

GASTONIA CITY COUNCIL BUDGET OBJECTIVES RETREAT
JANUARY 25, 2020 – 8:30 A.M.
GASTONIA CONFERENCE CENTER– GASTONIA, NC

Mayor Reid called the Budget Objectives Retreat to order at 8:30 a.m. on Saturday, January 25, 2020, at the City Council Conference Room, City Hall, Gastonia, North Carolina. Ms. Sherry Dunaway, City Clerk, recorded the minutes.

PRESENT: Mayor Walker E. Reid, III
 Mayor Pro Tem David R. Kirlin
 Council Members: Robert Kellogg
 James Gallagher
 Charles Odom
 Jennifer Stepp
 Donyel Barber

City Manager Michael C. Peoples
 City Attorney L. Ashley Smith

ABSENT: None

Staff in attendance were: Mr. Todd Carpenter, Deputy City Manager; Mr. Quentin McPhatter, Assistant City Manager; Ms. Melody Braddy, Assistant City Manager; Ms. Crystal Certain, Director of Financial Services; Ms. Dana Carpenter, Asst. Director of Financial Services; Ms. Mary Elliott, Director of Marketing and Communications; Mr. Rob Helton, Police Chief; Mr. Phil Welch, Fire Chief; Mr. Dale Denton, Director of Public Works; Mr. Joe Albright, Director of Public Utilities; Mr. Rusty Bost, Director of Development Services; Mr. Vincent Wong, Director of Community Services; Ms. Kristy Crisp, Director of Economic Development; Ms. Judy Smith, Director of Human Resources; Ms. Ann Tippitt, Director of Schiele Museum, Mr. Cam Carpenter, Director of Parks and Cultural Services; Mr. Robert Cloninger, Division Manager, Field Operations; Mr. Shaune Tooke, CMO Intern; Crystal Falls, Budget Administrator; and Jessica Williams, Budget Analyst; Jason Thompson, Director of Planning; and DeeDee Gillis, Division Manager, Solid Waste.

WELCOME, OPENING COMMENTS, AND
MEETING GUIDELINES

Mayor Reid opened the meeting, welcoming everyone present and recognized Michael Peoples, City Manager, for the meeting guidelines.

Mr. Peoples reviewed what will be discussed today and recognized Mr. McPhatter, Assistant City Manager.

COUNCIL BUDGET OBJECTIVES RETREAT – JANUARY 25, 2020**ECONOMIC DEVELOPMENT**

The Retail Coach Update
 FUSE District Private Development
 New Development Round up
 Downtown Development Update

Mr. Quentin McPhatter, Assistant City Manager, discussed Retail Recruitment and noted that we have already started with Retail Coach and they will be great to work with noting that they are very responsive and are going to be very helpful.

Ms. Crisp also gave an update on Retail Coach and explained how they make assessments to make determinations to where they want to place properties.

Mr. McPhatter discussed the FUSE District private development noting the Melbourne Lansing Group is working on the Trenton Mills and that is a DFI initiated project. Mr. McPhatter discussed the pads available for development around FUSE and the current plans that are being discussed for development.

Mr. Peoples also presented information about the FUSE development and discussed opportunities for the future and for surrounding downtown neighborhoods.

Further discussion ensued.

Ms. Crisp gave a presentation on downtown development block by block as shown in the exhibits and the impact of this development.

(Fit break pause)

UNIFIED DEVELOPMENT ORDINANCE

Presentation on Unified Development Ordinances Update

Mr. Demetri Baches with Metrocology discussed the UDO (Unified Development Ordinances) and the need to update the UDO to prepare for massive growth, developments, and traffic issues that result from this growth. Mr. Baches stated you need to be prepared rather than reactive.

Mr. Thompson reviewed some of the ongoing construction projects and parcels that are being considered by developers. Mr. Thompson noted the importance of the updated UDO to be prepared for the future.

Mayor Reid stated this is an excellent presentation and agreed with Mr. Thompson that this does put us ahead and in a better position for future development.

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Mr. Peoples stated one thing we are looking to take from this is to solicit more feedback like Jason has requested but also for Demetri and Jason to move forward with these plans and are these the areas in your wards that you would like to see planned.

Mr. Peoples ask if Council is okay with moving forward with the ordinance revisions noting it doesn't require a vote, it is just more of a consensus among Council.

The consensus of Council was to move forward.

Mr. Thompson stated their goal is to go before the Planning Commission hopefully at Council's second meeting in March with another set of ordinances if we can proceed.

Meeting paused for a twenty-minute break.

Mayor Reid reconvened the meeting.

PUBLIC UTILITIES, PUBLIC WORKS, AND DEVELOPMENT SERVICES

Water & Sewer Southeast Utility Update

Review of Water and Sewer Fee Schedule

MOC Master Plan Details

Solid Waste Enterprise Fund and Recycling Program

Review of Stormwater Program and Fee Schedule

Upcoming Major City Facility Needs

Current Capital Projects Status Report

Major Transportation Projects and Future Funding Needs

Mr. Bost gave an update on the Southeast Utility project. Mr. Bost noted this project is more about us managing our system and not about a specific development but about developing the southeast and the growth of the city as a whole as well as taking advantage of the treatment plant that we acquired from our consolidation with Cramerton and also taking out some of the problematic pump stations and replacing with new and more modern stations so that we can get better service and efficiency.

Further discussion ensued.

Mr. Peoples discussed the fee increases noting this is the time to adjust these fees and move forward with some the things that Joe has discussed. Mr. Peoples asked if this was a nod and go so that we can figure this into the budget.

Mayor Pro Tem Kirlin stated he doesn't have a problem but needs a little information and would like to hear the rest of the presentations before agreeing.

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Mr. Albright discussed the MOC and the needs to upgrade and up fit not only the MOC facility but the campus as a whole. Mr. Albright presented an overview of the campus and facility and discussed the needs and the facilities that need updating.

Mr. Albright stated one of the questions to be answered through the budget process is a 3% percent increase noting they feel like existing operations along with future capital precipitates this need noting this was demonstrated back in 2015 when the rate study was done about development and cost and capital and the plan was laid out back then for incremental increases that haven't been fully followed but not for existing needs but future needs of the system we find that we need these increases. Mr. Albright discussed the timeline and the costs associated. Mr. Albright then discussed funding and the allocation. Mr. Albright stated they are prepared, with existing funds, to pay for Phase I and II of the MOC and they are looking to go ahead and move forward and get some consulting in place to start working on Phase II and the budget.

Mr. Peoples noted that this was considered in the study and the study has been ongoing for two years noting there is a lot of need, also noting that it is a morale issues, the ready rooms are in horrible shape and also the training room is too small. Mr. Peoples stated we talked yesterday about how well Electric is doing and that is how you are going to be able to pay as you go instead of financing it. Mr. Peoples stated it is an investment in your people and an investment in your facility.

Mayor Pro Tem Kirlin asked about Phase III, which portion in terms of the Public Works piece, is that the piece that will come from General Fund.

Mr. Albright stated they would expect of the \$6M for the Public Works general fund portion of that – he would not expect it to be more than \$1M.

Mr. Peoples ask if we were good and Council nodded in agreement.

Meeting paused for lunch.

Mayor Reid reconvened the meeting

PUBLIC SAFETY

Fire – Call Volume and Truck Replacement Schedule

Police – Crime Statistics

Chief Welch discussed the Fire Department and the apparatus replacement schedule. Chief Welch also presented a monthly report on Alarms and Responses, as shown in the exhibits, for December, 2019.

Chief Welch answered various questions from Council.

Chief Helton presented a statistical review of the last decade noting and pointed out the downward crime trends that we are experiencing. Chief Helton noted the only increases have been aggravated

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assaults. Chief Helton noted that we are working with victims and trying to educate them on resources. Chief Helton further noted that many aggravated assaults are domestic violence and others are drug related. Chief Helton noted that property crimes and burglaries are down but there has been a slight increase in arsons but that is currently being addressed and he is working with Chief Welch.

Mayor Reid stated that these statistics are very impressive and we need to share these more with the community noting our homicides last year were 4 and our neighboring community was 180 and he would like this to be made known.

Chief Helton discussed what is being done at the department, with some of our officers working on the Federal Task Force and they have made several large arrests that have ended with some top gang members receiving prison terms. Chief Helton noted that many of the crimes are tied to the drug market. Chief Helton stated the department also works out in the community and they want everyone in the community to know that we are here for them.

Chief Helton stated we have 178 positions and we are 9 short at being full staff.

Chief Helton answered various questions from Council.

EQUIPMENT

Major “Rolling Stock” FY 2020-21

FY 2020-21 Technology Considerations

Mr. Peoples stated the Rolling Stock and Technology Considerations are included in your books and could be reviewed at your leisure. He introduced DeeDee Gillis to discuss Solid Waste.

Ms. Gillis discussed the vision of Solid Waste and the complexity of it. Ms. Gillis discussed their service levels and the increase of their customer base and how they will be able to service the growth.

Ms. Gillis gave a brief history on recycling and discussed the issues with recycling that we are facing noting one of the issues is managing the recycling. Ms. Gillis discussed the changes with recycling that have taken place and the future challenges that we will be facing. Ms. Gillis noted that one huge problem is contamination. Ms. Gillis stated this is a major problem. Ms. Gillis explained the contract prices and the actual cost. Ms. Gillis reviewed the options and option one is we can continue as we are until the current contract expires June 30, 2021. Ms. Gillis stated the second option is to discontinue curbside recycling and to coordinate and collaborate with Gaston County on convenience sites which would mean adding a recycling center in the southeast section of the city to mimic what the Farmers Market site looks like and we would pick up the recycling bins and option three is start over and restructure the entire program which would mean that we would pick up all the carts in the city and if you want to recycle you would contact the city and your cart would be reissued based on the customer being reeducated about what goes into the

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cart and with this option, noting the problem is that the contractor still has to drive those streets and they still have to ride by every house so the cost of recycling when it comes to a contractor is basically the collection, so that option would not really reduce the cost. Ms. Gillis stated option 4 is to discontinue the recycling program.

Mayor Reid stated it is costing money and we are not benefiting from this. Mayor Reid gave his opinion on the options and stated what is happening now is not what our intentions were when we started this program

Mr. Peoples further discussed the options and noted that we will own the carts after the contract and stated there are so many points to what can happen in solid waste. Mr. Peoples also stated we will have increased costs for tonnage with the County per our negotiated contract with them if we do not have recycling.

Considerable discussion ensued.

Mr. Peoples stated we need a consensus from Council so that we can further develop Option 2. Mayor Reid asked Council and it was the consensus of Council to follow up on Option 2.

Ms. Gillis discussed yard waste and the issues associated when we have free household trash week. Ms. Gillis explained how free trash week started.

Discussion ensued on free trash week pros and cons.

Ms. Gillis discussed residential growth and solid waste and the ways to provide services and new routes. Ms. Gillis noted that growth is happening all over the city and their proposal is to reroute the city into seven quadrants instead of six. Ms. Gillis stated they would also be conforming the existing yard waste and trash routes to conform to those routes as well which will also require an additional crew to help service these areas, noting this is not happening this year because this is a two-year plan.

Ms. Gillis noted they are recommending to use only a cart for yard waste and anything outside of a cart would be a fee and further noted that this would be more expeditious, safe and efficient. Ms. Gillis reviewed what other cities are doing with yard waste.

Ms. Gillis and Mr. Peoples answered various questions from Council.

Mr. Cloninger, Division Manager, Field Operations, began his discussion on stormwater and stated they are asking for a 50 cent increase on the ERU (Equivalent Residential Unit). Mr. Cloninger stated the city is due for an audit of storm water in 2022. Mr. Cloninger explained the process of events with storm water and how we compare to other cities of our size and the rates charged per ERU. Mr. Cloninger discussed the ongoing capital improvement projects noting right now there are about 20 projects on the list, monies, and where we are currently at and annual revenue. Mr. Cloninger stated their top priority now is to concentrate and focus on having all documentation, inspections, and storm water pollution prevention plans for the upcoming 2022 audit when the state will come in. Mr. Cloninger stated they will be submitting for a new hire for a full-time storm

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water inspector because as of now they only have two people and this will allow for a full-time field person.

Mayor Pro Tem Kirlin stated he thinks we may need a three to five-year plan for storm water because we appear to be understaffed and from what the data shows us and what our potential growth is going to be in the coming years, he believes we may need to increase this fee annually because by not doing this on a more frequent basis we are getting that much farther behind.

Further discussion ensued.

Mr. Peoples stated if you have questions about anything please let us know.

Mayor asked if staff has direction from Council from here to help prepare the budget. Mr. Peoples stated yes.

Mayor Reid adjourned the meeting at 2:32 p.m.

(Reference as contained in Exhibit Book 6 to Minute Book 109 at Page 24).

Mayor Walker E. Reid, III

L. Ashley Smith, City Attorney

Sherry H. Dunaway City Clerk

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