

MEMORANDUM

To: Mayor and Board of Aldermen

From: Barry Webb, Interim Town Manager

Re: Weekly Report

Date: June 3, 2016

ELECTRICAL OUTAGE

Earlier today, we experienced a power outage affecting customers in the area of Dallas-High Shoals Highway and Park Road. Electric Director Doug Huffman reported to me that the problem involved a main circuit that runs through pipe under US 321. It appears that a squirrel got into the pipe and chewed through one of the three wires. In order to deal with this, our Electric Department had to back-feed power from an alternate path and re-route the feed to isolate the damaged cable. In order to do this, they needed to tie the Dallas-Cherryville Highway circuit into the 321 circuit. That work could not be done hot, so the Cherryville circuit had to be momentarily shut down while the tie in was made. Power was restored to all customers by 11:00 a.m.

COAL ASH ISSUE

One of the main items on the agenda for your special meeting on June 28, 2016 will be a discussion of Duke Energy's coal ash issue and its potential financial impacts for the Town of Dallas. This discussion will be led by the attorney who has been representing Dallas and other municipalities in negotiations with Duke over the coal ash cost recovery issue. Late last week, Doug, Maria and I met with David Johnson of Duke Energy to hear Duke's update on the status of its coal ash ponds in regards to State regulations, as these will have a major bearing on the final coal ash recovery costs.

Based on the information provided by Mr. Johnson, the NC Department of Environmental Quality (DEQ) has now issued its proposed risk classifications for all of Duke's coal ash ponds. Beside the four "high" priority risk classifications that had been previously identified, DEQ has now proposed that all other ponds be classified as "intermediate" risks, with no ponds receiving "low" risk classifications. If this determination stands, it will add significant costs to the coal ash basin closures, as all ash would have to be removed from the current sites rather than capped at those sites. Mr. Johnson indicated that the next sixty days will be crucial, as these proposed rankings will become final at that time unless they are changed by the Coal Ash Management Commission. At this point, however, that Commission does not exist. The NC legislature is looking at re-establishing this group after the original Commission was disbanded by Gov. McCrory and found by the courts to have been improperly established. The Governor has indicated that he would veto any legislation re-establishing the Commission, so this whole matter is very uncertain at this point.

We will hopefully know more about where things may stand on all of this by the time of the presentation on June 28th.

PROJECT UPDATES

Trade Street Intersection Improvements Project: BERCO is now moving ahead with placement of the mast arm poles, having secured access to the Public Works lot where the poles are stored. Erection of the mast arm poles has already begun at the Trade Street/Gaston Street intersection. Concrete work by Tarpon has also continued this week, although yesterday's rains did affect that work.

CMAQ Sidewalk Project: Bill Trudnak, Johnny Denton, and I will be meeting on Monday to discuss updated cost estimates for the new CMAQ sidewalk project application that we are now looking to submit to NCDOT. As previously discussed, this new application will essentially combine the two previous applications into one combined project for sidewalk extensions along NC 275/279 and US 321B in the Gaston College area. The time required to come up with a current cost estimate will determine when we are able to submit the application to the Gaston-Cleveland-Lincoln MPO for its approval prior to it going on to NCDOT. We will also have a resolution endorsing the new application on the agenda of either your June or July meeting, depending on how the timing works out.

Town Hall Paring Lot Improvements Project

Doug Huffman has requested a meeting next week with the representative of AT&T to get an update on their review of our Agreement for Joint Use of Poles, which, in our view, provides authorization for AT&T relocation of its lines that need to be moved for the parking lot project. Based on that agreement, it is our position that this relocation should occur without any cost to the Town.

DEPARTMENTAL UPDATES

Electrical Department work related to the Gazebo project will be complete and power on in time for the event scheduled next week. The Public Works staff worked at the Gazebo site this week to place all of the sod on the site.

SUMMER CONCERT SERIES

The first show in this year's Summer Concert Series will be held next Friday, June 10th when Layla McCalla performs. This program is jointly sponsored by the Gaston County Museum of Art & History, the Town of Dallas, and Gaston County Travel and Tourism. This is the concert for which special funding was approved by the Board of Aldermen in March.