

MINUTES

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

May 5, 2008
Monday, 6:00 p.m.

Present: Mayor W. Ted Alexander, presiding; Council Members Christopher H. (Chris) Mabry, Jeanette D. Patterson, Andrew L. Hopper, Sr.; City Manager Rick Howell, City Attorney Sam B. Craig, City Clerk Bernadette A. Parduski, CMC, Director of Finance Theodore B. (Ted) Phillips, CPA, Director of Utilities Brad R. Cornwell, PLS, EI, Interim Police Chief Jeffrey H. (Jeff) Ledford, Fire Chief William P. Hunt, Director of Public Works Daniel C. (Danny) Darst, Director of Planning Services Walter (Walt) Scharer, AICP; and media representatives

Absent: Council Members Larry G. Ware, Michael R. (Mike) Royster, and Joel R. Shores, Jr.

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

A. Approval of Agenda:

Mayor Alexander stated that although a quorum was present, Item 12 under Closed Session would be postponed until all Council members would be in attendance to conduct the annual performance evaluation of the City Clerk.

ACTION TAKEN: Upon a motion by Mrs. Patterson, second by Mr. Hopper, City Council voted unanimously to approve the agenda as amended.

B. Public Hearings: None

C. Public Comment: None

D. Consent Agenda:

ACTION TAKEN: Mayor Alexander presented the consent agenda. Mr. Hopper made motion to approve the consent agenda and each item as presented. After a second by Mr. Mabry, the consent agenda and following items were unanimously approved:

- 1) Approval of the Minutes of the Regular Meeting of April 21, 2008

- 2) Approval of the Minutes of the Special Meeting of April 22, 2008
- 3) Approval of Special Event Permit Applications:
 - a. Community Revival at Ramblewood sponsored by Artie Kilgore, Ebenezer Baptist Association, and Allied Bodies on May 22, 23, and 24, 2008
 - b. Blood Done Sign My Name Movie Shoot Event submitted by S. Scott Clackum, Location Manager, for various dates and locations in and around the Uptown Shelby area
- 4) Approval of a resolution honoring William M. Lynch on the occasion of his retirement from employment: Resolution No. 32-2008
- 5) Approval of a resolution approving reimbursement of asphalt, curb and gutter expenses incurred by Gregdon Investments, LLC for development of Crystal Springs Lane: Resolution No. 33-2008

END CONSENT AGENDA

E. Special Presentation:

- 1) Cleveland 20/20 Economic Development Partnership Quarterly Update – Kristin H. Fletcher, Assistant Vice President, Economic Development, Cleveland County Chamber of Commerce

Mayor Alexander recognized Steve Padgett, Cleveland County Chamber's Chairman of the Board, who provided Council with the following updates:

- The Chamber has begun its search to fill the position of Chamber President and is in the process of advertising for qualified applicants through June 15, 2008.
- The Chamber's annual membership campaign ended recently and Mr. Padgett announced that 45 new members have joined.
- Mr. Padgett presented the City a check in the amount of \$5,000 from Duke Energy which represents funds to assist in the development of Cleveland County Business Park West.

Mr. Padgett introduced Kristin Fletcher as the Assistant Vice President of Economic Development for the Chamber.

Since Dave Hart, Vice President of Economic Development for the Chamber, could not be in attendance, Ms. Fletcher presented and reviewed Mr. Hart's active new project list for April 2008, which includes the Copeland property. Ms. Fletcher also complimented the City on their new marketing brochure which was unveiled by Mr. Howell at the last Cleveland 20/20 meeting.

Ms. Fletcher stated that one of her key objectives is to continue active work on expansion projects as well as to continue existing industry visits. She mentioned that Mayor Alexander has volunteered to accompany her one day per month on a visit to an industry located within the City of Shelby.

Ms. Fletcher made reference to an article entitled, "Infrastructure Development: A Promising Investment for City of Shelby", which she wrote for the April/May 2008 Cleveland 20/20 newsletter. The article emphasizes the relationship between infrastructure and successful economic development. Ms. Fletcher reiterated that without substantial infrastructure in place, it sends an immediate signal to companies looking to locate their business that it may be costly and time-consuming for them to try and locate in an area.

Next Ms. Fletcher introduced the concept of metrics, a system of measurement, as it may apply to the Cleveland 20/20 Economic Development Partnership to evaluate and gauge its successes.

At Mayor Alexander's request, Ms. Fletcher explained that the City of Shelby was named as one of the country's 2007 top micropolitan areas for economic development by *Site Selection* magazine. (*Clerk's note: Micropolitans are cities with populations of fewer than 50,000.*)

In closing, Ms. Fletcher shared the details of an economic development announcement which will take place at the Cleveland County Board of Commissioners meeting on May 6, 2008. Ms. Fletcher stated that Philips, the largest lighting manufacturer in North America, has begun a major renovation of their facility known locally as the Specialty Lighting building. Specialty is also a sister company to Ardee Lighting and Translite Systems. The Shelby facility will now be responsible for the entire manufacturing, distribution, and marketing of Ardee Lighting branded products, and for the products of Translite Systems, being consolidated into the Washburn Switch Road building. Ardee Lighting, Specialty Lighting, and Translite Systems are Philips group brands. Ms. Fletcher added the total cost of the building renovations represents a \$2 million investment with the addition of 55 new employees.

F. Unfinished Business: None

G. New Business:

- 1) Consideration of a resolution approving revisions to the City of Shelby Utility Customer Services Policy Manual – Schedule of Fees and Charges: Resolution No. 34-2008

Mr. Phillips provided background information concerning the proposed non-pay collection charge in the amount of \$50.00 for Council's consideration. He stated that current City policy does not include a non-payment penalty for those utility customers waiting to pay bills on the actual cut off day. There are a significant number of customers who pay their bills on the cut off day after meter service technicians have been dispatched to perform disconnects. Consequently, customers paying their already overdue bills only pay the \$10.00 late penalty for the previous due date 10 days before and the meter service technicians spend an inordinate amount of time and fuel driving back and forth to reconnect utilities. The recommended \$50.00 non-pay collection charge is intended to serve as a disincentive to customers who wait until cut off day to pay their utility bill. Currently there are over 200 actual disconnections each month. Given the rising cost of fuel, it is staff's preference to avoid utility disconnections and to better utilize the time of City employees. Mr. Phillips pointed out from the effective date of the proposed fee change that it is staff's intention to give customers ample time to adjust their payment habits. Mr. Phillips assured Council that the Customer Services Department works diligently with customers who have financial issues to make payment arrangements that avoid disconnection. Currently the first time a customer is placed on the cut off list, a Customer Service Representative makes a courtesy call to inform the customer that they have not paid their bill. As with any change that affects the City's customer base, it is important to educate them prior to the change through various methods such as bill stuffers, notices on the City's website, and informing customers who were paying their bills just before or after the cut off date of the new fee. Mr. Phillips reiterated that the policy is not aimed at penalizing customers but it is intended to provide a disincentive to those who have become accustomed to paying on cutoff date. All past due balances including late penalties must be paid before the disconnection date to avoid the collection charge. If the account is paid on or after the disconnect date the collection charge and the past due amounts must be paid before the account is reinstated.

Mr. Phillips added that if the fee were set any lower, it would not have the effect of reducing the number of disconnects the City has each month. Staff polled a number of other utility providers in the area and they all had a similar fee.

Mr. Howell recommended the imposition of the proposed charge as a reasonable business practice and staff will administer the charge in a fair and reasonable manner.

ACTION TAKEN: Upon a motion by Mr. Hopper, second by Mr. Mabry, City Council voted unanimously to approve and adopt Resolution No. 34-2008 entitled, "A RESOLUTION APPROVING REVISIONS TO THE CITY OF SHELBY UTILITY CUSTOMER SERVICE POLICY MANUAL – SCHEDULE OF FEES AND CHARGES".

H. City Manager's Report:

Mr. Howell stated that the Annual Water Quality Report for 2007 concerning the City's water system is available for distribution and Council's review.

Mr. Howell reminded Council that the YMCA Community Prayer Breakfast will be held on Wednesday, May 28, 2008, beginning at 6:30 a.m. at the Dover Foundation YMCA.

Mr. Howell encouraged Council to attend the North Carolina League of Municipalities Town Hall Day on June 4, 2008 in Raleigh, North Carolina.

Mr. Howell announced that the ElectriCities Annual Meeting will be held August 8-9, 2008 at the Marriott Grande Dunes Resort, Myrtle Beach, South Carolina.

Mayor Alexander said he will be traveling to Pontiac, Michigan on May 9-11, 2008 to visit a model neighborhood restored by Grace Centers of Hope.

Mrs. Patterson urged all voters to vote on May 6, 2008, North Carolina's Primary Election Day.

I. Closed Session:

- 1) To hear a report from the City Manager concerning a personnel matter pursuant to North Carolina General Statute 143-318.11 (a) (6)

Mrs. Patterson made a motion to enter into a closed session pursuant to North Carolina General Statute 143-318.11 (a) (6) to hear a report from the City Manager concerning a personnel matter. Council consulted with Mr. Craig, who advised that the topic met the statutory requirements for a closed session. The Mayor invited all Council members present and Mr. Howell, Mr. Craig, and Mrs. Parduski to attend. The motion was seconded by Mr. Mabry. The motion passed unanimously and Council moved into closed session at

approximately 6:43 p.m.

2) REMOVED; TO BE RESCHEDULED

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

ACTION TAKEN: Upon a motion by Mr. Mabry, second by Mr. Hopper, City Council voted unanimously to return to regular session at 7:04 p.m.

J. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion by Mrs. Patterson, second by Mr. Hopper, City Council voted unanimously to adjourn the meeting at 7:05 p.m.

Respectfully submitted,

Bernadette A. Parduski, CMC
City Clerk

W. Ted Alexander
Mayor

Minutes of May 5, A. D. 2008