

COUNCIL MINUTES
SPECIAL WORKSHOP MEETING

February 17, 2015

A special workshop meeting of the City Council of the City of Jacksonville was held Tuesday, February 17, 2015 beginning at 5:00 PM in Meeting Rooms A and B of Jacksonville City Hall. Present were: Mayor Sammy Phillips presiding; Mayor Pro-Tem Michael Lazzara and Council Members: Jerry Bittner, Randy Thomas, Bob Warden, Angelia Washington and Jerome Willingham. Also present were: Richard Woodruff, City Manager; Ronald Massey, Deputy City Manager; Gayle Maides, Finance Director; Glenn Hargett, Assistant Manager for Communications and Community Affairs; Wally Hansen, Public Services Director; Susan Baptist, Director of Recreation Services; Michael Liquori, Director of Park Facilities; Carmen Miracle, City Clerk; and John Carter, City Attorney.

*A video recording of the Council Meeting is presently available for review on the City's website.

CALL TO ORDER

Mayor Sammy Phillips called the meeting to order at 5:01 PM.

ADOPTION OF AGENDA

A motion was made by Councilman Thomas, seconded by Councilman Warden, and unanimously approved to adopt the agenda as presented.

COMMERCIAL GARBAGE PROGRAM UPDATE

Using the PowerPoint presentation attached to the original minutes as Exhibit "A," Richard Woodruff, City Manager stated that he and City Attorney, John Carter met with Waste Management to discuss the comments they made at the February 3 City Council meeting. They also had communications with Waste Industries. Both vendors gave the City bids for commercial service a year ago. In addition to these actions, the franchise ordinance was being reviewed for possible changes by Mr. Carter. There have been meetings with the drivers as it was important to keep them informed as well as focused. The bid documents were being reviewed for alternate language. This would be discussed with Council to get their guidance on the language and alternatives. Kerry Terrell, Sanitation Superintendent prepared a route analysis looking at every customer to see if they were getting the level of service they actually needed.

From that analysis, Sanitation was starting to move away from the heavy Monday – Friday schedules to Monday-Thursday and Tuesday-Friday schedules. Mr. Terrell also spoke with his staff about what route changes they felt were needed or what problems they were having that may be slowing the down the service. Tire analysis was being done to find out if there was a different composite tire that could be used to get more mileage.

Mr. Woodruff stated last week Council was provided with a potential list of current commercial customers to form a User Group. This was not an ad-hoc committee for Council to appoint, but he would like Council to approve this group as a managerial ad-hoc committee. The purpose was to give guidance on the bid documents, service information, and any other input they may have. The committee would consist of a cross-section of about 20 local customers. No one had been contacted yet, but if Council was comfortable with the committee, staff would begin the process.

Mayor Phillips stated he was comfortable with the names that were recommended. He felt they would give accurate input. The majority of Council said they were comfortable with the ad-hoc committee.

Mr. Carter stated that the City could award the contract to Waste Management now because it was a service contract and could be negotiated with one vendor or multiple vendors. The City did not have to legally go out for bid, but the bidding process allowed Council to compare apples to apples.

Mr. Woodruff stated that at the March 3, 2015 meeting Council would be looking at whether to stay with an exclusive franchise or go with a nonexclusive franchise. There would also be discussion on whether to turn commercial service over to the free market letting the market determine the rates and service. A meeting was scheduled for February 24 with Waste Management and Waste Industries to walk through last year's bid documents paragraph by paragraph asking them what paragraphs in the document resulted in their final bid. This meeting would get their input to help determine the proposed language in the bid documents. The detailed points would be discussed with Council on March 3. Both companies were willing to discuss possible employment of our drivers and purchase of our equipment. In all cases, staff needed to know by the end of March whether to go out to bid or not. Mr. Woodruff recommended that Council go out to bid. Once the bids were received it could be determined

which company to use or whether to stay in the business. Both Waste Management and Waste Industries said that it would take 90 days from the time the contract was signed to be in business.

Mr. Carter stated that on March 4, 2014 after two workshops, Council adopted a very comprehensive Ordinance that set forth an exclusive contract for the City of Jacksonville. If Council decided to go with a private hauler either under an exclusive or non-exclusive contract, modifications would have to be done to the Ordinance. Additionally, to make the vendor's contract exclusive or non-exclusive, an additional franchise ordinance would need to be adopted.

Councilman Bittner asked who did the billing for the open market in Wilmington, Greenville, and Raleigh. Mr. Woodruff stated that each company who provided the service did their own billing.

Mayor Phillips asked if those cities moved from providing their own service to the free market. Mr. Woodruff said that the City of Wilmington had been using private vendors for a long time, but he didn't know about the other two cities.

Mr. Carter stated there was an eight page paper from the School of Government where he highlighted areas for Council to pay special attention to. There was also a letter that the manager would be emailing to Council in reference to billing issues. He asked that Council let them know of any questions or concerns they had after reading the documents.

Mayor Phillips asked if Council could be given the pros and cons of each of the alternatives and whether the City should be in the business at all even with the billing. Mr. Woodruff stated that information would be available on March 3 when staff shared the questions and bid documents.

Councilman Warden asked if the City went the open market route, would it then be more difficult to take the process back. Mr. Carter stated it might be more difficult politically, but legally the City was empowered to do that. After due notice, the City would either have to give the vendor 18 months to close up or pay compensation.

Councilman Warden stated that he would like to know if the User Group would favor a free market or prefer to be in a franchise arrangement.

Mayor Pro-Tem Lazzara asked who would pick up the trash if the customer didn't pay his bill and the trash continued to pile up. Mr. Woodruff said it would become a code enforcement issue and would require a 30 day remedy period. He has been told that this wasn't a frequent problem.

Discussion followed on possible options.

Councilman Willingham asked what the schedule was for the ad-hoc committee. Mr. Woodruff stated that nothing had been done yet because Council didn't approve going forward until tonight. Staff would be scheduling tomorrow and gathering the data within the next two to three weeks. It may be through joint meetings or limited questionnaires.

Councilman Willingham asked if questionnaires could be sent to all of the businesses. Mr. Terrell stated that there were 860 businesses and many of those businesses received their bills at corporate offices or at brokerages that brokered the service who wouldn't know about the local service.

Councilman Bittner asked if the deadline was self imposed based on budget considerations. Mr. Woodruff stated that if the service was going to be turned over to a vendor on July 1, they had to have 90 days to get everything in place. Any date could be done as long as the financial consequences to the City were known.

Discussion followed on the ad-hoc committee and gathering data from those serviced.

Mayor Phillips stated that he has had several local business people call him asking that the service not be given back to the private vendors.

Councilman Willingham stated he would rather the research be more scientific than anecdotal, but what was being done was fine.

CAPITAL IMPROVEMENT PROGRAM

Using Exhibit "A," Deanna Young, Capital Projects Administrator reviewed the projects that were currently in progress in the Capital Improvement Plan (CIP) and the new projects for FY16. The FY16 Sidewalk Installation and Street Rehabilitation projects were funded with Powell Bill funding. The sidewalk installation budget had been \$180,000, but over the last several years efforts were concentrated on infill development which was very successful. Because of that, the overall sidewalk project budget was reduced by \$80,000 and re-appropriated to the street rehabilitation project. In the past, the street rehabilitation project identified street segments which a cost was appropriated to and the project estimate varied year to year. Beginning this year, an overall project budget of \$830,000 was developed with the hope that when prior street rehabilitation projects were completed if any funding remained it would roll into the current FY16 budget allowing greater flexibility in identifying more segments than were initially identified.

Mr. Woodruff stated that the CIP would only have a monetary value and not actually list the streets to allow for flexibility. If bids came in higher or lower, the list could be adjusted and would be provided to Council prior to awarding the bid.

In regard to the Solids Dewatering Bed project, Ms. Young stated that the sludge and grease removed from the lift stations were dried at a Hunter's Creek ONWASA site. The State identified that option as no longer being available, so staff would like to consider constructing a drying dewatering facility at the Land Treatment Site (LTS). The drying bed reduced the water content in the sludge and grease resulting in a lower hauling and disposal cost. The exact location at the LTS had not yet been determined and staff was also evaluating alternative options to offset operational costs such as partnering with others.

Ms. Young stated that the Emergency Water Interconnection was a joint project in connection with the Marine Corp Base. This project had been looked at between the City, ONWASA and the Base back in 2008. Last May the Base contacted the City to see if we were interested in this partnership again. It was proposed to be designed by the Marine Corp Base, but details were still being worked out. Funding would be in part by the Base.

Blue Creek School Road Water Improvements Phase I, another new project, would extend a water line near Yopp Road to Blue Creek School Road. The funding for this project in FY16 would be for preliminary engineering.

Councilman Bittner asked what the purpose of the project was. Mr. Woodruff said it was two-fold - one to expand the City limits in that direction because the property was currently not in the City and to set up the potential for a light industrial park which was being looked into by the property owners.

Ms. Young stated the proposed Commerce Road Extension had been discussed at length in other agencies. The extension construction would run parallel to Marine Boulevard. Staff was working with the developer for installation of a signal on Piney Green Road along with construction of a portion of the road with the hope that as development occurred, future developers would continue the road. The project in the CIP for FY16 would look at a feasibility study for the construction of a portion of the road four or five years out in partnership with NCDOT under the Strategic Transportation Investment Program.

Councilman Thomas asked if the houses on Country Club in line with Commerce would have to be purchased. Mr. Woodruff stated that in order to make the connection, at least one of

the homes if not more would have to be purchased. In looking at the strategic plan that the MPO put together, one of their goals was to redevelop the intersection of Piney Green Road and Highway 17, but it would not benefit the City. A subsequent study showed a series of parallel roads that could relieve some of the Highway 17 traffic, one being the extension of Commerce.

Ms. Young reviewed projects added to the CIP in future years. Mr. Woodruff stated that one of the three splash pads would move forward into the FY16 budget and there may be some Community Development Block Grant funding available to offset a portion of the cost provided that the splash pad was built in a target area.

Mayor Pro-Tem Lazzara said he did not see the potential replacement for the cemetery fence in the CIP. Mr. Carter stated that the fence was going to be installed and paid for by the Kovick estate and there had to be accountability with the Clerk of the Superior Courts office that the money was spent the way Mrs. Kovick wanted it to be spent. The best way to proceed was not to include the project in the City's CIP. As an update, Mr. Woodruff said they thought the house was sold, but unfortunately it did not work out. The committee working on the fence, which included the executor of the estate, identified the quality of the material for the fence and was beginning to look at installation with final design.

Councilman Bittner asked about the detention ponds downtown and the primary purpose for them. Mr. Woodruff reported that the larger detention facilities were eliminated as no credit would be received for them, but they were moving forward with the two ponds in the Sturgeon City project. The purpose was for water quality, not quantity. One of the detention ponds at Sturgeon City would also assist with some of the drainage. Mr. Massey stated the reduced number of ponds were in the FY15 CIP.

RECESS/RECONVENE

Mayor Phillips recessed the meeting at 5:56 PM for a short break. Mayor Phillips reconvened the meeting at 6:09 PM.

BEIRUT MEMORIAL GROVE

Glenn Hargett, Assistant City Manager provided a brief history relative to the memorial trees and the Beirut Memorial Grove. As a result of the autumn flowering cherry trees that were planted in the new grove not developing, a meeting was held between the State and City. Studies were conducted on the problems and issues, and it was decided that the City would handle the rebuilding.

Michael Liquori, Director of Parks stated staff read the report and what stuck out most was that the soils were in bad shape. They took their own samples to make sure the report was correct and found the soil's pH to be 8.8. The autumn cherry prefers a soil pH of 6.5. This would create a challenge if it was decided to move forward with the same tree. Mr. Liquori said he attended a Green and Grow show in January with horticulturist Jason Smith and Mike Worthington, owner of Worthington Farms in Greenville approached them about the Grove. They had a conversation with him and Dr. Barber Fehr from NC State about the best way to move forward, and it was agreed that another tree might be best to get the results we were looking for. The Chinese Pistache had great foliage throughout the year with the color changing to oranges and reds in the fall. It wouldn't be showing full color at the time of the Beirut Memorial observance, but would have significant fall color. There would still have to be treatments to the soil for the grass, but the tree itself was very hardy and could survive in that soil.

Mr. Hargett stated that the presentation seen by Council tonight was given by Mr. Worthington in front of a joint meeting of the Environmental and Appearance Advisory Committee and the Beirut Memorial Advisory Board. A motion was made by each of the boards that they unanimously adopted in favor of the Chinese Pistache and for advancing the City's plan. This was now being brought forward to Council to proceed with the advancement of the Beirut Memorial Grove.

Mr. Woodruff stated that NCDOT had funded the project to this point and agreed to put a reasonable amount of additional money into the project, but not to the extent of the work that needed to be done to replant the cherry trees. The site had an irrigation system and sod had been laid. If Council decided to stay with the cherry tree, a lot of new fill material would need to be brought in to build up or blend with the current soil in hope of bringing the pH down to 6.0. This would mean the irrigation system and sod would be lost. After negotiations, NCDOT agreed to stay with the project and replace the trees with whatever the City picked, but only this one time. An Interlocal agreement was being worked out where NCDOT will give the City \$175,000. The City asked not to send it back out to bid since the City would be responsible in the future. We wanted to be involved in the planting so we were sure the trees were installed to our standards. The goal tonight was to get Council's concurrence in changing the tree based on the recommendation from the advisory groups. Once that was accomplished, Michael Liquori and

Jason Smith would go to Tennessee where a grower had been identified that had the quantity of trees needed. The trees were container grown and would be hand selected by staff.

Councilman Bittner asked about the growth rate of the tree. Mr. Hargett said it could be 30 feet, but the grower didn't think it would get that tall in our area. Mr. Liquori stated that it was a slow growing tree which would give it a good foundation, but would take a little time to grow once planted. At five to seven years, the tree would give a real wow factor.

Councilwoman Washington asked about the longevity of the tree. Mr. Liquori felt it would be around 30 years.

Mr. Woodruff stated there would probably still be a mortality rate of 10 to 20% as with any large planting, therefore DOT agreed to authorize the purchase of 300 trees. The additional trees would be planted offsite to act as replacements if needed.

Councilman Thomas asked how long it would take. Mr. Liquori said the goal was to have the trees planted by late summer.

ADJOURNMENT

A motion was made by Mayor Pro-Tem Lazzara, seconded by Councilman Thomas, and unanimously adopted to adjourn the meeting at 6:27 PM.

Adopted by the Jacksonville City Council in regular session this 3rd day of March, 2015.

Sammy Phillips, Mayor

ATTEST:

Carmen K. Miracle, City Clerk

Exhibit "A"

Jacksonville City Council



Special Workshop Meeting
February 17, 2015

Agenda

1. Commercial Garbage Program Update
2. Capital Improvement Program
3. Beirut Memorial Grove




Commercial Garbage Program Update

Actions To Date
City Manager's Office & City Attorney

1. Waste Management Communication
2. Waste Industries Communication
3. Franchise Review
4. Driver Meeting
5. Bid Documents



Actions To Date
Staff

1. Route Analysis
2. Rate Changes
3. Bid Documents
4. Driver Input
5. Tire Research
6. User Group



City Attorney

Question: Can City Award Contract to Waste Management Now?	Answer: Yes
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Securing a Private Vendor

Service Contract

- Bid
- Negotiate

Decision

Exclusive or Nonexclusive?



Market Service

- **City Does Not Have to be Involved**
 - Wilmington
 - Greenville
 - Raleigh
- **City Ordinance** requires service
- Vendor by **Free Market**



Vendors Waste Management

- February 11, 2015
- Will bid or
- Negotiate
- Proposal vs Bids
- Proposal and bids
- Will Negotiate new contract – Not 2014 bid
- Employees
- Equipment Purchase



Vendors Waste Industries

- February 12, 2015
- Will bid
- Employees
- Equipment



WASTE INDUSTRIES



Bid Documents

- Key Points – March 3, 2015
- Documents with Alternatives
 - Service Approach
 - Billing and Collections
 - Other



Next Steps

1. Complete Bid Documents
2. Franchise Ordinance Review
3. Additional Research
4. User Group Input
5. Council Updates





**Proposed FY16-20
Capital Improvement Plan**

Deanna Young
Capital Projects Administrator

Capital Improvement Plan (CIP)

- 5 year window:
 - Current FY = Capital Expense
 - Future FY = Planning
- Shows cost or expenditure estimates
- Identifies probable sources of financing
- Evaluates, prioritizes and schedules projects



Capital Improvement Plan Comparison

Departments	FY2014	FY2015	FY2016
Community Programs	1	1	1
ITS	0	1	1
Fire	5	6	4
Police	1	1	0
Public Services	51	47	43
Recreation & Parks	21	15	14
Transportation	2	6	8
Total Projects:	81	77	71

Projects in Progress

Project Name	Prior Year	FY16 Cost	Project Cost
Sturgeon City Civic & Environmental Center	\$506,000	\$2,070,500	\$4,837,000
Inflow & Infiltration (I&I) FY15-16	\$65,000	\$515,000	\$580,000
Parkwood Regional Lift Station and Force Main	\$971,000	\$2,516,000	\$19,445,000
Western Trunk Sewer Phase I	\$285,800	\$235,800	\$7,806,000



Projects in Progress

Project Name	Prior Year	FY16 Cost	Project Cost
Park Lane & Stratford Water and Sewer	\$87,000	\$1,177,000	\$1,481,000
NC 24 Lejeune Trail & Greenway	\$838,000	\$1,189,899	\$2,027,899
Jacksonville Landing	\$1,746,207	\$53,648	\$2,060,700



New FY16 Projects

Project Name	FY16 Cost	Project Cost
FY16 Sidewalk Installation	\$100,000	\$100,000
FY16 Street Rehabilitation	\$830,000	\$830,000
Solids Dewatering Bed at LTS	\$152,000	\$152,000
Emergency Water System Interconnection – MCBCL	\$142,500	\$142,500



Street Rehabilitation

- Determine type of rehabilitation
- Increased budget by \$80K
- Identified 13 segments for repair
- Construction to begin each Spring



Street Segments

- | | |
|--------------|------------|
| Converse Dr | Plaza Dr |
| Heiress Wynd | West Ct |
| East Ct | Spargo St |
| Kerr St | Quality Ln |
| Chatham Ct | Sioux Ct |
| Pelletier Pl | Sioux Dr |
| Covington St | |



Solids Dewatering Bed at LTS

- Reduce water content from removed sludge
- Disposal cost much lower
- Existing bed undersized for demand
- Hunter's Creek drying beds not available
- Evaluating options to offset operational costs



Emergency Water Interconnection

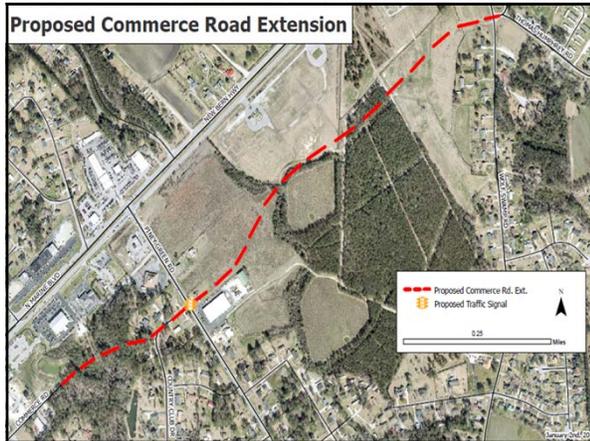
- **Interconnection** between both systems
- **Design** by MCBCL
- **Construction** in FY2016
- **Funded** in part by MCBCL



New FY16 Projects

Project Name	FY16 Cost	Project Cost
Blue Creek School Road Water Improvements Phase I	\$140,000	\$857,000
Rehabilitate Black Creek Wells	\$88,000	\$88,000
Commerce Road Extension	\$60,000	\$2,060,000





Projects Added to CIP

Project Name	Year
Park Splash Pads	2017
Downtown Rails to Trail Greenway	2017
Northeast Creek Park Restrooms & Shelter-East	2017
New Bridge St - Water & Sewer Replacement	2018
FY18 Water Line Replacement	2018
Northeast Creek Park Restrooms & Shelter-West	2018
Northeast Creek Bulkhead & Boardwalk Replacement	2018



Projects Added to CIP

Project Name	Year
New River Waterfront Boardwalk Replacement	2018
Zipline Park	2018
Northeast Creek Playground	2019
Water Supply Wells	2019
Sandy & Lakewood Dr - Water Line Replacement	2019
Texie Lane & Maypatch Rd Extension	2020
Richard Ray All-America Park – Walks & Shelters	2020



Next Steps

- Additional Council Workshops as needed
- Verify Funding & Project Management Capacity
- Prepare Final 2016 CIP
- Draft Annual Budget to Council – April
- Budget Public Hearing – May
- Annual Budget Approval – by June 30, 2015

