

**HIGH POINT CITY COUNCIL
SPECIAL MEETING
JANUARY 22, 2020 – 3:00 P.M.
3RD FLOOR LOBBY CONFERENCE ROOM**

MINUTES

Present (5):

Mayor Jay Wagner [departed meeting at 3:08 p.m.]; Council Member Britt W. Moore (At Large); Council Member Tyrone E. Johnson (At Large); Council Member Cyril A. Jefferson (Ward 1); and Council Member Victor A. Jones (Ward 5)

Absent (4):

Mayor Pro Tem Christopher Williams (Ward 2); Council Member Monica L. Peters (Ward 3); Council Member S. Wesley Hudson (Ward 4); and Council Member Michael A. Holmes (Ward 6)

Staff Present:

Randy McCaslin, Deputy City Manager; Greg Ferguson, Assistant City Manager; Eric Olmedo, Assistant City Manager; JoAnne Carlyle, City Attorney; Jeron Hollis, Communication and Public Engagement Director; Angela Kirkwood, Human Resources Director; Roslyn McNeill, Budget Analyst; Derrick Boone, Assistant Director of Public Services; Terry Houk, Public Services Director; Tyler Berrier, Assistant Director of Electric Utilities; Garey Edwards, Director of Electric Utilities; Laura Altizer, Senior Budget Analyst; Robby Stone, Public Services Assistant Director; Bob Martin, Customer Service Director; Sandy Driggers, Customer Service Specialist; Andy Osborne, Customer Service Manager; Annette Smith, Senior Customer Service Analyst; Glenda Barnes, Public Services Budget Analyst; Bobby Fitzjohn, Financial Services Director; and Mary Brooks, Deputy City Clerk

News Media Present:

Pat Kimbrough, *High Point Enterprise*

CALL TO ORDER

Mayor Wagner called the meeting to order at 3:08 p.m.

Mayor Wagner announced that he would need to depart the meeting and asked to be excused.

A motion was made by Council Member Moore, and seconded by Council Member Jefferson; to excuse Mayor Wagner from the Special Meeting of City Council. The motion carried by a 5-0 unanimous vote.

PRESENTATION OF ITEMS

2020-35 Departmental Operational Reviews from the Public Services, Electric, and Customer Service Departments

Staff is requested to give Departmental Operational reviews from the Public Services, Electric, and Customer Service Departments

Randy McCaslin, Deputy City Manager, mentioned that these Departments were part of the City's budget; and the funding received also helped fund the operations for the departments.

Public Services

Terry Houk, Public Services Director, introduced staff from the Public Services Department in attendance: Derrick Boone, Assistant Director (water sewer), Robbie Stone Assistant Director (Public Works Division), and Glenda Barnes, Financial Analyst. The Public Services Department is the largest city department with 305 funded positions; 16 divisions; he provided the FY 19-20 Water Sewer Operating Budget of \$3.4 million. The Public Services Administration General Fund had an operating budget of \$448,278. Public Services Administration Revenues were as follows: water/sewer \$54,122,636, Solid Waste \$16,622,387, and Stormwater \$5,595,218. Mr. Houk provided examples of some of the projects such as stormwater projects, Ward 3 projects, Pott's Ave, and the Catalyst Project. The Riverdale Repair Project was a key project; and is anticipated to be completed by the end of February. He provided a brief history of the project; said it is the largest lift station that flooded out during hurricane Florence; and that the pump station had to be replaced. Mr. Houk spoke to the aging infrastructure is an ongoing project; due to the replacement of water and sewer lines. Mr. Houk turned over the presentation to Derrick Boone for an overview of the Water/Sewer Division.

Derrick Boone, Assistant Director of Public Services said there were seven divisions under Water/Sewer Enterprise Fund as follows: Ward Water Treatment, Eastside Wastewater Treatment, Westside Wastewater Treatment, Residuals Management, Laboratory, Maintenance, and W/S Mains-Sewer Collection & Water Distribution. Mr. Boone provided a brief description of the divisional services that included the sewer and water pipes, the fire hydrants maintained throughout the city; customer accounts; and said there were approximately 50 sewer and 200 hundred water line breaks a year; said they were due to aging lines and temperature changes. Mr. Boone continued discussion regarding the divisional services of the Eastside and Westside WWTPs; 23 lift stations; 2 raw water stations; PTRWA; ward WTP, and 1 ground level water storage. The water sources came from the Oak Hollow and City Lakes.

Randy McCaslin, Deputy City Manager, discussed the rotation process between the two lakes; said if City Lake became low or contaminated, water would be drawn from the Oak Hollow Lake.

Mr. Boone continued with the Water Treatment plant. Wendell Pickett is the Plant Superintendent; and provided an overview of the budget. The Eastside and Westside Wastewater Treatment Plants with Dawn Molnar as the Eastside WWTP Superintendent; and Kevin Wood as the Westside WWTP Superintendent. The budget is \$4.9 million combined for FY 2019-2020. The Residuals Management Division; John Thomas is the Superintendent. The division processes and dewater 45 million gallons of sludge per year; and has a \$1.3 million operating budget. The Laboratory Services Division Superintendent is Bill Frazier. The Division has a \$1.2 million operating budget; said the division perform testing for all city regulated water and wastewater programs; and prepared monthly compliance reporting to Raleigh. The Water and Sewer Maintenance Division Superintendent is Rick Riley. The Division has a \$4.0 million operating budget; 23 lift stations, 2 raw water pumping stations, and 3 Treatment Plants. The Water/Sewer Maintenance Division; Greg Hall, Superintendent; has a 4.9 million operating budget for FY 2019-2020; said this division maintained the water distributions and sewer collection systems; and ensured compliance with federal and state requirements.

Council Member Jefferson inquired on the results for the water quality control test. Mr. Houk said the toxicity in the water had to be retested; discussed the testing process; and said the testing process was very sensitive.

Council Member Jefferson inquired on how water line breaks were reported to the city; and if the city was aware of the study of the water quality in High Point being conducted by the UNCG's Center for Housing and Community Studies. Mr. Boone replied that citizens would report line breaks; and/or the city would find issues as they were in the field working. Mr. McCaslin replied that UNCG's study was not state mandated or approved testing by the EPA; said they were testing the tap water out of homes; and that the city tests the water supply on a daily basis (the water is safe); and that it was a totally different process compared to UNCGs process.

Robbie Stone, Public Services Assistant Director, spoke to the services that included: 3 cemeteries (Greenhill, Oakwood, and a small cemetery near the Kersey Valley Landfill) they maintain; one MSW landfill, HHW Facility; and solid waste collections. The Cemeteries Division is managed by Trevor Spencer, Public Services Manager.

Council Member Jefferson inquired on the status of the Green Hill Cemetery Project. Mr. McCaslin replied that they were putting the plan together; in the process of meeting with contractors; and said the project would be presented at a future Prosperity and Livability Committee meeting for discussion as soon as the planning was completed.

Mr. Stone continued discussion regarding the Street Maintenance Department; Trevor Spencer is the Manager; outlined their primary functions such as mowing, and assuring storm water was flowing as it should be; has a \$6.9 million operating budget for FY 19-20. In the Environmental Services Division, Greg Holt is the Interim Solid

Waste Collections Superintendent; provided an average of the different types of waste collected every year; has a budget of \$7.2 million; and served over 40 thousand households each week. The Kersey Valley Landfill is managed by Mike Spencer, Superintendent; has a budget of \$5.7 million; collect an average of over 400 tons a day. Mr. Stone said during the Furniture Market that over 700 tons of cardboard was collected over a six-week period.

Mr. McCaslin spoke to the changes with the environment permitting in reference to landfills; and the possibility of the Kersey Valley Landfill being the last one ran by the city because of strict permits.

Council Member Jefferson inquired if the maintenance of the city's ditches, and overgrown vegetation were outsourced or done internally. Mr. Stone replied that the maintenance was done internally.

Mr. Stone continued discussion regarding the Ingleside Compost Facility; Mike Spencer is the Solid Waste Disposal Superintendent for the facility; average 13,000 tons/year; and has a budget of \$729,620.

Council Member Moore inquired on the separation of electrical items from the solid waste collection. Mr. Stone replied that citizens utilized the drop off locations for those items; and said by state law, electronics could not be dumped in landfills.

Council Member Jefferson inquired on the revenue from recycling. Mr. Stone replied that Ingleside was a self-sufficient facility; and explained the fee process for services.

Mr. Stone spoke to the Material Recovery Facility (MRF) that is managed by Melanie Bruton, Superintendent; has a \$2 million budget; and said the average sales of material over a four-year period was \$451,869.

Mr. Houk discussed the Issues facing Public Services as follows: EPA/DEQ unfunded mandates, 1,4 Dioxane, PFOS, Leachate; Growth; Ordinance updates; Manpower Recruitment and retainment; aging infrastructure, and Seaboard. He provided examples of capital projects such as: (chemical Feed Pump Replacement, Greenleaf Filter Rebuild, Westside WWTP Improvements Phase 3 Revenue Bonds, Riverdale emergency repairs and expansion, Tanglewood Pump Station replacement, Tanglewood Sewer Outfall, Willard Dairy Water Line, Kersey Valley Landfill-New Cell 5A Construction, and Parkwood Circle-stormwater project).

Council Member Jefferson asked if any complaints were received from citizens living near the landfills. Mr. Stone replied that in reference to the Kersey Valley Landfill; there were mandated public meetings; and that there were no ongoing complaints from the adjacent properties to the landfill. Mr. McCaslin mention complaints on private trucks because of the trash falling off of them.

Council Member Moore inquired on staffing and retainment issues. Mr. Houk said

there were issues with technical support; said employees with CDL licenses were offered larger salaries from the private sector. Mr. McCaslin mentioned the challenges of the workforce for the youth in job training for these types of jobs.

Council Member Moore spoke to outreach through the education system.

Electric Department

Tyler Berrier, Assistant Director of Electric Utilities, said High Point was one of the few cities with their own electric company; provided a brief history of how ElectriCities of NC, Inc. was formed; said they were a membership organization for North Carolina, South Carolina, and Virginia; and their purpose is to deliver value to public owned communities through collective strength wisdom and action while promoting a more successful future for the citizens.

Council Member Moore asked who set the perimeters with ElectriCities. Mr. McCaslin replied that it is derived from state laws from each state.

Mr. Berrier showed a video that showed what ElectriCities did on a daily basis; and showed a map of the ElectricCities membership locations.

Mr. Berrier said the city's power comes from the Catawba Nuclear Power Plant located in South Carolina. There are four stations in High point: McCaslin Metering station, North Station, West End, and Jackson Lake Metering Station; and named the substations: Eastchester substation (biggest substation), Boundary Substation (newest substation). Provided a list of the advantages of having our own system:

- 1. Local ownership*
- 2. Local control of operating policies*
- 3. Local control of pricing*
- 4. Local customer service center*
- 5. Electric system within service area relatively "compact"*
- 6. We "know" our customers well*
- 7. We can concentrate on reliability of electric service within our community*

Mr. Berrier provided the six divisions in the Electric Department: Overhead, Service, Underground, Substations, Engineering, and Metering.

Mr. McCaslin spoke to the underground power lines as being more expensive than overhead power lines; said they did not last as long as the overhead lines; mentioned developers sometimes choose underground lines; which would cause higher rates to transfer over to customers.

Council Member Jefferson asked why the power lines were not underground on Washington Street. Mr. McCaslin replied the cost was shared with a previous council who made the decision; and elected to keep the power lines overhead.

Mr. Berrier spoke to the causes of power outages such as weather related and other reasons (accidents); to tree maintenance as an ongoing process needed to prevent outages; and showed a video of the tree trimming process. Mr. Berrier mentioned the Emergency Assistance Program; said the program allowed the city to assist other cities (Chattanooga, TN, New Bern, NC, Vero and Daytona Beach, FL, Albermarle, NC, and Freport, NY); said it was funded by reimbursement through FEMA or other cities; and if not the city would reimburse the cost. He also provided a list of the top ten customers for the City of High Point; and that the Capital Improvement Plan was \$9-\$10 million per year.

Mr. McCaslin discussed how some transformers would have to be switched out for electric cars home charging needs; and staff would be coming back to council with recommendations on simplifying the rate structure for those who elect to use that type of system for electric cars.

Council Member Jefferson inquired if the city paid Duke Energy when they took over Plant 7, and who had the electric rights; and asked who owned the street poles. Mr. McCaslin replied that the city paid to move equipment into the plant; and Duke Energy paid to remove their equipment. Mr. Berrier replied there was a legal agreement with territorial maps for the electric rights. Mr. McCaslin said that the street poles were owned by the City of High Point, Duke Energy, and North State.

Council Member Jefferson said there were complaints in Ward 1 that the streetlights were too dark. Mr. McCaslin replied that there were minimum standards for lighting streets. Mr. Berrier asked for the locations of the streetlights so staff could check to see if they meet the standards.

Customer Service Department

Bob Martin, Customer Service Director, said the Customer Service Department was funded by the Electric and Water/Sewer Departments with a budget of \$5.3 million. He provided an organizational chart of the departments; and introduced the leadership team: Andy Osborne, Annette Smith, and Sandy Driggers; gave an overview of the operations as follows: Meter Reading, Water meter services, field services, mail room, after hours dispatch, administration, contact/collection center, and call center.

Mr. Berrier spoke to the Smart System Project that involved converting to smart meters; said that the new meters would be able to detect water leaks.

Council Member Jefferson inquired on the cost for the Smart System Project. Mr. McCaslin replied it would cost \$10 million. Mr. Martin replied it would be over a 15-year investment period.

Mr. Martin continued discussion regarding field services; said each truck had a GPS service in them; spoke to afterhours dispatch with fees for service; to

billing/collections; discussed how the billing cycle worked; had a projected revenue of \$202, 500,000.00 for 2019/2020; spoke to bad debt write-offs done yearly; to collections through the NC Debt set off plan (take out of tax returns); to the contact/collections center; to the average number of customers assisted per day; to the average monthly payment transactions; to community assistance for citizens; said they budget \$200,000 every year give to community foundations; and that they partnered with The Salvation Army, West End Ministries, Inc., and Open Door Ministries.

Mr. McCaslin said that utility bills could not be forgiven; and that the city offered assistance; and payment plans for customers.

Mr. Martin spoke to the average number of calls received at the call center; to projects (Cayenta Upgrade, Paymentus Implementation, Avaya Phase II); provided an energy efficiency kit to council; explained how showroom taxes are collected to support the Market Authority. Mr. McCaslin said that 100% of the showroom taxes collected are passed along to the Market Authority (per special legislation); and that there would be two more meetings discussing departmental operations.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 5:10 p.m.

Respectfully Submitted,

Jay W. Wagner, Mayor

Attest:

Mary S. Brooks, Deputy City Clerk