August 27, 2018
Council Work Session Meeting

Mayor Bryan Hough
Mayor Pro-Tem Perry Toomey
Councilwoman Carolyn Breyare
Councilman Charles McCorkle
Councilman Jeff Meadows
Councilman David Moore
Councilwoman Lauren Shoemaker
Kemp Michael, City Attorney
Danny Jackson, City Manager

CITY OF MOUNT HOLLY
MOUNT HOLLY CITY COUNCIL WORK SESSION
Location: Council Chambers

August 27, 2018
6:30 P.M.

CALL TO ORDER BY THE MAYOR

INVOCATION

SET THE AGENDA

CONSENT AGENDA

1. Approval of a Resolution Appointing a Deputy Finance Director

AGENDA

1. Consideration and Approval of an Agreement with St. Joseph's Seminary for the Extension of Water and Sewer — *Kemp Michael*

2. Consideration and Approval of an Agreement with Charlotte Water for Waste Water Treatment — *Kemp Michael*

3. Presentation on the Strategic Visioning Plan — *Tripp Muldrow*

4. Adjourn

City of Mount Holly
Action Agenda Item

To: City Council	**Date:** August 24, 2018
From: Danny Jackson, City Manager	**Meeting Date:** August 27, 2018

***Agenda Item to be considered:* Consent Agenda #1 – Approval of a Resolution Appointing a Deputy Finance Director**

Will this require a public hearing? ☐ **YES** ☒ **NO**

***Background/Purpose of Request :* Due to statutory constraints and city staff changes the City Council has to pass a Resolution Appointing a new Deputy Finance Director. Now that Amy Hollingsworth has been hired by the City of Mount Holly as the Deputy Finance Director there are some actions such as signing documents in the absence of the Finance Director that she cannot perform without officially being designated by the City Council. The last time the City Council passed such a Resolution was when Becky Conder was the Deputy Finance Director. The action required by City Council is one time in nature unless there are staff changes to the position.**

Fiscal Impact:

Will Item affect current budget	☐ YES	☒ NO	☐ N/A
Reviewed by Finance Director	☐ YES	☒ NO	☐ N/A
Preaudit Certification required	☐ YES	☒ NO	☐ N/A
Capital Project Ordinance required	☐ YES	☒ NO	☐ N/A
Budget Transfer required	☐ YES	☒ NO	☐ N/A
Total City Dollars:	***$***		
Budget Code			
Reviewed by City Attorney	☐ YES	☐ NO	☒ N/A

Manager/Staff Recommendation: Motion to approve a Resolution Appointing a Deputy Finance Director

Result of City Council Decision:

Attachments: Resolution Appointing a Deputy Finance Director

MEMORANDUM

TO: Mayor and City Council, City of Mount Holly

FROM: Kemp A. Michael and Marie Michael Anders

RE: Major components of proposed Interlocal Agreement- Sewer Interconnect with Charlotte Water

DATE: August 22, 2018

Beginning in the year 2012, our City staff began discussions with the Charlotte-Mecklenburg Utilities Department, now Charlotte Water, about the possibility of Mount Holly being part of a proposed regional wastewater treatment facility known as the Long Creek plant. These discussions culminated in a Memorandum of Agreement dated January 14, 2013, the concept of which provided for a portion or all of our wastewater to be discharged under the Catawba River into the proposed Long Creek plant. Upon completion of the new plant, we would decommission our existing plant and transfer our DENR permit to discharge wastewater into the Catawba River to Charlotte. This MOA had few details beyond the simple concepts.

Negotiations between MH and CLT have continued for five years, involving our City staff, Utilities Committee, City Manager, City Engineer, City Finance Officer, and City Attorneys. The proposed Agreement has evolved dramatically over this time, and the purpose of this presentation is to show the essential elements of this Agreement in its current form, which is coming before you for your potential approval. These essential elements are follows:

1) Prior to the construction of the proposed Long Creek plant, components necessary for MH to discharge wastewater to Charlotte, including a pump station, flow equalization basin, discharge meter and metering facilities, one force main, the land on which to build these components, and the easement to run the force mains under the Catawba River ("MH Component"), will be designed and contracts for construction will be let within nine months of the signing of the Agreement. Completion of MH Component is estimated to take approximately two years from the signing of the Agreement. Therefore, construction of MH Component will move ahead of the construction of the new plant, and MH will commence discharge to CLT upon completion of such components. In addition to the MH Component, CLT recently agreed that it will construct at its own expense, without contribution from MH, a second force main of equal design to the initial force main, in case of a failure of the first force main. CLT will also pay for a pump station and appurtenant lines on their side of the river, primarily to handle MH's flow.
2) Our Agreement will allow MH to discharge up to 4 MGD to CLT immediately, which will be absorbed by CLT into its existing plants. When we begin discharge to CLT, we will discontinue any further maintenance on our current plant which will be demolished, and we will transfer our discharge permit to CLT. The Agreement allows MH to expand our discharge from 4 MGD to 6 MGD by purchasing 100,000 GPD increments. Currently, our plant treats approximately 2.0 MGD of wastewater, and has an effective capacity of only 2.7 MGD because of the nutrient discharge limitations placed on us by

the State. Entering into this Agreement with CLT will effectively provide us with more than ample capacity for growth for our entire corporate limits as they are now or may hereafter be expanded, based upon current projections. In addition, by closing our current plant, we will be relieved of expensive and continuous repairs and upgrades in the future and all of the liability that goes along with treatment of wastewater.

3) CLT will have responsibility for constructing and owning the MH Component and second force main and for the maintenance, replacement, and repair of all such components in perpetuity. Also, CLT is assuming all liability for damages to persons, property, or to the environment that may or could result from the treatment and discharge of wastewater, including accidental discharge of untreated wastewater, thus relieving MH from all such liability which we now have in the operation of our current plant.
4) The 2013 MOA allocated a maximum cost to MH to construct the MH Component in the sum of $14,000,000, without any specific resolution of the handling of costs above that sum. In this Agreement, MH is obligated to pay for the MH Components up to $14,000,000, and in the event the costs exceed that amount, up to a maximum of a 10% overage, MH and CLT will proportionately share in the costs of MH Components. MH would pay 4/15 of the overage, up to $375,000, and CLT would pay 11/15 of the overage, up to $1,025,000. MH's cost is exclusive of the second force main.
5) MH will pay a rate referred to as the "O & M Sewer Treatment Rate" which is determined annually by CLT based upon the total operating budgets of all CLT wastewater treatment plants divided by the expected number of gallons to be treated. No capital costs will be included in the O&M rate. This rate is guaranteed for the first 4 MGD of discharge (up to 6 MGD if we purchase increased capacity), and the rate for any discharge above our capacity is the standard commercial rate. The application of the standard commercial rate would be based upon an averaging of the most recent three 30-day billing periods to determine whether the flow exceeds capacity.
6) MH has two options for financing the expected cost of the MH Component and decommissioning of our current plant. The first option would be to finance this cost through CLT at the lowest interest rate which they are able to obtain. The second option would be to finance up to $18,850,000 through the NC Clean Water State Revolving Fund at 1.93% interest and a 2% loan fee. The Agreement leaves both options available to MH.
7) Under the proposed Agreement, MH will be considered a "Significant Industrial User" in discharging wastewater to CLT and will be subject to CLT's Sewer Use Ordinance. City staff has indicated the CLT's Sewer Use Ordinance is similar to our own and has requested and perhaps received an example discharge permit from CLT after CLT analyzed our headworks.
8) Dispute resolution will be by informal discussion between the Parties, and failing that mediation before proceeding to arbitration.

City of Mount Holly
Action Agenda Item

To:	City Council	**Date:**	August 24, 2018
From:	Greg Beal, Economic Development Coordinator/Planning Director	Meeting Date:	August 27, 2018

Agenda Item to be considered: **Strategic Vision Plan Update Draft Report Review**
Will this require a public hearing? ☐ **YES** ☒ **NO**

Background/Purpose of Request: **On Tuesday, the Mayor and Council should have received a copy of the Draft Strategic Vision Plan Update, which was hand delivered by the Police Department. At the work session on Monday night, Tripp Muldrow will limit his presentation to covering material that you have not seen, so not to rehash the market study, survey results and other items that you have seen. I told Tripp that the most important question that the Mayor and Council may have can be summed up in this way:**

"What project, within a certain area, is done by whom, at what time, and how?"

Therefore, Tripp, and his team, which will include Tom McGilloway of Mahan Rykiel (Urban Designer, Landscape Architect) and Anna Sexton (JM Teague Transportation and Engineering), will focus much of this meeting on the Implementation Plan and Project List, which is located on the back couple of pages in the large table in your binder, the one you received on Tuesday.

Please understand that staff has been working constantly with the consultant team for the past several weeks in order to obtain a complete document. Please also understand that staff received this document last Friday morning and spent the entire day reviewing and submitting corrections. We feel that more suggestions need to be incorporated into the plan during the next stages before Final Plan Approval.

I can tell you that we, as staff, are working on overall issues with the Plan. For instance, I believe the accomplishments section, beginning on Page 12, is text heavy and needs before and after photos. Wouldn't it be great to see example before and after photos of the Municipal Complex, buildings downtown, the Linear Park, etc? Considering the $3.2 million in funding that the Educational Forest received, and the potential plans for that money, I feel that Section 5, Woods and Waters District, Page 102-105, could be strengthened. Placemaking, Arts and a Healthy Community, Section 6, could be strengthened by more art recommendations or examples. I know that Page 114 relays that the City should consider a Public Art Strategic Plan, but shouldn't we list some examples of collaborative efforts that may work or what the art plan should do? Finally, there are a lot of short term recommendations or goals, and while some are low-hanging fruit and easily accomplished through policy recommendations, others will cost money. Priorities and spacing out projects should be considered.

The most important thing on Monday is to be prepared to ask questions or voice concerns. The Project Team is expecting this, and your feedback is critical to finalizing the Plan itself. If there are things that you see are missing from the Plan, please let the Project Team know on Monday night.

Fiscal Impact:

Will Item affect current budget	☐ YES	☐ NO	☒ N/A
Reviewed by Finance Director	☐ YES	☐ NO	☒ N/A
Preaudit Certification required	☐ YES	☐ NO	☒ N/A
Capital Project Ordinance required	☐ YES	☐ NO	☒ N/A
Budget Transfer required	☐ YES	☐ NO	☒ N/A
Total City Dollars:	***$***		
Budget Code			
Reviewed by City Attorney	☐ YES	☐ NO	☒ N/A

Manager/Staff Recommendation: No recommendation needed; this item is for discussion and your information only.

Result of City Council Decision:

Attachments: Strategic Vision Plan Update sent separately on Tuesday