

MINUTES
MEETING OF THE VALDOSTA CITY COUNCIL
5:30 P.M., THURSDAY, JANUARY 11, 2024
COUNCIL CHAMBERS, CITY HALL

OPENING CEREMONIES

Mayor Scott James Matheson called the Regular Meeting of the Valdosta City Council to order at 5:30 p.m. Council members present were: Thomas McIntyre, Andy Gibbs, Sandra Tooley, Eric Howard, Tim Carroll, Nick Harden, and Vivian Miller-Cody. The invocation was given by Pastor Mike Wells, New Covenant Church, followed by the Pledge of Allegiance to the American Flag.

READING OF THE 2023 MUNICIPAL ELECTION RESULTS

Richard Hardy, City Manager, stated that the results of the 2023 General Municipal Election held on November 7, 2023 and the Run-Off Election held on December 5, 2023 have been certified by the Lowndes County Board of Elections. The results for the Valdosta City Council are as follows: (1) Valdosta Mayor - Fallon Harris received 127 votes, Scott James Matheson (Incumbent) received 2,650 votes, J. D. Rice received 2,447 votes, and Unresolved Write-in votes received 6. (2) Valdosta City Council District 1 - Yurshema D. Flanders received 310 votes, Vivian Miller-Cody (Incumbent) received 452 votes, and Unresolved Write-in votes received 3. (3) Valdosta City Council District 3 - India Bell received 176 votes, Thomas B. McIntyre, Sr. (Incumbent) received 347 votes, and Unresolved Write-in votes received 4. (4) Valdosta City Council District 5 - Tim Carroll (Incumbent) received 1,613 votes, and Unresolved Write-in votes received 14. (5) Valdosta City Council At Large - Nick "Big Nick" Harden received 2,384 votes, Bill Love received 1,347 votes, Alvin Payton, Jr. received 992 votes, and Edgar "Nicky" Tooley received 296 votes, and Unresolved Write-in votes received 16. Results of the General Municipal Run-off Election held on December 5, 2023 have been certified by the Lowndes County Board of Elections and they are as follows: (1) Valdosta City Council At Large - Nick "Big Nick" Harden received 1,520 votes, Bill Love received 756 votes, and Unresolved Write-in votes received 0.

Mayor Matheson entertained a motion to approve the reading of the 2023 Municipal Election Results.

A **MOTION** by Councilman Carroll, seconded by Councilman Gibbs, was unanimously adopted (7-0) to approve the reading of the results for the 2023 General Municipal Election.

OATHS OF OFFICE

The Honorable Jeremy Baker, Judge of City of Valdosta Municipal Court, administered the Oath of Office for Mayor Scott James Matheson, Councilwoman Vivian Miller-Cody (District 1), Councilman Thomas McIntyre (District 3), Councilman Tim Carroll (District 5), and Councilman Nick Harden (At Large). Copies of the Oaths of Office are on record in the permanent file of the January 11, 2024 Regular Meeting of the governing body.

ELECTION OF MAYOR PRO TEM AND OATH OF OFFICE

Mayor Matheson entertained nominations from Council for the office of Mayor Pro Tem. Councilman Carroll placed into consideration the name of Councilman Andy Gibbs. There being no other nominations, Mayor Matheson closed nominations. Councilman Gibbs was appointed to serve as Mayor Pro Tem by acclamation.

The Honorable Jeremy Baker, Judge of City of Valdosta Municipal Court, administered the Oath of Office for Mayor Pro Tem to Councilman Andy Gibbs. A copy of the Oath of Office is on record in the permanent file of the January 11, 2024 Regular Meeting of the governing body.

APPROVAL OF MINUTES

The minutes of the Regular Meeting held on November 9, 2023 were approved by unanimous consent (7-0) of the Council.

RESOLUTION NO. 2024-1, A RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION WITH THE GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS (DCA) FOR A COMMUNITY HOUSING INVESTMENT PROGRAM (CHIP) GRANT TO FUND REHABILITATION OF HOMES LOCATED WITHIN THE DESIGNATED REVITALIZATION AREA (DRA) OF THE CITY OF VALDOSTA

Consideration of a Resolution authorizing the filing of an Application with the Georgia Department of Community Affairs (DCA) for a Community Housing Investment Program (CHIP) Grant to fund rehabilitation of homes located within the Designated Revitalization Area (DRA) of the City of Valdosta.

Anetra Riley, Neighborhood Development & Community Protection Manager, stated that the City has been a recipient of Community Home Investment Program (CHIP) Grant funding previously from the Georgia Department of Community Affairs (DCA) from 2006 through 2017 to assist in addressing the housing needs of our community. In previous years when funding was awarded to the City, both the Valdosta Public Housing Authority (down payment assistance) and Valdosta/ Lowndes County Habitat for Humanity (down payment assistance and rehabilitation) benefited from the financial support this funding source placed in the community to assist with affordable housing. DCA offers this Grant to provide homeowner rehabilitation of single-family homes for low to moderate-income families who are eligible for program services. The City of Valdosta will submit the Grant seeking to apply for the maximum amount allowed per applicant for owner-occupied housing rehabilitation, which is \$400,000. The funding will be utilized to complete single-family rehabilitations. The Grant requires up to 15% cash/in-kind match and a \$250.00 application fee payable to the Georgia Housing and Finance Authority. A Resolution has been prepared authorizing the Mayor to execute and file an application with the Georgia Department of Community Affairs to apply for Grant funds to assist in addressing the City's housing issues. Anetra Riley, Neighborhood Development & Community Protection Manager, recommended that Council approve the Resolution authorizing the filing of an application with the Georgia Department of Community Affairs to apply for Grant funds to assist in addressing the City of Valdosta's housing issues.

A MOTION by Councilwoman Miller-Cody, seconded by Councilwoman Tooley, was unanimously adopted (7-0) to enact Resolution No. 2024-1, a Resolution authorizing the filing of an Application with the Georgia Department of Community Affairs (DCA) for a Community Housing Investment Program (CHIP) Grant to fund rehabilitation of homes located within the Designated Revitalization Area (DRA) of the City of Valdosta, the complete text of which will be found in Resolution Book VII.

BIDS, CONTRACTS, AGREEMENTS, AND EXPENDITURES

Consideration of a request to approve a Contract for AMI monitoring services for the City of Valdosta.

Chuck Dinkins, Finance Director, stated that the City of Valdosta's current AMI monitoring services provider (SET Flow Technologies) has filed Chapter 11 and will soon discontinue operations. This will render the City's AMI network unable to communicate unless a substitute solution is found. The City currently has 22,516 endpoints with current active transmissions of 15,806. The bankruptcy process will liquidate SET Flow's assets for the benefit of its creditors. Fenix Corporation has petitioned the Bankruptcy Court to acquire the software and other technologies behind the City's current AMI monitoring service. Fenix is planning to offer AMI monitoring services utilizing SET Flow's existing software and communication methods. It will also contract for the manufacture of new endpoints to maintain and extend AMI networks. Fenix has offered the City a contract to monitor and report readings from the existing network at a rate of 1.10 per reporting endpoint per month. At the current the current communication rate, this would amount to \$17,387 per month or \$208,639 annually. If the system were read at 100%, the cost would be \$24,768 per month or \$297,211 annually. The contract would be month-to-month initially, but Fenix will offer additional services to include the sale of endpoints. This contract will allow the City to continue receiving remote reads without interruption. The City will then be able to evaluate Fenix's services or look for other solutions. Chuck Dinkins, Finance Director, recommended that Council approve the contract with Fenix Corporation for AMI monitoring services for the City of Valdosta.

Councilman Howard inquired as to what we had contracted with AMI to do for the City of Valdosta. Chuck Dinkins stated that AMI is Automated Meter Infrastructure and the meters are currently hooked up to an endpoint which looks like the cap of a mushroom. It sticks up out of the base of the meter box and it is basically a

rudimentary cell phone. The meter tells the endpoint what the readings are and then it sends a text message back to the system. The system then inputs the data into our billing software. Without the middleman, the data package cannot get from the meter back to our billing system.

Councilwoman Tooley inquired about the monitoring system and what was being monitored. Chuck Dinkins, Finance Director, stated that it was monitoring the readings for the water/sewer utilities. Councilwoman Tooley inquired as to whether the citizens would see the additional cost on their bill. Chuck Dinkins stated that they would not see that immediately but it would be something we will have to work out long term as to how we pay for that. There should not be any impact to the citizens this Budget year.

Councilwoman Miller-Cody stated that you are saying that this company filed bankruptcy and during the next Budget year, the citizens will have to pay for the company who filed bankruptcy. That is unfair to the citizens. Chuck Dinkins stated that they are not paying for that company but for the new one. Councilwoman Miller-Cody stated that it is like she lived in the house, she tore it up, and to get the house repaired, the next person coming in to rent the house will have to pay for the repairs. That is still unfair to our citizens because we should have sued the company that filed bankruptcy and make them pay instead of the citizens. Chuck Dinkins stated that unfortunately, when you are in bankruptcy, assets are not there to recover. Councilwoman Miller-Cody inquired as to whether he was notified what the company was doing because our citizens were complaining about their water bills before the company filed bankruptcy. Chuck Dinkins stated that is correct. There were some issues with endpoint failures. Councilwoman Miller-Cody stated that even the company that came in and put the meters down had no experience in putting in the meters. There were problems when they were placing the new meters in. That should have been a red flag to the City from the beginning. Chuck Dinkins stated that was an issue they had in the past. The meter installation had some problems but the issue we have at this time is the endpoints and not the actual meters. Councilwoman Miller-Cody stated that it all falls under the bankruptcy. Chuck Dinkins stated that the issue at hand does fall under the bankruptcy. Councilwoman Miller-Cody stated that it is still unfair to the citizens. You have senior citizens on a fixed income and if you go up on their water bill either \$2.00 or \$.50, that is a burden to the citizens and even to herself. If her water bill goes up \$10.00 then that will make her not to be able to buy eggs somewhere else. This is unfair to the citizens if they agree to this and then in the next Budget they will go up on the water bill fees. She did not think they should do that.

Mayor Matheson inquired as to how many other cities and municipalities were affected by this bankruptcy. Chuck Dinkins stated that they were 25-30. Tim Tanner, City Attorney, stated that it was filed in Delaware and they were listed as creditors. There were four pages with 100 on each page. We were not the largest system but the one in Savannah was affected more than us. Others included Roswell, New Mexico, and a host of others. Mayor Matheson stated that this is very frustrating and it has left a lot of cities hanging. We are now going to fight to find a company next year so we do not have to go up on the water bill. Councilwoman Miller-Cody inquired as to whether we could get that in writing. Mayor Matheson stated that is what we are trying to find. Councilwoman Miller-Cody stated that he is saying that in the next Budget we could go up on the citizens water bill so they are covering their tracks either way we go. It is still going to affect the citizens if we do not put a clause in there now. Richard Hardy, City Manager, stated that we evaluate our water rates every year based on the water that is supplied. When we bring forward the Budget for FY25, we will evaluate everything to make sure that we bring a Budget that will take care of the City and our citizens.

Councilman Gibbs inquired as to what our per reporting endpoint was for the other company. Chuck Dinkins stated that when the other company came in, they bundled a package that included cell service for a period of 30 years so we were covered by the Contract for basically the life of the endpoint. Councilman Gibbs inquired as to how much we were paying per endpoint and if it was based upon a payment per endpoint (i.e., cost per citizen per house). Chuck Dinkins stated that it was part of the purchase price of the original endpoint. The cell service is approximately \$.55 per month per endpoint. We were not paying that routinely because that was hooked into the price of the endpoint. Councilman Gibbs inquired as to whether the cost to the citizens changed at the time the Contract was signed. Chuck Dinkins stated that it did not change at that time. Councilman Gibbs stated that what we are saying now is that it was \$.55 per endpoint. Chuck Dinkins stated that was for the monitoring piece of it. There is another \$.60 roughly for IT infrastructure from the new company. Councilman Gibbs stated that he was talking about the company that just went bankrupt. He was trying to get an understanding of how much it was per water meter. Was it broken down for that or did we just pay a big price? Right now, you are saying that it is \$1.10 per endpoint/meter/address. Councilman Gibbs inquired as to how much it would be for the other company.

Chuck Dinkins stated that the other company was not charging us a monthly fee. They were not charging us anything from month-to-month. It was basically a pre-paid cellular plan when we bought the original endpoint. Councilman Gibbs stated that we paid for it up front and inquired as to how many years. Chuck Dinkins stated that was correct and we paid for 20 years. Councilman Gibbs stated that he was trying to find out what we paid them per meter and what we would be paying now to see if we were in line. Chuck Dinkins stated that it was approximately \$1.80 per endpoint and a piece of that would be attributable to the cell service. It was not broken out as to how much was for the hardware and how much of it was the cell service.

Councilman McIntyre inquired as to the percentage of water meters that are affected in the City. Chuck Dinkins stated that it is approximately 99%. We have a few of our larger meters that are not on it but it would be basically 100% of the residential meters.

Councilman Harden inquired as to whether this will be an additional fee that we are going to have to pay now. Chuck Dinkins stated that was correct. Councilman Harden inquired as to whether this would be a monthly Contract and if another solution was found a change could be made. Chuck Dinkins stated that was correct and we are obligated month-to-month. Councilman Harden stated that the other option would be to go back to meter readers and that would cost us a lot more. Chuck Dinkins stated that was correct. It would be more expensive and less granular meaning that right now we get a reading that tells how much water you used in the last hour. If we go back to meter reading, it would tell us how much water you used in the last month. We have to consider the impact of having the meter readers in the street every day and being exposed to the elements. Councilman Harden inquired as to whether there was any way for us to recoup any of the funds in bankruptcy. Chuck Dinkins stated that they are in bankruptcy and we anticipate recouping something; however, it will not be the full dollar amount that we are due. Tim Tanner, City Attorney, stated that we have a deadline in May to file our proof of claim for all governmental parties but we are going to try to pump that number up legitimately because of all the warranty claims they are defaulting under. In reality, we may not even recover a fraction of that.

Councilman Gibbs inquired as to whether we could get a breakdown to compare apples to apples. If a citizen asks him how much we were paying the other company with the endpoint, he would like to say that we were paying \$.60 or \$.70. If all we are seeing is a \$.40 difference, then that makes people feel better to some degree. We have paid the \$1.85 out of pocket for each address which is approximately \$22,000 for endpoints. Chuck Dinkins stated that the total cost would be approximately \$4.4 million and part of that was for the hardware. He can figure the cost of 20 years of cell service and take the present value. It works like a loan. When you borrow money for a car then you have to pay interest in addition to principal. You would have to back out the interest and the difference would be the cost of the hardware.

Councilwoman Tooley stated that with bankruptcy it is hard to recoup money. Since this would not immediately affect the citizens, maybe Council and Staff could look at some type of Grant Funding. We could possibly offer a discount on their water bill.

Mayor Matheson stated that the State just announced some Federal Infrastructure Grants. This is not a good deal all the way around. The failed endpoints are why that company is going bankrupt because it was going to add up with all the 400 plus cities. It is one of those things that you go with the best replacement option and what we are doing tonight is taking a temporary option and moving forward with it.

Councilwoman Miller-Cody stated that the City was notified about what was going on before they even filed bankruptcy. We need to admit that. We were notified that this company was having problems because we were having problems with the meter readers. We were adjusting the citizens water bills because they were coming out so much higher than what they were using. We do not need to pretend that everything was going perfect with this company because it was not. They were over charging and we were not doing anything to prevent that. Richard Hardy, City Manager, stated that we did not have a problem with the meters but with the endpoints. Anything that went through the meter was accurate. It was just the signal going from the endpoint to the billing software. We knew about this and we were working on it. The company filed for bankruptcy because they were overwhelmed and could not fix the endpoint problem.

Councilman McIntyre inquired as to how we could prevent this from happening moving forward. Chuck Dinkins stated that we need to look at the financial health of the company and look for a solution that allows for

more of a “pay as you go.” One of the big problems we are having is that the company is obligated to us for the cell contracts and we need to not put ourselves in a position where we are not putting service and hardware in the same bucket. Councilman McIntyre stated that was a lot of money that was put forward and that left the City vulnerable.

Councilwoman Miller-Cody inquired as to whether there was 30 days for us to decide to take this company. Tim Tanner, City Attorney, stated that there is a 30-day cancellation period. Councilwoman Miller-Cody inquired as to whether they could table the request until the Finance Director is able to provide the information that Councilman Gibbs asked for. Chuck Dinkins stated that 30 days allows us to get out of the Contract and if we table this, then in a few days, we will be without the ability to receive the signals from the endpoints. Tim Tanner stated that the Bankruptcy Court approved the motion yesterday that was filed by Fenix to accept and receive the proprietary knowledge and that is why we would like to enter into a 30-day period to be able to have those endpoints communicate from the meter to the server. There may be an additional product down the line that we could look at, but those additional products do not operate with the system we currently have in place. At this moment, this may be the only game in town.

Councilman Carroll stated that in his 16 years in office, this is the first time that he has ever heard of a vendor for the City of Valdosta filing bankruptcy. This is a very unusual situation that has occurred. Chuck Dinkins stated that this is a technology vendor and they are inherently more risky than your typical brick and mortar vendors.

A MOTION was made by Councilman Carroll to approve the Contract with Fenix Corporation for AMI monitoring services for the City of Valdosta. Councilman Gibbs seconded the motion. The motion was adopted (6-1) with Councilwoman Miller-Cody voting in opposition.

CITIZENS TO BE HEARD

George Boston Rhynes, 5004 Oak Drive, stated that this is the first time he has seen so many Blacks on Council and he appreciated them being elected and to think enough of our form of government to run for office. As you sit here and represent the people in our community, he is asking that they keep in mind Ruth Council, Willie Houseal, Bunnis Williams, and others who fought for Black people to be elected in government. Black or White does not make it right, but right always makes it right. Most of the time when he comes before Council, he does not come on his own. People call him and he responds to them. He got a call from the family of Samuel Johnson who was killed in a car accident and he went and spoke with the family Attorney. He did not volunteer to do that. They called him. He will ride the horse until it returns to the stable. That is what he does. He does it across the State of Georgia. He has thousands of videos and over two million views on his YouTube Channel. There are books that are coming out and there is a lot that is going to be written because the historic archival records should never be lost. Somebody has to write something so future generations will know that we had a majority. Whatever you do, don't just do it for Black people and don't just do it for White people. They need to be like him and stand for all the people. When he leaves here, he wants to be known for that and he wants Council to be known for the same thing.

Louis Gordon, 2 Shanna Circle, stated that this year is a year for action. We have a lot of issues that we need to tackle in Valdosta such as homelessness and hunger. These children need something to do. They need direction and opportunity.

CITY MANAGER'S REPORT

Richard Hardy, City Manager, congratulated the Council Members who were re-elected and newly appointed and he is looking forward to working with everyone. The City will be partnering with the Stomp Out Homelessness Event on January 13, 2024, from 12:00 p.m. to 4:00 p.m. at Unity Park. The Annual Bird Supper will be held on January 17, 2024 at 5:00 p.m. at The Depot in Atlanta. The Young Game Changers Steering Committee will be meeting here in Valdosta on February 1, 2024 at 10:00 a.m. at The Woman's Building.

Councilwoman Miller-Cody stated that she thought they moved the Stomp Out Homelessness Event to Crossing Jordan Church and asked the City Manager to check on that.

Councilman McIntyre stated that what George Rhynes does makes a difference because he is there to fill in the gaps. There would be a lot of things that go unnoticed if it were not for his observations and recordings and we all appreciate it.

Councilman Harden thanked the Council for their support as a new Council Member and he is looking forward to serving. We need citizens to become involved in our community. We are going to get out there and work. It takes the community and he is excited to be a part of it.

Councilwoman Miller-Cody stated that she has guests from Lawrenceville, Georgia and from Texas. Her son and her Cousin drove to Valdosta just to be with her and she is honored.

Councilwoman Tooley stated that she is always happy to see citizens at the Council Meetings. The citizens need to tell Council what their thoughts are. They don't always know so come to the Council Meetings and work together. We can make Valdosta even greater and a wonderful place to live. Also, her Sorority, Sigma Gamma Rho, were present at the Council Meeting tonight to support Councilman Harden.

ADJOURNMENT

Mayor Matheson entertained a motion for adjournment.

A MOTION by Councilman Carroll, seconded by Councilman Tooley, was unanimously adopted (7-0) to adjourn the January 11, 2024 Regular Meeting of the Valdosta City Council at 6:38 p.m. to meet again in Regular Session on Thursday, January 25, 2024.

City Clerk, City of Valdosta

Mayor, City of Valdosta