

## MINUTES

Regular Meeting: Workshop Session  
George W. Clay, Jr. Utility Operations Center

August 3, 2009  
Monday, 6:00 p.m.

**Present:** Mayor W. Ted Alexander, presiding; Council Members Christopher H. (Chris) Mabry, Jeanette D. Patterson, Michael R. (Mike) Royster, Joel R. Shores, Jr., Andrew L. Hopper, Sr.; City Manager Rick Howell, City Attorney Robert W. (Bob) Yelton, City Clerk Bernadette A. Parduski, CMC, Director of Finance Theodore B. (Ted) Phillips, CPA, Director of Human Resources Deborah C. (Deb) Jolly, Director of Utilities Brad R. Cornwell, PLS, EI, Fire Chief William P. Hunt, Director of Public Works Daniel C. (Danny) Darst, Director of Parks and Recreation Charlie Holtzclaw, Director of Planning Services Walter (Walt) Scharer, AICP; and media representatives

Mayor Alexander called the meeting to order at 6:00 p.m. and welcomed all who were in attendance. Mr. Mabry gave the invocation and Mr. Yelton led the *Pledge of Allegiance*.

**A. Approval of Agenda:**

- 1) Motion to adopt the proposed agenda

**ACTION TAKEN:** Upon a motion by Mr. Hopper, second by Mr. Royster, City Council voted unanimously to approve the agenda as presented.

**B. Special Presentations:**

- 1) Recognition of the Mayor's Outstanding Volunteer Service Recipient for August 2009: Miguel H. Altamirano

Mayor Alexander introduced Miguel Altamirano of Jinotega, Nicaragua, Shelby's Sister City, and deemed to honor him for his service and assistance with the logistics of the Sister Cities International Program in Nicaragua. The Mayor recognized Maria Espinal, the sister of Mr. Altamirano, and members of the Greater Cleveland County Baptist Association in attendance. Also present was Jose Espinal, acting as interpreter.

Mayor Alexander presented a framed certificate to Mr. Altamirano on behalf of the City of Shelby.

Mr. Altamirano, through Mr. Espinal, expressed heartfelt appreciation and gratitude on behalf of the people of Jinotega, Nicaragua to the Mayor and the City of Shelby.

## 2) Reverse Angle Parking – Walter Scharer, Director of Planning Services

Mr. Howell introduced the concept of reverse angle parking prior to Mr. Scharer's presentation. Although reverse angle parking has limited application, he stated the potential purposes include traffic calming as well as a means to increase the availability of on-street parking in a particular area. Mr. Howell said no specific action will be requested or is necessary by Council at this time; however, staff is seeking Council's input.

As background information, Mr. Scharer reminded Council that the Comprehensive Pedestrian Plan adopted in 2007 recommended several traffic calming initiatives one of which is reverse angle parking or back-in diagonal parking. Mr. Scharer explained that instead of angle parking that allows a car to quickly enter a space, and then have to back out of it rather blindly, many municipalities have been considering reverse angle parking. Mr. Scharer then utilized a video to demonstrate the method of reverse angle parking which requires the driver to pull in front of the space on the roadway and then back into the parking lot. This gives easy access for the driver, the passengers, and the vehicle's payload to the sidewalk without having to first shut the door. The open door also acts as a buffer to keep small children from moving towards the roadway when exiting the vehicle. When the car is ready to leave the parking space, the driver has a clear view on their side of the vehicle of oncoming traffic and can maneuver easily into the flow. With reverse angle parking, Mr. Scharer stated that parking spaces in an area could almost double depending on the angle utilized, traffic calming would be implemented, and increased safety to motorist and pedestrians could be accomplished.

Additionally, staff has considered testing this type of parking on a City street that could use some traffic calming treatment and focused specifically on South Washington Street between Holland Street and Pinkney Street. Prior to the possibility of a trial implementation, Mr. Howell stated that staff would have direct contact with property owners, businesses, and residents who may be affected to get their initial feedback.

As part of the educational component for the sake of the public, Mr. Scharer concluded his presentation with a rendering of what a posted reverse angle parking sign may look like courtesy of the City of Baltimore, Maryland.

Council received the information and discussed the parking possibilities along with the concerns including the public's reaction, safety issues, and traffic congestion.

By consensus, Council requested staff to further investigate the use of reverse angle parking for their consideration.

**C. Consent Agenda:**

**ACTION TAKEN:** Mayor Alexander presented the consent agenda. Mrs. Patterson made a motion to approve the consent agenda and each item as presented. After a second from Mr. Shores, the consent agenda and following items were unanimously approved:

- 1) Approval of the Minutes of the Regular Meeting of July 20, 2009
- 2) Approval of Amended Special Event Permit Application:
  - a. Shelby Fall Festival, Livermush Expo with Motorcycle Poker Run, and Art of Sound Music Festival on October 24, 2009

**END CONSENT AGENDA**

**D. Unfinished Business:**

- 1) Consideration of appointments to City Advisory Boards and Commissions:
  - a. Planning and Zoning Board

Mrs. Parduski reported that two incumbents, Janet Berry and John Barker, Jr., have recently submitted their respective resignations. The vacancies include one opening for an Extraterritorial Jurisdiction (ETJ) member with an unexpired term concluding June 2011 and a second opening for an inside member with an expired term concluding June 2010. There is one application on file in the Clerk's Office that of Peter Potemkin.

By consensus, Council requested a notice of the vacancies be posted on the City's website. Council also elected to continue the recruiting and nominating process for applicants.

**E. New Business:**

- 1) Consideration of a resolution implementing a Volunteer Screening Policy: Resolution No. 52-2009

Mr. Howell provided background information on the Volunteer Screening Policy by stating that for many years the Parks and Recreation Department utilized informal policies and processes to screen volunteer youth sports coaches. Up to this point, no formal written policy or procedure has existed as to how a volunteer screening policy should work and left a significant amount of discretion up to staff. If Council finds the policy to be satisfactory, Mr. Howell recommended approval via Resolution No. 52-2009.

Mr. Holtzclaw introduced the new City of Shelby Parks and Recreation Department's Volunteer Screening Policy and stated the purpose is to quickly retrieve the most accurate national information at a reasonable cost with a clearly defined process and disqualifying factors. After researching and reviewing numerous policies, this recommended policy meets the standards of the National Recreation and Park Association (NRPA) and has been implemented and tested nationally as well as in the State of North Carolina. Mr. Holtzclaw stated that confidential background investigations will be conducted annually for all volunteer youth coaches and other volunteers for certain programs and events as deemed necessary. Mr. Holtzclaw added that Mr. Yelton reviewed the policy. He noted it will give City staff, parents, and players a better sense of security utilizing a nationally recognized and NRPA approved background screening consultant. Mr. Holtzclaw said the policy lacks the recommended guidelines for a photo identification system to issue volunteer credentials to all volunteers who are approved. He anticipated having this system available in the very near future.

Council discussed extending the policy Citywide to include all volunteers and may consider that option sometime in the future.

Mr. Mabry reported that the Parks and Recreation Advisory Board endorsed the Volunteer Screening Policy as proposed.

**ACTION TAKEN:** Upon a motion by Mr. Shores, second by Mrs. Patterson, City Council voted unanimously to approve and adopt Resolution No. 52-2009 entitled, "A RESOLUTION IMPLEMENTING A VOLUNTEER SCREENING POLICY".

**2) Consideration of a resolution amending the City of Shelby Interruptible Gas Service Tariff and Contract: Resolution No. 53-2009**

By way of introduction, Mr. Howell explained that interruptible natural gas service rates were originally set up to allow users of significantly large volumes to benefit from lower rates not only because they were heavy users but also because they maintained an alternative energy source that would allow them to interrupt on short notice should the City face a mandatory

volume reduction from the Williams Transco Pipeline often referred to as an Operational Flow Order (OFO). The proposed update of Schedule 44 as well as the standard contract for interruptible customers in accordance with industry standards will, in all likelihood, disqualify customers for the lower interruptible rate because they do not use enough volume nor maintain an alternative energy supply that would allow for interruption when an OFO is issued in order to address a critical need arising out of an event that reduces available supply.

Next, Mr. Cornwell stated the City offers Schedule 44 (Interruptible Gas Service With or Without Partial Firm Requirements) as one of its natural gas service rates. This rate was and is intended to serve large industrial consumers with large gas loads. This rate is by far the most competitive rate that the City offers as part of its Natural Gas portfolio. Over time, the rate as written, has become very outdated, and to current staff's knowledge, has not been updated in nearly 20 years. Mr. Cornwell also stated that several gas systems across the State have a minimum threshold to qualify for their respective interruptible tariff which includes investor owned utilities as well as municipally owned gas systems specifically Piedmont Natural Gas, Public Service Natural Gas, Lexington, and Monroe.

Mr. Cornwell also recommended an update to the Municipal Natural Gas System Contract for Industrial Gas Service to reflect the following items of key importance:

- Clarification that standby alternative fuel is a requirement – Customers purchasing gas pursuant to the Rate Schedule 44 shall maintain, in useable condition, alternate fuel facilities with ample on-site alternate fuel capability for supplying 100 percent of the establishment's gas requirements during periods of gas interruption or curtailment.
- Update the penalties so that the City does not lose revenue and purchase higher priced gas to pass along at a loss to this class of customer – The current tariff lists \$27.75 per MCF as the penalty, and today's costs are equivalent to \$55.00 per MCF. (*Clerk's Note: MCF = Thousand cubic feet*).
- Update the qualifying threshold for the tariff to eliminate unfair and inequitable treatment across rate classes – Gas service under Rate Schedule 44 is available by written contract to eligible large industrial consumers, whose use of gas is principally for process purposes, and where space heating is incidental only. This service is offered only to customers whose average daily gas usage is reasonably anticipated to equal or exceed 50 dekatherms per day.

After Council's discussion, Mr. Howell concluded that these updates and amendments will allow for an effective operation of the City's Natural Gas System in a fair and equitable manner to all rate classes and users, for good business and industry practices, and for maximizing profit.

**ACTION TAKEN:** Upon a motion by Mr. Royster, second by Mr. Hopper, City Council voted unanimously to approve and adopt Resolution No. 53-2009 entitled, "A RESOLUTION AMENDING THE CITY OF SHELBY INTERRUPTIBLE GAS SERVICE TARIFF AND CONTRACT".

3) Consideration of an ordinance establishing a capital project and budgets for the City of Shelby's Electric Line Extension to the Foothills Commerce Center: Ordinance No. 37-2009

Mr. Howell reminded Council of the City's partnership with Cleveland County to develop a business park through a joint venture on the City's site bordered by Artee and Plato Lee Roads, just west of the corporate limits. At his request, Mr. Cornwell developed a plan to serve the site with City electric service. Mr. Howell also reminded Council that this project is funded with funds received from ElectriCities of North Carolina, which are intended to be specifically used for growth of the electric system in relation to the City's economic development efforts.

Utilizing a map of the area, Mr. Cornwell stated this project would provide the City with an extremely large area that it could serve for future growth of the electric system. The line extension to serve the proposed business park will provide a very attractive service to any potential customers. By extending out to US Highway 74 as well as Grover Street and along Randolph Road, the City will have a dual feed to this area. There will be two separate electric circuits coming from two entirely different substations. Mr. Cornwell said this provides an excellent arrangement for power supply to the site and is also very attractive from a marketability standpoint.

Mr. Cornwell went on to state that staff has developed a preliminary plan to get to the business park site. This project is split into two different extension options which would provide the dual feed. Given the size and budget scope of this project, staff recommended to design the project in its entirety and to bid the project in two separate parts. The first would be the required extension to serve the business park. The second option would be an add-on alternate. Since staff has noticed very competitive bids in recent months, the recommendation would be to design the entire project, construct Option 1 to serve the park, and then, if funding allowed, proceed with Option 2 via a budget amendment, if pricing was competitive and economically feasible.

Discussion included customer choice for electric utility services, the site certification process, and funding availability.

**ACTION TAKEN:** Upon a motion by Mr. Hopper, second by Mr. Shores, City Council voted unanimously to approve and adopt Ordinance No. 37-2009 entitled, "AN ORDINANCE ESTABLISHING A CAPITAL PROJECT AND BUDGETS FOR THE CITY OF SHELBY'S ELECTRIC LINE EXTENSION TO THE FOOTHILLS COMMERCE CENTER".

**F. City Manager's Report:**

- 1) Mr. Howell updated Council on the North Carolina Certified Site application process for the Foothills Commerce Center being conducted by Crystal Morphis, Managing Partner with Sanford Holshouser, on behalf of the City.
- 2) Mr. Howell reported on the status of the Westside water and sewer projects which are important to the site certification process and which are moving along significantly. Mr. Howell anticipates completion at the end of the year.
- 3) Mr. Howell reported on the status of the Fueling Station Project and he anticipates service will be available at the station by the end of September 2009. Mr. Howell acknowledged the assistance of Mr. Royster with the project and expressed appreciation to County Manager David Dear for Cleveland County's partnership in this joint venture.
- 4) Mr. Howell updated Council on the status of the City's participation in the North Carolina Parks and Recreation Trust Fund grant application process. The Parks and Recreation Authority will announce grant recipients on August 21, 2009.
- 5) Mr. Howell provided his legislative update on two issues. Regarding the annexation bill with omnibus changes, the House approved an amendment allowing up to one year to obtain the signatures necessary to call for a petition on city-initiated annexations, which allows for significant new restrictions on annexation and more stringent requirements that will result in fewer annexations.

Mr. Howell said North Carolina cities and towns could potentially lose some of the local share of the beer and wine excise tax on a budget proposal now under consideration by the House and Senate. Under the latest revenue proposal to balance the State budget, the State would retain some of the local share of beer and wine excise taxes for one year.

Mr. Howell will continue to monitor these matters and provide Council with updates as necessary.

- 6) As previously requested by Council, Mr. Howell provided additional information regarding the National League of Cities (NLC) Prescription Discount Card Program administered by CVS Caremark representatives. City residents who are without health insurance or a traditional pharmacy benefit plan are eligible for the program with no cost to the City.

By consensus, Council agreed to participate in the NLC Prescription Discount Card Program.

#### G. Council Announcements and Remarks:

- 1) Mrs. Patterson announced that City Clerk Bernadette Parduski will be participating in a fundraiser as a model in a fashion show to benefit the Cleveland Rutherford Kidney Association on August 7, 2009 at 6:30 p.m., First National Bank's Hamilton Hall.
- 2) Mayor Alexander acknowledged Council's receipt of the packet of applications prepared by Mrs. Parduski for the Ward 2 City Council vacancy. He stated the appointment process will begin at the next Council meeting of August 17, 2009. The Mayor announced that applications have been received from the following individuals: Linda Toms Ware, David Walton White, Bruce Wayne Arton, Charles R. Duval, David Jeffery Forms, Jonathan Daniel Owen, and Oliver Stanhope Anthony, III.
- 3) Mr. Hopper mentioned the great concert and program which brought the Men of Grace from Pontiac, Michigan to Shelby to perform and interact with the community.
- 4) Mayor Alexander and Mr. Howell reminded all of National Night Out sponsored by the Shelby Police Department on August 4, 2009 from 5:00 to 8:00 p.m. at Jefferson Park on Buffalo Street next to Faith Harvest Church.

#### H. Closed Session:

- 1) To conduct the annual performance evaluation of the City Manager pursuant to North Carolina General Statute 143-318.11 (a) (6)

**ACTION TAKEN:** Mr. Shores made a motion to enter into a closed session to conduct the performance evaluation of the City Manager pursuant to the appropriate North Carolina General Statute as cited. Council consulted with



Mr. Yelton who advised that the topic met the statutory requirement for a closed session. The Mayor invited all Council members present and Mrs. Parduski to attend. The motion was seconded by Mr. Royster. The motion passed unanimously and Council moved into closed session at 7:40 p.m.

**ACTION TAKEN:** Upon a motion by Mr. Shores, second by Mr. Royster, City Council voted unanimously to return to regular session.

I. Adjournment:

1) Motion to adjourn

**ACTION TAKEN:** Upon a motion by Mr. Shores, second by Mrs. Patterson, City Council voted unanimously to adjourn the meeting at 8:34 p.m.

Respectfully submitted,

Bernadette A. Parduski, CMC  
City Clerk

W. Ted Alexander  
Mayor

Minutes of August 3, A. D. 2009