

MINUTES
SPECIAL WORKSHOP MEETING
CITY COUNCIL

October 5, 2020

Ronnie Thompson, Mayor

Sally W. Sandy, City Manager
Louis E. Vinay, Jr., City Attorney

Wendy Cato)
Christopher Hawkins) Council
Chris Jernigan)
Butch McSwain)

The meeting was called to order in the Council Chamber at City Hall at 4:15 p.m. by Mayor Thompson.

Others in attendance included: Brooks Kirby, Director of Electric Services; John Steel, Electric Department; Sonja Marston, Assistant City Manager; A.J. Molnar and Steve Phillips of Southeastern Consulting Engineers.

Sally Sandy, City Manager, explained that the purpose of this meeting was to receive a proposed draft of the 10-year Asset Management Plan for Electric. The Mayor asked Brooks Kirby to introduce Steve Phillips and A.J. Molnar. Kirby stated the City selected Southeastern Consulting Engineers several years ago to help with electrical system plans and repairs and that Molnar and Phillips would present the long range plan.

Molnar explained the focus of the report and how they went about assessing our system. Molnar gave an overview of our system stating the City has 8,200 customers, 18 linemen, and over 220 miles of overhead and 30 miles of underground lines and 5 substations (or delivery points).

The Mayor asked if there were limits to the number of circuits in each delivery station. Molnar stated there are engineering limits; transformer size, spatial limitations, and rating limitations.

Molnar stated that Delivery No. 1 (Rand Street) has aging facilities, there are problems with safety clearances between personnel and live equipment, we share access with Case Farms personnel, it is the heaviest loaded station, and on land not owned by the City. They recommend replacement of this substation. Molnar stated the City has forecast plans for multiple apartment buildings as well as college campus growth and expansion in this area.

Molnar stated that Delivery No. 4 (Parker Road) is showing its age and beginning to stretch its limits for what it can serve reliably.

Molnar stated there are four main areas for capital improvement. They are:

| | |
|-------------------------|--------------------|
| System improvements | \$7,847,612 |
| Rejuvenation projects | \$1,665,924 |
| Maintenance / scheduled | \$3,961,320 |
| System modernization | <u>\$4,421,218</u> |
| Total over 10-years | \$17,896,074 |

The City Manager stated that it is good to have a roadmap of where we are going and this helps staff prioritize needs. She stated this information will go into our rate setting discussions over the next 10 years. She reminded the Council that this is a planning tool. Each year it will be revisited and reassessed in light of new information and/or additional needs.

The consulting engineer talked about some of the detailed projects in each of these categories.

Councilman Hawkins said this is helpful to give Council and staff direction.

The City Manager stated the electric service we provide to the community gives us a sense of pride. She stated that what is appealing for young people is green power; then she went on to say we have over 90% green power because we get our power from a nuclear plant and the carbon footprint of that is zero. We also use hydro-generation and zero coal generation. Those are things we don't talk about enough.

Councilwoman Cato asked when Rand Street is switched over, is it required we clean that area up. Molnar stated that was Duke Power's property, we take everything down to the ground level and walk away. The City Manager stated that some things will be reused at the new station, others will be sold and recycled.

Councilwoman Cato asked about the electric service at the Burke Business Park. The City Manager stated that at the regular meeting following this meeting, the Council would vote on allowing BDI to grant an easement to take City electricity into the park. The City Manager stated that at the Business Park it is a customer choice area between REMC, Duke and City; however, Duke has indicated they have no interest in serving the area.

The Mayor asked Brooks Kirby about Rand Street and the progress on that project. Brooks stated they are negotiating with NCSSM to get the easement finalized and the new substation built and ready before the new school opens. The Mayor asked if this new substation would help with providing service to the Silo Ridge Apartments. Brooks stated yes this would help. The Silo Ridge property is between Parker Road and the

new proposed substation which will give redundancy; should one side go out the other side will kick in.

There was no action taken at this meeting.

Adjournment – The meeting ended at 5:13 p.m.

Preparation of Minutes. These minutes were prepared by Mikela D. Russell, Assistant City Clerk. Copies of all resolutions, ordinances and orders referenced in these minutes are intended to be incorporated into these minutes as if fully set forth herein. Prior to including them into the official minute book, the minutes have been read and approved by the City Manager and the City Attorney, then distributed to each member of the City Council for further review and final approval, at a subsequent Council Meeting.

Mayor

Assistant City Clerk