

MINUTES
UTILITIES COMMITTEE MEETING
September 28, 2009—5:30 PM
CITY COUNCIL CONFERENCE ROOM—2ND FLOOR, CITY HALL

Committee Members Present: Walker Reid, Chairman
Councilwoman Brenda Craig

Guests: Ernest Sumner, A.B. Carter
Al Abedi, A.B. Carter
Doug Chapman, McGill Associates
Dennie Martin, McGill Associates
Andy Lovingood, McGill Associates

The Utilities Committee met on Monday, September 28, 2009, at 5:30 p.m. in the Council Conference Room located on the 2nd Floor at City Hall, 181 S. South Street, Gastonia, North Carolina. Chairman Reid called the meeting to order.

Item 1: A.B. Carter Contract Amendment: Chairman Reid recognized Mr. Matt Bernhardt, Director of Public Works and Utilities, for the purpose of Staff's presentation.

Due to the reduction of A.B. Carter's water consumption, the proposed amendment would adjust the minimum "take-or-pay" amounts for A.B. Carter regarding City-provided water and wastewater service. A.B. Carter's water consumption has been reduced due to process changes and economic factors.

Committee Recommendation:

The Committee voted unanimously (2-0) to recommend that the City Council approve the Amendment to the existing Contract.

Item 2: Presentation of Joint Utility Study by McGill Associates: Chairman Reid recognized Mr. Matt Bernhardt, Director of Public Works and Utilities, for the purpose of Staff's presentation.

In 2008, the Town of Dallas and the City of Gastonia each adopted a Memorandum of Understanding (MOU) and undertook a joint feasibility study conducted by McGill Associates. The study's purpose was to evaluate options for the Town of Dallas regarding its Water and Wastewater Utility System and to recommend the best solution for its future. The Town of Dallas has scheduled a meeting with McGill Associates for a presentation of the findings of the study. After the Town of Dallas determines which option is best, the City of Gastonia will be advised.

Committee Recommendation: The Committee recommends that the results of the study be presented to Council and that City staff continue assisting Dallas through the conclusion of the process.

Item 3: Proposed South Fork Regional Sewer Project Memorandum of Understanding (MOU): Chairman Reid recognized Mr. Matt Bernhardt, Director of Public Works and Utilities, for the purpose of Staff's presentation.

The proposed MOU would authorize Gastonia's participation in the South Fork Regional Sewer Project, a joint project of Pharr Yarns and the Towns of Lowell, McAdenville, and Cramerton to close their respective wastewater treatment plants and redirect their wastewater flows to the Town of Cramerton wastewater treatment plant. Gastonia proposes to join this project under a now-expanded scope whereby Gastonia would provide \$300,000 in gap financing. In addition, Gastonia would receive the remaining unallocated flow capacity of the Cramerton wastewater treatment plant. Gastonia would undertake an expansion study of the Cramerton Plant along with the upsizing of the sewer conveyance system created by the project. The increased capacity could serve growth of southeastern Gastonia or provide a potential reimbursement source from other parties who may need it in the future. This option is the least expensive for Gastonia and represents a positive example of regional cooperation and partnership. The MOU developed by the City of Gastonia's Legal Department has already been approved by all of the project participants.

Committee Recommendation: The Committee voted unanimously (2-0) to recommend that the full Council approve the Memorandum of Understanding.

Item 4: Proposed Ordinance to Amend Chapter 14, Utilities, of the Code of Ordinances of the City of Gastonia – Water Restrictions During Emergency Shortages:

The City of Gastonia is a member of the Catawba-Wataree Water Management Group (WMG) and Drought Management Advisory Group. Members agree to adhere and adopt water restriction parameters endorsed by the WMG, which would be implemented during drought conditions. In order to standardize the City's protocol with the WMG, City staff has written an ordinance to amend Chapter 14. This proposed ordinance revision will simplify the wording of the ordinance and should make compliance easier for the City's customers.

Committee Recommendation: The Committee recommends (2-0) that the City Council approve the Water Restriction Ordinance Amendments as presented.

Item 5: Other Business: Fiber Optic Lease Agreement Update: Staff provided an update of the City's existing fiber infrastructure as well as future fiber access to existing City facilities. Currently, negotiations are being held with a Dark Fiber customer, and an agreement may be presented to City Council as early as the second meeting in October.

No committee action was required as this was presented for informational purposes only.

With no further business, the meeting was adjourned.