

**HIGH POINT CITY COUNCIL
SPECIAL MEETING
February 7, 2018 – 3:30 P.M.
3RD FLOOR LOBBY CONFERENCE ROOM**

MINUTES

Present:

Mayor Pro Tem Chris Williams (Ward 2); and Council Members Britt Moore, At Large; Don Scarborough, At Large; Wesley Hudson (Ward 4); Victor Jones (Ward 5);

Absent:

Mayor Jay Wagner (attending the High Point Economic Development Corporation monthly meeting), Jason Ewing (Ward 6) (attending the High Point Economic Development Corporation monthly meeting), Council Members Monica Peters (Ward 3), and Council Member Jeffrey Golden (Ward 1)

Staff Present:

Randy McCaslin, Deputy City Manager; Randy Hemann, Assistant City Manager; JoAnne Carlyle, Eric Olmedo, Budget and Administrative Director; Laura Altizer, Senior Budget Analyst; Roslyn McNeill, Budget Analyst; Terry Houk, Director of Public Services; Robby Stone, Assistant Director of Public Services; Derrick Boone, Assistant Director of Public Services; Jeron Hollis, Director of Communications & Public Engagement; Jolie Helton, Communications and Public Engagement, and Lisa Vierling, City Clerk.

Others Present:

Judy Stalder, TREBIC

News Media:

No News Media Present

Note: The following PowerPoint Presentations will be attached and incorporated as a permanent part of these proceedings. Exhibit Book Volume XII, Pages 57, 58, and 59.

- ✓ Water & Sewer Divisions Presentation
- ✓ Stormwater Division Presentation
- ✓ Cemetery Division Presentation

Water and Sewer Division

Derrick Boone, Assistant Public Services Director (Water and Sewer Division) provided an overview of these divisions.

The Water and Sewer Division consists of the following:

1. Ward Water Treatment Plant
2. Eastside Wastewater Treatment Plant
3. Westside Wastewater Treatment Plant
4. Residuals Management
5. Laboratory Services
6. Maintenance Services
7. Mains (sewer collection and water distribution)

The two major water sources in High Point are the Arnold Koonce City Lake and the Oak Hollow Lake. The Ward Water Treatment Plant has an average daily demand of 12.25 MGD (million gallons per day) and a maximum/peak daily demand of 15.9 MGD, but has been permitted for 24 MGD. An electrical upgrade is proposed in then FY 2018-2019 Budget at an estimated \$11 million for HVAC.

Mr. Boone described the Water Treatment and Water Quality process. He made mention of the agreement between the City of High Point and the Piedmont Triad Regional Water Authority (PTRWA), of which High Point is a 19% partner of the Authority and has two members that serve on the Piedmont Regional Water Authority that are nominated by the Mayor and confirmed by the City Council.

There are currently five remote storage tanks, some of which will require upgrades due to water demand, fire flow protection, and the age of the tanks.

1. Ward Elevated Storage Tank
2. Sandy Ridge Reservoir
3. I-74 Elevated Storage Tank
4. Lexington Elevated Storage Tank (projected 2025 replacement)
5. Potts Avenue Elevated Storage Tank (currently under construction with a completion date of May 2018)

According to the benchmarking data from UNC, High Point is in the middle as far as cost to produce water. The highest amount is Wilson @ \$5.65 and the lowest is Burlington @ \$1.44. based on the cost of \$3.69 per 1,000 gallons of billed water. Mr. McCaslin pointed out that both Winston Salem and Greensboro are below High Point; however, they are getting ready to do major expansions/renovations at their Water Plants and they do not have their debt built into their rates as High Point does. High Point has completely rebuilt both wastewater plants with upgrades currently going on at the water plant. He also pointed out the additional debt with Piedmont Triad Regional Water Authority is also already figured in High Point's rates.

There are approximately 673 miles of sewer pipe; 616 miles of water pipe; 6,000 hydrants that are maintained by the city; and 42,000 customer accounts. Mr. Boone advised one of the challenges is that we have an aging system and because the lines are old, the lines are breaking more frequently. The NC Benchmarking Project recommends a replacement/rehab target of 50 years,

which equates to an annual replacement/rehab of 2% of the city's water/sewer lines. The current estimated cost to replace one mile of water or sewer line is \$1,056,000.

Regarding the Collection System, there are two wastewater treatment plants: Eastside Plant, and the Westside Plant. The Eastside Plant is currently permitted at 26 MGD (million gallons per day) as follows:

High Point	21.3 MGD
Archdale	2.5 MGD
Jamestown	2.0 MGD
Sedgefield	0.225 MGD

The Westside Wastewater Treatment Plant is permitted at 6.2 MGD (currently at 3.5 MGD). Plans to upgrade the plant from 8.2 MGD to 10 MGD at an estimated cost of \$50 million, with a possible \$1.5 million stream restoration prior to authorization for expanding to 10 MGD.

Also included in this department is the Residuals Management, Maintenance Services, and Laboratory Services. Staff shared the NC Water and Wastewater Rates Dashboard for rates as of January 1, 2017 and provided a map identifying the water and wastewater service areas as of 2018. Since 2007 the following projects have been completed or are underway:

- 53 Water and Sewer Capital Projects have been constructed at a cost of \$234 million;
- 9 lift station improvement projects
- 9 sewer line projects
- 8 water line projects
- 6 utility roadway projects;
- PTRWA construction;
- Wastewater Plant improvements;
- Water Plant improvements

Staff reported the areas of concern are:

- Revenue: growth rate around 1% per year (larger customer base is needed)
- Future compliance: changes by DWQ and EPA
- Manpower (current staff is aging out; inability to obtain trained staff replacements; FY 16-17 approved for apprentice positions for future vacancies)
- Aging infrastructure
- Expanded service area and additional maintenance requirements
- Service to private developments

Staff advised that they get a lot of questions as to:

1. Water/Sewer lines- what does the city maintain versus the customer?
2. Why do water pipes break?
3. Why was my water cut off?
4. Water Complaints [related to taste, odor, or color.
5. Wastewater odor complaints
6. Sewer back-ups.

Stormwater Division

Robby Stone, Assistant Director of Public Services, provided a background of the Stormwater Program History. The Stormwater Division is funded through the stormwater fee and operates as an Enterprise Fund. This division performs the following operations:

- BMP device inspections (348 on file that are inspected annually)
- Abate illicit discharges
- Maintain stormwater outfalls (1,100)
- Maintain public stormwater systems (470 miles of pipe)
- Stormwater Improvement Program
- Dam Inspections & Maintenance
- Provide training
- Street sweeping (2,850 curb miles per year)
- Snow and ice removal
- Leaf collection

He proceeded to provide a history of the Stormwater Program. In 1990 Phase I required municipalities with populations 100,000+ to obtain National Pollutant Discharge Elimination System (NPDES) permits. The stormwater utility was established in High Point in 1992 and the stormwater division was established in High Point in 1996. In 2003, the city obtained the Phase II NPDES permit.

Mr. Stone advised that the city does not maintain stormwater drainage systems located on private property, but the city does provide the Stormwater Management Improvement Program that assists private property owners who receive stormwater runoff from city property or city-maintained streets. He then reviewed the qualifications for the program and pointed out the program does not apply to new construction projects or maintenance of privately owned water quality devices, or pipes greater than 42 inches in diameter. Although the city provides all engineering and plans, including the scope of the project, the property owner is financially responsible for paying for all materials necessary for construction, as well as for future maintenance.

This division also has several dams that they oversee that require annual inspections:

- Deep River Pointe Lower Dam
- Lower Piedmont Lake Dam

- Upper Piedmont Lake Dam
- Davis Lake Dam

Mr. Stone explained these are actually regional ponds that were developed to address stormwater for large development projects, but the Army Corps of Engineers no longer allows these regional ponds.

Mr. Stone advised that due to a series of rain/flood events that occurred in 2003, it initiated movement to identify some flood-prone areas. Staff identified multiple areas and narrowed the list down to the worst seven.

1. Preliminary Basins Study: \$548,850
 2. Hamilton/Montlieu: 4 of 5 projects completed at \$6,061,041
 3. Hospital/W. Ray: 0 of 6 projects completed at \$813,084
 4. Rockford/Country Club/Kensington/Rotary/Farriss: 2 of 9 projects completed at \$1,685,926
 5. Jacob's Place/W. Green: 4 of 7 projects completed at \$3,164,789
 6. Sherbrook: 2 of 2 projects completed at \$2,578,462
- TOTAL Completed Project Cost: \$14,851,152

A Bond Referendum was on the ballot and passed in 2004, at which time the total anticipated funding that was needed was around \$15.4 million for these stormwater projects. Mr. Stone noted there are still a lot of projects that were not completed because the full design and cost grew. He advised the cost estimate has grown from 2004 to 2018 from \$15.09 million to \$22.43 million to complete the following projects.

Project	2004 Engineer's Cost Est.	2018 Engineer's Cost Est.
Country Club/Rockford/ Westchester/Dovershire/ Kensington	N/A	\$1.63 million
W. Ray/Hospital-2	\$1.64 million	\$2.26 million
W. Ray/Hospital-3a	\$2.28 million	\$3.14 million
W. Ray/Hospital-3b	\$4.35 million	\$6.00 million
W. Ray/Hospital-3c	\$2.14 million	\$2.95 million
W. Ray/Hospital-3d	\$0.62 million	\$0.86 million
Hamilton/Montlieu-2	\$1.21 million	\$1.67 million
Rotary/Farriss-2	\$0.14 million	\$0.19 million
Rotary/Farriss-4	\$0.11 million	\$0.15 million
Rotary Farriss-7	\$0.02 million	\$0.03 million
Rotary/Farriss-12	\$0.04 million	\$0.05 million
Jacobs Place/Green-7	\$2.54 million	\$3.50 million
TOTAL COST	\$15.09 million	\$22.43 million

Mr. Stone explained that staff experienced project/price creep with the Rockford/Country Club/Kensington project. The cost estimate started out at \$0.5 million and has now grown to \$2.5 million. Mr. McCaslin noted that the engineering for this should be completed in late summer or early fall, and staff would be coming back to Council with this as to whether to move forward with the project or not.

Regarding the stormwater fees, Mr. Stone pointed out the residential billing rate is for one (1) ERU (Equivalent Residential Unit), which has been calculated to be 2,588 sq. ft. Residential properties are being charged \$4 per month for a stormwater fee. An example provided for the commercial fee for 100,000 sq. ft. of impervious surface area divided by 2,588 sq.ft. = 38.64 ERU times \$4.00 a month = \$154.56 per month for the stormwater utility fee.

Comparing High Point's rates to other jurisdictions, High Point is in the lower end with other jurisdictions are much higher than High Point, with the commercial rates being much more drastic.

The stormwater fee is used to fund several of the smaller projects for pay-as-you-go projects.

Mr. Stone shared the future of the Stormwater Program is to:

- Project and plan for future funding sources for capital improvement projects.
- Ensure compliance with NPDES Phase II permitting requirements.
- Provide quality and cost friendly options for qualifying citizens through the Stormwater Improvement Program.

Cemetery Division

The city owns four cemeteries (Oakwood Municipal (founded in 1853), Oakwood Memorial (founded in 1925), Greenhill Cemetery (founded in 1910), and Kersey Valley Cemetery). The Oakwood Memorial Cemetery was acquired after the city started receiving a lot of complaints in 2013 and the city assumed ownership and maintenance of it in June 2015. Oakwood Memorial Cemetery has a historic colored section and Confederate soldier sections. There are currently 43 privately-owned mausoleums and above ground crypts within the cemeteries.

Mr. Stone advised that there are currently no plots available for purchase at any of the city-owned cemeteries. The city's long-term plans include opening new sections for affordable "at need" cremation burials to the citizens. Another future goal is to form a memorial committee for the cemeteries that will be made up of local volunteers that have a common interest in the cemeteries. The city also has plans with High Point University to establish service projects for their students in the old section of the cemetery.

There being no questions or further discussion, the meeting adjourned at 4:37 p.m. upon motion duly made and seconded.

Respectfully Submitted,

Chris Williams, Mayor Pro Tem

Attest:

Lisa B. Vierling, MMC
City Clerk

Respectfully Submitted,

Jay W. Wagner, Mayor

Attest:

Lisa B. Vierling, MMC
City Clerk

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