

**City Council Special Meeting
April 3, 2024**

The City Council of the City of Elizabeth City met in Special Session on Wednesday, April 3, 2024 in Council Chambers, located on the 2nd floor of the Municipal Administration Building, 306 E. Colonial Avenue, Elizabeth City, NC.

MEMBERS PRESENT: Mayor Kirk Rivers
Mayor Pro Tem Kem Spence
Councilman Johnson Biggs
Councilman Joseph Peel (*Arrived at 4:29 p.m.*)
Councilwoman Katherine Felton
Councilman Ronnie Morris
Councilman Johnnie Walton

MEMBERS ABSENT: Councilman Javis Gibbs
Councilwoman Rose Whitehurst

OTHERS PRESENT: City Manager Montre' Freeman
County Manager Sparty Hammett
Chief of Staff Monica Cole
Interim Chief of Police J. Phillip Webster
Finance Director Alicia Steward
Assistant Finance Director Brian Lewis
Interim Human Resources Director Anna Spence
Electric Superintendent Donnell White
Community Development Director Reggie Goodson
Deputy Chief of Police James Avens
Public Utilities Director Dwan Bell
Parks and Recreation Director Sean Clark
Grants Administrator Jon Hawley
Fire Chief Chris Carver
ECDI Director Debbie Malenfant
IT Director Matthew Simpson
IT Systems Analyst Pedro Holley II
City Clerk April Onley

Mayor Rivers called the Special Meeting to order at 4:12 p.m. The Mayor provided the invocation, after which the City Clerk led the Pledge of Allegiance.

1. Presentation / Discussion – Nexgrid Metering and Halstead Corridor;

a. Nexgrid;

Manager Freeman introduced Costa Apostolakis, a representative for Nexgrid who was present to explain the potential water-metering project. Mr. Apostolakis reminded the Council that the City was already integrated with Nexgrid on the electric side; those changes had started about four years ago. He noted that Nexgrid would continue to support changes on the electric front, including if the City decided to adopt a new or different rate for electric vehicle charging; the system already supports that. Additionally, as Elizabeth City expands and begins supporting more and more facilities, the Nexgrid system will help to identify transformer overloads and keep them from occurring.

The City has the entire software infrastructure in place to support Nexgrid services. Nothing else would have to be purchased for the integration. Currently, the City has 10 ultrasonic water meters with Nexgrid AMI modules in place as part of a pilot program in the Stockbridge neighborhood. The pilot program was started in August 2023, and it has

already identified two water leaks and as well as a case of tampering .The system also shows flow rates and allows for customer visibility so they can see how much water they are using and subscribe to their own leak alerts. Customers will have the ability to use a mobile app or a website to view their usage in real time without having to wait for a bill to come. The system will help Elizabeth City recognize where are water losses are coming from, which are a concern right now at 29% or 266 million gallons. The potential revenue of those losses is about \$144,000. The majority of the meters in the City are over 20 years old.

Councilman Biggs asked where the 29% loss is coming from. Is the loss due to old meters or poor accuracy or leaks? Mr. Apostolakis replied that it could be a variety of things and was likely all of those problems together. The smart metering system will show you exactly what is going on and where those losses are. To estimate the meter change-out of the entire system of 6,879 water meters with regular meters, it would cost \$1.4 million. Between leak prevention and the correction of operational losses that smart meters would provide, that could be \$691,000 in savings for the City. The recommendation is to put in ultrasonic meters, which have no moving parts and are extremely accurate. The only piece the City would need from Nexgrid is the AMI module itself. Overall, the ROI payback would be about 3.4 years for the total system or 1.5 years from just end-of-life meter change-outs alone.

Mayor Rivers asked if we have to have a third-party contractor install the meters. Mr. Apostolakis said that the City's team could install the meters, but that decision would be up to the City. He noted that Elizabeth City's team did install the pilot meters. Mayor Rivers asked how new construction was set up now. Director Bell explained that the water meter was purchased when services were established. We do not currently have Nexgrid, just the pilot program. Mayor Rivers wondered if we could start with the install for new builds immediately so they would not have to be replaced further down the line. Mr. Apostolakis reiterated that the infrastructure is already there because the City purchased that with the electric service. Mayor Rivers asked how much each module runs. Mr. Apostolakis relayed that it's about \$250, which is \$150 for the meter and \$100 for the module. The meters can get more expensive as they get larger, such as with commercial meters.

Director Bell stated that right now, we're using Beacon Badger meters, which are smart meters, but if we went with Nexgrid, it would be pointless to continue. Beacon Badger are a cellular type of communication. Director Simpson explained that because the water meters are underground, cellular communications are not as efficient. He said it's like putting your cell phone under the ground and expecting to have a good signal. Mayor Rivers asked what the cost of the Badger system was. Purchasing Manager Harper advised that the cost depended on the size. They come with the endpoints. We spend about \$100,000 a year with them in the data plan alone.

Mr. Apostolakis pointed out that that their AMI module plugged into any meter. They do not make any money on selling meters so they have no brand preference. Badger is compatible with Nexgrid. Director Bell said there is a harness that must be purchased for the Badger meters. Staff confirmed that the module would plug into the Badger meters, but there was still the need for a modified harness. Manager Freeman reiterated that whatever we do, you have to add the \$100,000 cost each year for the communication service itself.

Councilman Walton asked if Badger was the one with batteries. He believed we eliminated that one a while back. Manager Freeman stated that the Council voted not to purchase that particular meter, but the purchase took place anyway. Councilman Walton said he remembered the Council comparing various meters and they were against the Badger meters. Mr. Apostolakis added that Badger makes meters and modules. Councilman Walton noted that the Council decided on another type of meter for some reason, but he thought he remembered it was something to do with the batteries. Mr. Apostolakis stated that all meters have batteries, and they usually last 10 to 20 years, but that's pretty much across the board for any provider. The communication module has a battery and the meter has a battery. Most of them have a guaranteed minimum of 13 or 15 years. Right now though, customers can't look at their usage in a portal, but they could with the Nexgrid system.

Manager Freeman agreed that this system would put the power in the hands of the citizens. They would get leak detection in real time; they could see their usage in real time. The City would be alerting to tampering cases nearly immediately. He believed this could eliminate some of the calls Customer Service is fielding. If we do a phased approach, it is probably better if our crews oversee the install and get it done quicker. Mr. Apostolakis stated that Nexgrid focuses on savings and always analyze how much money they can save a municipality. It should save you more money than it costs you to have one of these systems.

Councilman Biggs asked if the first year's \$2.5 million is a City expense. Mr. Apostolakis replied that would be the cost to outfit the entire City with water meters. That would not cover the installation, just the hard cost for the meters. Manager Harper pointed out that they'd just purchased 240 Badger meters and it cost \$385 per meter, but they could be used with this system. Mr. Apostolakis said those meters would have to be spliced, but they would work with the Nexgrid system.

Manager Freeman stated that \$16,500 would be for the equivalent of what the City is spending \$100,000 for each year with Badger. Councilman Biggs asked how most municipalities usually phase this in. Mr. Apostolakis stated that sometimes they outsource it and have a team come in. Sometimes they phase in at 500 meters a month. They have seen and done it all. When the City installed the electric system, an outside team was hired to get it done. He added that if you take too much time to phase it in, you do miss some of your earlier savings.

Mayor Pro Tem Spence asked if using the Badger meters would cause us to have to buy an additional harness. Mr. Apostolakis stated that in their proposal, it includes just includes the water meter. The City only has about 900 existing water meters that will need the harness. Mayor Pro Tem Spence noted that he'd never heard of a Mueller meter. Is that a cheaper meter? Mr. Apostolakis explained that they typically recommend it because it's a bronze-base meter and it's ultrasonic, so no moving parts. The Mueller meter is a high-end meter. Mayor Pro Tem Spence asked if we're going to those meters, would that be cheaper than trying to buy the harnesses and add them what we already have. Mr. Apostolakis replied that if they're just talking about the 900 the City already has, the harness purchase would be cheaper. Manager Freeman reiterated that they also have to remember that we have a \$100,000 yearly cost for the service for those meters we have now because of the way they need to communicate. Mr. Apostolakis advised that the City could salvage the 900 meters it currently has and do away with the cellular aspect. The Nexgrid system will identify the differences, but it will let you use any type of meter. Many of the utilities we go to have their own meters already in place.

Mayor Rivers clarified that really, this is just the service that we'd be buying here. Mr. Apostolakis confirmed that was correct. They are focused on the operational savings. He encouraged the Council to use whatever meters they would like. Councilman Biggs asked if the \$2.5 million included 6,000 meters. Mr. Apostolakis said that number was for 8,000 plus communications. Councilman Biggs asked if we know where the 900 Badger meters are. Manager Freeman said that we did. Councilman Biggs asked how old the Badger meters were. Director Bell said they started putting those in around 2019 or 2020, so they were still newish.

b. Community Development / Planning;

Director Goodson introduced the newest members of Community Development, Planner II Dylan Lloyd and Minimum Housing Inspector Todd Henry. Mr. Lloyd said he was interested in becoming certified as a flood plain administrator and would be working towards that. He was excited about where the community was going and happy to be involved. Mr. Henry stated that he'd recently retired after 23 years in the Air Force. He has a degree in political science and graphic design, as well as counseling. He felt that minimum housing is really about communication between both sides and he was eager to join the City in this role.

Director Goodson explained that the Halstead Overlay District was created in 2006. The district is comprised of over 2,100 acres of mixed-use development, including various types of residential, commercial and industrial zonings. For planned unit developments, a single owner usually comes forward and there's a master plan approved by the Council so staff knows what they're working with. The Halstead Overlay is not set up like that, so

it can't be controlled in that manner. There are numerous developers doing their own things. When you have different developers developing their own lots that can be difficult to manage. You want access between parcels with something this large, and many times the developers don't want to do that. The access keeps some of the traffic off the main thoroughfare between sites.

Director Goodson reiterated that the entirety of the district is 2,100 acres unto itself; the rest of City is 7,100 acres. The Overlay District does not extend to Hughes Blvd; it begins at the railroad tracks. Staff likely drew it that way because of the restaurant there and the Powell's roadside market, which could have caused them to become nonconforming if they had extended the line further. The southern boundary follows the railroad tracks. Adjacent to the southern boundary is Adam's Landing and Oxford Heights. On the northern boundary lies another subdivision. The western end has the Walmart development, which began in 2006. When Walmart developed, the rest of the development followed as development generally follows big box stores. A lot of the middle portion is still vacant.

Within the district, there are R-6, R-8, R-10, R-15, A-D, G-B O&I I-I, I-II. R-6 to R-10 are mostly single family. R-15 zoning are generally what staff will zone things we take in the ETJ from the County. R-15 is usually rezoned later. The hospital is zoned Highway Business, which is catered to businesses that service the whole city or region. You can have apartments in R-6, the Apartment District, Highway District and General Business, which makes it hard to calculate how many units might ultimately be built out there.

There is a large tract of land behind the hospital that's owned by the hospital. Part of it is zoned R-10 and part is A-D. When Stockbridge is completely built out, it will contain 425 single-family homes. They have 10 lots adjacent for commercial development, which is where Texas Roadhouse, Chipotle and Express Oil will be constructed.

The existing residential developments are Tanglewood – 189 units and Stockbridge, which will have 425 when finished. Right now, Stockbridge has more than 200 homes. Phase 1 and 2 are finished and Phase 3 is being worked on now. Tanglewood South Apartments will be on the southern part of Halstead, which will have 169 apartments. Stockbridge 17 will have 167 apartments. Another large subdivision is in talks and proposing more than 500 residences. Tanglewood Center will consist of single-family townhomes, and be located behind the Honda Dealership and Caliber Collision. There is a large piece of property zoned R-15 that was approved through preliminary plat. They did a cluster unit development, so they can go down to R-10.

Councilman Peel asked if the developer gets to decide what they're going to build based on the zoning. Director Goodson replied yes, as long as the plan fits the zoning. The City doesn't necessarily know what they'll build until they come in with a plan, so it's hard to firm up numbers.

Councilwoman Felton noted that although the developers determine what they want to build, there is concern about the homes being built so close together, particular with the Fire Department's issue. Director Goodson agreed that could be a concern but if property is zoned R-8 and they satisfy the setbacks, we can't do anything about it. Councilwoman Felton pointed out that we could make them put in sprinklers. Director Goodson concurred that would be a way to deal with that issue.

Director Goodson continued with Tanglewood Lakes Phase 2, which has proposed another 189 units although they have not submitted plans yet. The property he referenced earlier that is zoned R-15 that went through preliminary plat approval in 2006 is probably not coming back, but someone else will buy it and come back with it later. It's bordered by HBD, GB, Industrial I and II. He could envision the property there rezoning to AD and that could be a whole lot of units.

He turned the Council's attention to undeveloped land. He pointed out that they have to calculate what could potentially be built based on what the zoning would allow. For R-6, there are 12 acres of undeveloped land. They could have 120-144 multi-family units. R-10 could be rezoned to AD and have 760-836 units. He did not have a master plan from the hospital for the vacant land they owned so he wasn't sure what the intention was with that now. As far as R-15, there are 190 undeveloped acres, which could be 760 single family or 4,180 multi-family residences.

GB could result in 4,600 – 5,520 units. He advised that that probably would not happen because the best use for GB is commercial, but if some of the developers get creative and start building up, they could go up to five stories. A developer can put retail and residential on the same land if they're building up. Councilman Biggs asked how many stories is the new U-Haul facility. Director Goodson said he believed it was four, but they could all go up to five if they wanted.

Considering the maximum units allowed in each district, we could potentially have 12,597 new units as allowed by zoning.

Director Goodson noted that the market drives development. Many places conduct market studies before they move anywhere. If Elizabeth City hits the numbers some places are looking for, some of these vacant areas are going to change quickly. You could easily see big box retail move in fast. Right now, only 25% of the district has been developed. We could see another 4,695 estimated units develop and end up right around 6,725. It has taken 18 years to get this far, so it could be many years before this happens, but this is hard to forecast because the market drives everything. He said he personally believed we would end up with about 5,000 total units considering all the vacant land at some point or another. There are for sale signs up now. This land is actively being marketed. The land used to be farmland, but the farmers that farmed it for years are selling it off now. Things are changing.

Director Goodson provided information on permits collected from the Halstead Corridor based on data from OpenGov. He noted that the City began using OpenGov in 2021, so that's as far back as this information would go. We have collected the following items for the Halstead Corridor: over 100 building permits including new homes; 53 short-form building permits that include accessory structures; more than 43 electrical permits; more than 136 mechanical permits; more than 114 plumbing permits; and more than 91 gas permits. Additionally, there have been Business Registrations, sign permits, fees for administrative site plan reviews and zoning verification letters. There's a total of \$2.6 million in the system in terms of tracked data for the Halstead Overlay District.

Councilman Biggs asked if there had been any discussion regarding the opposite side of the bypass. Director Goodson said not of which he was aware. Councilman Biggs wondered if he had heard any talk of carrying the boulevard further west. Director Goodson said no. Mayor Rivers noted that we annexed a lot of it but there wasn't much talk after that. Director Goodson opined that if you put sewer anywhere where someone can get to, people would start coming.

Councilwoman Felton asked if all departments use OpenGov. Director Goodson replied that any department involved in something like Technical Review, so Fire, Building Inspections, and so on would use it.

Mayor Rivers asked what the City's tap fees are. Director Steward stated that the fees vary depending on size of meter / line, which range from ¾" up to 10" for water. Sewer can range from 4" – 12".

Mayor Rivers asked about electrical tap fees. Director Goodson explained that there's not a tap fee, but there is a \$2,000 fee per lot; however, they are looking at modifying that fee into a graduated scale based on the size of the lot.

Councilman Peel asked what the purpose of the fee is. Is it to cover the cost of our labor or a portion of the cost? Manager Freeman explained that it should cover the cost of hook up. What we've recently found is the fee schedule has not been updated in a very long time. We've got several meetings on that coming up to work on staff's recommendations and then it will come to Council for approval. It's supposed to be part of the budget. Councilman Peel asked if staff has looked at fees for other cities. Manager Freeman confirmed that Fire and Community Development looked into similarly sized cities to develop rates that would put Elizabeth City in a more comparable place. OpenGov is helping us track these numbers so we can see if we're charging enough.

Mayor Rivers explained that the reason we put a tap fee in was because growth needed to pay for growth. Every time you add customers, it takes up space. The tap fee, that development fee is only for new buildings or new lots. You do not put extra costs on

existing citizens. When you bring on 7,000 new homes, you don't want the current citizens having to foot the whole bill for it.

Councilman Peel stated that when the Halstead Corridor was originally laid out, the bike trail was started as well. Anyone who was building on the corridor was supposed to extend that trail. Is the hospital aware of that? Director Goodson confirmed that the hospital was aware of that stipulation and they know they need to build that out. Councilman Peel pointed out that the trail is supposed to connect eventually with other trails in Virginia from what he'd heard.

c. Public Utilities;

Director Bell advised that the City annexed the fairgrounds area sometime around 1999. There are various agreements out there, as well as the UDO, which regulate how we maintain and manage that area. Staff had been trying to get some historical information on the lines and figure out which parts were the City's and which were the County's. Through this search, they found the agreement was expired, so they're currently working on a new one. A 12-inch line in that area was paid off a few years ago. The City purchases water from the County and the City sometimes receive calls from places like Fairfield when they're unable to pass their suppression test. The County is working on their new plant. Typically, as a developer comes in and needs water for service on Halstead, they have Mr. Smithson from the County join in on the discussion. For a while, the County was not a member of the TRC process, but they are now because the City and the County both need to approve development out there. As of today, the TRC process is how we go about providing water on the corridor.

Mayor Rivers asked if the County would be able to handle the increasing demand. Manager Hammett replied that they could and they were in the process of upgrading their reverse osmosis plant. The County has the ability to meet the demand. As part of the plan, they will be building a water tower in the area to help address the issue. There hasn't been an official agreement in place since 2016 when the water lawsuit occurred. They found a letter from the State from 2009 that said until you get three agreements approved the County is not to approve anything else on the Halstead Corridor. On top of that, with the system development fees, there were changes in that again in 2023 so there's a system capacity charge that the utility buying the water will have to pay. They've discussed that as well. They have also put out an option for the County to take over that particular territory. The other option is the cost for the master meters that would be part of the process. He only realized the County had to update their system development fees because the City was updating theirs in 2018 with help from Raftelis.

Mayor Rivers asked how we charge for sewer now. Director Bell said it's calculated based off the water usage. Councilman Biggs stated that the City buys the water from the County at fixed rate and then we bill and sell at our rate. We need to make sure we're in the right place financially and not going in the hole there. If we were to turn it back over to the County, we need to do a bill comparison to see what those customers would be charged. This would be 2nd Ward constituents impacted mostly. Manager Freeman said that from June 2023 to March 2024, the City has paid \$323,851.67 and collected \$341,370.48. Councilman Biggs expressed concern that we've only netted less than \$18,000 in nearly a year. County Manager Hammett pointed out that the County did go up on their water rate last year and the City did not increase. Director Bell stated that Rural Water is looking into our rates through their study and they will look at this as well. Manager Hammett said the water rate for residential after the study is very similar to the City's, but he didn't remember it off the top of his head. Mayor Rivers asked if the City gets a bulk rate when we buy water from the County. Manager Hammett confirmed that yes; the City gets a wholesale rate, which is \$7.77 per 1,000 gallons.

Manager Hammett pointed out that the County is putting a water tower up regardless. A developer has offered an acre site. A rough estimate for the cost on that is about \$3 million. Mayor Rivers asked if that would cause our rates to go up. Manager Hammett explained that the consultants did a rate study that will carry us for 10 years. They initially suggested doing one smaller increase each year, but the recommendation was go ahead

and do a larger increase that will carry five years, and then revisit it in five more years. They've got funding through the state, \$9.3 million, so they may not have to raise the rate in five years. He noted that the County would love to do a master drainage plan in conjunction with the City, and that's going to be one of their goals for next year.

(Clerk's Notation – County Manager Hammett left the meeting at 6:20 p.m.)

Manager Freeman advised the Council that our engineer, Mike Dawson, had an emergency and had to leave the meeting but Electric Superintendent Donnell White would be running through the electric distribution piece of the discussion.

Superintendent White stated that the Perkins substation was at 80% capacity. With the growth coming, we were looking at moving up to 90% capacity, which could lead to brown outs. Personnel would have to re-energize in sections because it would not hold up to the load any longer. New transformers will not help the load as the capacity is topping out. Phase 3 of Stockbridge is finished, which was news he'd just heard today. Phase 4 will begin soon, and he expected to start power in the next two months. Mayor Rivers asked what sort of fees they paid for those things. Superintendent White replied that they paid for lot fees, system fees and there were electrical availability fees as well.

Councilman Biggs asked if the \$2,000 lot fee that they talked about, does that cover the cost to bring the service to the location. Superintendent White said that it should cover the wire, transformers and all the labor. Councilman Biggs asked if in today's world with the increased costs of everything was \$2,000 enough to cover those costs. How far off are we? Superintendent White replied that we're way off. Single-phase transformers used to be \$3,000 and now they're \$8,000 to \$10,000. Some other cities charge by the foot. Others calculate how much they'll make back in the power bill and don't charge anything upfront. Mayor Rivers noted that's what we were doing previously and it's not working anymore. Manager Freeman stated that Monica has been looking at the fee schedule and we'll be bringing a new one forward shortly. Councilman Biggs felt that we needed to look at what other people are charging, but we also need to look at what these services are charging us. We need to cover our costs and go over our costs because there are soft costs we don't consider. We need to capture the cost it truly takes to get it to the people. Manager Freeman said that they have had all of those conversations barring an engineering report. We've had many conversations with ElectriCities as well. When our HVAC was stolen in 2022, we followed an "over" calculation to figure up our costs and we're going to follow those guidelines.

Superintendent White noted that for anything between Thunder Road and Mt. Everest on both sides of 17, the City is currently unable to provide them with power. The proposed substation would be in the open field between where the Fire Department has their trailer and the wooded section. There was a five-year plan for 2017 and the costs have increased to about \$11 million (\$5 million and \$5.5 million). It could be phased in over a five-year process. His fear was anyone building from Thunder Road and Mt. Everest in that period and the City not having a way to feed them.

Councilman Biggs asked if we could pull off the hospital site. Superintendent White explained that's 34kV. It would cost us a lot more to step down the voltage. Mayor Rivers asked where is Texas Roadhouse pulling from. Superintendent White relayed that they were able to pull from switch gear but the property behind that is for sale now and we have no way to feed that property at all.

Councilman Peel stated that we're at 80% capacity and 10% aware from being in trouble. At what point do we say, "You have to stop building?" Superintendent White shared that he was afraid if they kept building over the next year, there were going to be problems when it got really hot or cold. Building a substation, even if we started today is going to take at least three years. This should have been started two or three years ago. We can feed U-Haul and Stockbridge 17 and most of the things past Tractor Supply, but the things behind 7-11, we're in trouble.

Mayor Rivers pointed out that the 80% capacity is including those things that have already been approved, so this would be new proposals. Councilman Biggs asked from where

Stockbridge is fed. Superintendent White replied they used Perkins. We can come out of Perkins, feed the new station, and tie into the hospital circuit. Building the 34kV line down Thunder Road can help give the hospital that redundant feed they want now.

Mayor Rivers where are we at in terms of people pulling permits out there. When they pay the system development fees, we need to make sure they're going to the capital improvement funds and not the general fund or somewhere else, so at least we have some money in there. We need to make sure we're directing funds to go where they should be going. Mayor Pro Tem Spence suggested they also add in the cost for the land. Superintendent White noted that the City owns the land so we are okay there.

Councilman Biggs asked if we're truly developing and collecting these fees, where are going? We haven't seen system development fees in the budget as revenue coming in. We're not appropriating it. Are we collecting it? We just need to figure that out. I don't know how we'd even count that. Is it general fund revenue or enterprise? Manager Freeman stated that it would have to be enterprise.

Councilman Biggs offered that they are going to have to address electric rates and that's not popular. If we were to address it now, we could do a rider. We may have to make a short-term concession in order to generate that revenue long-term. If you stop development out there, it will hurt the entire city. Mayor Rivers noted that the more we bring on for electric, the cheaper the operations get so we need the additional customers. Councilman Biggs agreed that what's coming are things that everyone will benefit from. Councilman Peel stated that's why he was asking about our tax revenues; they have to have significantly increased with all the new construction. So many things have opened over the last year. Mayor Rivers pointed out that we're still having some issues with the sales tax distribution because of the way it's distributed and the County gets more. We need to remember that when we go into negotiations. They take the majority of it when most of it is generated in the City.

Councilman Biggs stated that it looks like we've been budgeting for impact and system development fees and using it to offset operating costs and that could have an impact on us revenue wise. Mayor Pro Tem Spence asked for some information on that during an upcoming meeting.

Director Bell introduced Nathan Clark to discuss stormwater. With all the development, we have a lot of impervious service. In September, NC DEQ mandated that municipalities issue their own permits. We now have to have specific personnel handle this. We have until January of 2025, and we have to submit our plan at the end of the month. Manager Freeman stated that when we first met with them we were told we had a year and then it became 60 days. We are trying to identify someone in-house to train, but worst-case scenario is we will have to hire someone. We have always been able to outsource this and have the state take care of it, but that is no longer the case. There are some certifications with the permitting piece. We do have a plan in place, but this is a big change for the Public Utilities Department.

Mr. Clark advised that site plan reviews were conducted including the 2009 Knobbs Creek study, and 2010-2017 Halstead Blvd Ext Overlay District. The main concern in the overlay district was not creating flooding downstream. The last study was conducted by the federal government and didn't offer much benefit to the City or planners. It was broken up into four segments and the result was similar to the Halstead Boulevard study. There are two options to master plan this area. There was little to no flooding in the area after the recent storms, but that may not always be the case. Option 1 would deliver the entire Knobbs Creek watershed as a whole, but in a phased approach. It would be developed in a new software PCSWM. It can also be used for individual site developments and be handed out to developers as an expectation. It would provide a more detailed model than Option 2. Model boundaries and rainfall can be adjusted to account for sea level rise. Option 2 just builds on the already existing models and includes current land uses and any changes that may have occurred since that time. JMT does not believe this would be the best approach for the City. Both options need additional fee surveys. GIS doesn't give enough of an accurate model. They would recommend adding to or updating the current

City guidance. They also feel it would be advantageous to update the UDO to help mitigate flooding that could be caused by manmade development. Option 1 is more expensive but offers a better benefit. Long-term maintenance of the model is not included.

Director Bell pointed out that many of the previous studies were “desktop studies.” They are now offering someone coming out and surveying to develop a true model and then have software that could work with the changes. The stormwater is a big deal with all the development coming onto Halstead. Although no flooding occurred with the recent storms, it could happen. The cost of Option 1 is \$690,000; it could potentially be shared with the County. The cost of Option 2 is \$300,000

Director Bell stated that he’d mentioned in several meetings that he wanted to revamp the SWAB and he wanted to talk about getting that committee up and going again. They were hearing a lot in the community and wanted to be in control of their own narrative.

As far as sewer, there are four pump stations servicing the Halstead Corridor. Knobbs Creek handles the water coming its way, but there are some maintenance issues. Check valves need replacement. As development comes, it comes to Knobbs Creek first, so we need to keep it in good order. The City Center pump station has a pump down, but it is being replaced now. Stockbridge has run into some problems with the natural gas bypasses. There’s been a bit of a dispute between Piedmont and Godwin and going back and forth. There’s a proposal to switch these over to diesel, which staff would prefer to do. When the General Assembly money comes, they are looking at switching that over. Mayor Rivers asked if we’ve had a conversation with our city attorney. One of the two of these companies has to fix the problem that we have no pressure. If they’re going back and forth pointing fingers, maybe we can send it to him and have him look at it. Director Bell agreed that they would do that. Piedmont says they can’t help them and then Godwin can work on them but can’t help how the gas goes to the pumps. In a crisis, we have had to rent other bypass pumps. One of them will not accelerate. It runs, but it won’t accelerate so it’s not effective if we have a lot of flow. We use the few bypass pumps we have. It doesn’t necessarily cost us any money until we have to go outside of what we have. The problem is they don’t have a mechanic that can address our needs. Councilman Peel opined that they have surely have someone who can take our check though. Director Bell said he I would imagine the City went to natural gas in the first place because there was some kind of thing where we wouldn’t have to get it trucked in or something, like with diesel. We haven’t had any issues in the middle of a storm, which is a blessing. Natural gas is cleaner and more energy efficient. Mayor Rivers stated that it’s still their responsibility to give us what we need. He reiterated that this in an item they’ll need to request the city attorney look over. Do they send us a monthly bill? Director Bell said he’d never seen it, but he was sure we get one. This has been going on for several years that we’ve had to use the bypass pumps. Staff prefers diesel anyway. Our fleet mechanic can take care of it if it goes down and he can’t with the natural gas ones. For this particular pump, it’s \$200,000. The Walmart pump has the same issue. Mayor Rivers asked if the \$200,000 figure was for all pumps or per pump. Director Bell explained that’s per pump. The one over by Applebee’s has a bypass pump beside it that runs all the time. Mayor Rivers believed that was an issue to address immediately. He understood it has been going on for years, but we need to get with Attorney Morgan to see what we can do. We’ll get the Finance Department to hold a check if we have to. Do they pay us a franchise fee for natural gas? Manager Freeman said he wasn’t sure, but would find out.

Director Bell continued that the Walmart station was under-permitted, but they are working on that now. They want to re-permit the pump station properly. The Halstead force main is something they have been working on with Timmons. They do not know the capacity in the force main but have a quote from Timmons for \$18,500 to do a testing on it.

As far as the Wastewater Treatment Plant, Phase 1 of the Find and Fix It included a look into the plant. At 2021’s year-end, they were at 79.6%, so Council looked at the capacity issue. The WWTP cannot be expanded because of the swamp surrounding it. There is a plan on the shelf that details how to up from a 4.5MGD to 9 MGD. We started getting the design going but stopped at 50% because the state said they wouldn’t let us do anything

until we addressed our I&I. In December 2020, the average flow that went to the river was 79.6% capacity. We don't want to hit 80%. In 2023, we didn't have as much of a rainy / wet year, so our percentages went down. When people say the City doesn't have capacity, that's really not true.

Councilman Biggs stated that on the Halstead Corridor with all the developments, they put the streets in and then they turn them over to us and they are our responsibility. He understood that received Powell Bill funding. Director Bell explained that those streets we took over were added to that. Some of the developments, those streets are not up to standard. Councilman Biggs asked how do we inspect them to make sure they put them in to standard as far as the asphalt mix, the thickness, everything? I want to make sure; before we take anything over we are either having them do it correctly or having a bond in place or something. We're dealing with people we don't know who come in, do it, and then leave town. Director Bell said that many of the streets we have now came on a long time ago. Mayor Rivers opined that before we accept them, we could take samples. Director Bell agreed that we could, but he didn't know if anyone had been out there with them. Councilman Biggs reiterated that he just wanted to make sure we have a robust policy and we're testing them, doing a core sample before we take the streets on. He said he would rather we inspect them early on if we had to. We might want to require a certain asphalt mix or even concrete if the turning radius is tight. Currituck has done it. They knew they were inheriting a nightmare so they made them put in a higher-grade mix to help with the longevity and life cycle.

Mayor Rivers asked how we maintain our stormwater ponds. He remembered some residents being upset because no one was taking care of their pond. That's another good thing about a bond and a reason we could ask for one is if we take the retention ponds. We need to look at that about requiring a bond or a letter of credit. Councilman Biggs noted that on a bond, he would like the City to buy the bond and bill it to the developer versus the developer buying it and paying for it. If we did a letter of credit, they would need to renew it annually. Director Bell explained that if subdivisions have an HOA, the City does not take those anyway. Summerfield is not maintaining their pond, which is causing problems for us. Because they're private it's not on us, but them not taking care of it causes flooding into our roads.

Mayor Rivers felt that the Council needed to establish a policy that says the City is not taking them on. Director Bell stated that they contacted a bunch of municipalities to see if any of them were taking on private ponds and none of them did. We have some, but they are ours; they're public. Mayor Rivers said the problem is if the ponds are not maintained, it's a cause and effect. The water runs into the roads and causes deterioration. Director Bell noted that before, we could contact the state and they would issue fines. Now we have to do it ourselves. We have to put a person in place to inspect that and make sure they're doing what they should. We're going to have a clarifying question when we meet with the state about whether we can go after the HOAs for not maintaining properly. Mayor Rivers felt that we might need to go ahead and beef up our policies. We don't want to touch the ponds, but them not fixing them costs us. Do we keep letting it deteriorate? We need to get bonds or something in place. If the HOA becomes defunct, they don't get their money back. Director Bell said that when the pond in Summerfield drains, it drains to Oak Stump ditches that NCDOT should be maintaining, so it's failing on two sides. Mayor Rivers reiterated that we could come up with some stricter policies as long as they don't contradict the state. Either that or require fees up front. Director Bell stated that he was waiting for the meeting with the state so we can get the checklist of all things that they do so we can put our program together. Right now, 11 streets in the Halstead Corridor aren't under the City's control yet.

For Solid Waste we are going to need additional staffing and equipment as the City grows. Many places are putting comprehensive plans together to tell them how to grow their cities in the best way.

d. Public Safety;

Manager Freeman informed the Council that Congressman Don Davis would be here on Friday. We have asked for \$36 million in funding. He will be visiting to see how bad our current fire stations are as well as where the proposed station would go. Chief Carver said as the area grows, their issues are increasing. There is a need for a new station on the Halstead Corridor. Last year, for 59% of the calls, they were on scene in under four minutes and NFPA says they should be there in under four minutes 90% of the time. The average response time from Station 1 to City Center Blvd is about five minutes. To Tanglewood is eight minutes. The back of Stockbridge runs nine minutes. Fire can double in size every minute, so it is crucial that we get these numbers down. In the last three years, there has been a 23% increase in call volume. Mandated residential sprinkler systems could be a good option to help and may become a reality. It would help the homeowners' insurance rates. Most commercial buildings will have to have them anyway. He wasn't sure if it would be an option, but an increase in lot sizes would help because multiple houses will burn when they're built so close together. The Halstead Corridor has much more wind than what we deal with on this side of town. With the growth and potential growth, there will likely need to be two to three engine companies located out there. The department also has to do state-mandated inspections either annually, every two years or every three years depending on the business and they don't have the personnel to keep up with that. They are trying to get funding to assist with this project, but it is a very real concern.

Councilwoman Felton didn't believe we were going to have too much kickback because if they're building new homes they won't want it to burn down. Chief Carver felt the developers would be the ones raising concerns.

Mayor Pro Tem Spence asked if we got developers to put sprinklers in, would there have to be an ordinance put in. Chief Carver confirmed that there would; it would have to come from the Council level.

Councilman Biggs stated that we have gotten tight on density out there. He knew there had been talk about it just in terms of cars on the streets. He said he would imagine it's difficult to get a fire truck or even a garbage truck out there. Chief Carver said they get calls from Public Works asking for help because they can't even get through. Councilman Biggs stated that the Council should make sure they are handing down policy that requires adequate street width and parking because if Fire gets a call in the middle of the night and they can't get through, it won't matter what the response time is then. There are many things going on with these developments that need to be addressed just outside of expenses. Chief Carver agreed and said they'd had some discussions, but nothing final. The road is 20 feet wide, but cars on parked along both sides and then the engine is nine feet wide. You can barely get through there. We can't correct what's already been done but we can fix it going forward. We've discussed it in TRC. It sounds like we're heading in the right direction with that. It's going to take more money unfortunately and more people. Manager Freeman said when we talk about updating these policies, we will also update the fee structure. We have to make sure we're collecting it and then make sure that we're keeping updated as they increase.

2. Adjournment:

There being no further business to be discussed, Mayor Rivers adjourned the meeting at 8:03 p.m.

Kirk Rivers
Mayor

April D. Onley
City Clerk, NCCMC