 MGD on July 4, 2026. The agenda packet includes a portion of the paperwork from USDA for the Obligation of Funds for the Broad River Water Plant project. Mr. Cornwell shared the drought update maps, including history over the last several weeks. The State of North Carolina has upgraded the area from severe to moderate. The National Weather Service is predicting that this area will be out of drought by the end of October. Mr. Brooks asked about the operations of the weir at the Lawndale water plant. Mr. Gilbert gave some scenarios with adjustments of the weir at the river. Mr. Cameron asked for clarification on the muddy water flow. Mr. Gilbert explained that the water plant always pulls from the reservoir and the reservoir pulls from the river when the mud in the river disperses.

G. Board Members Announcement and Remarks

The members expressed appreciation to the staff.

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 6:30 PM.

Action Taken: Upon a motion by Mrs. Bridges, second by Mr. Pedersen, the Board of Commissioners returned to Open Session at 6:51 PM.

Action Taken: Chairman Cameron called for a motion to adjourn. Upon a motion by Mr. Martin, second by Mrs. Bridges, the Board of Commissioners voted unanimously to adjourn at 6:52 PM.

Respectfully submitted,

Tony Brooks, Secretary

CLEVELAND COUNTY WATER CORPORATE SEAL NORTH CAROLINA