

MINUTES

**Regular Meeting – Electronic Meeting
City Hall and Don Gibson Theatre**

**August 3, 2020
Monday, 6:00 p.m.**

Present: Mayor O. Stanhope Anthony III, presiding; Council Members Eric B. Hendrick, David Causby, Violet Arth Dukes, Charles Webber, and Andrew Hopper, Sr.; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Justin S. Merritt, MPA, Interim City Attorney Martha R. Thompson, City Clerk Bernadette A. Parduski, Director of Finance Elizabeth B. (Beth) Beam, Assistant Director of Finance/Customer Services Manager Sam Clark, Director of Water Resources David W. Hux, Police Chief Jeffrey H. (Jeff) Ledford, Fire Chief William P. Hunt, MPA, EFO, Director of Parks and Recreation Charlie Holtzclaw, Director of Planning and Development Services Walter (Walt) Scharer, AICP, Public Information and Communications Officer Chip Nuhrah, Jennipher H. Harrill, Social Media Manager, Blue Eyes Social Media Connections, and Stan Lowery, Executive Director, Don Gibson Theatre

Absent: Council Member David W. White

Mayor Anthony called the meeting to order at 6:00 p.m. and certified a quorum was present. It was noted a location for public access to the meeting was established at the Don Gibson Theatre and monitored by Mr. Lowery. A maximum of ten (10) persons would be allowed to attend.

The Mayor called for a moment of silence and reflection. Afterwards, he delivered an invocation.

A. Approval of agenda:

- 1) Motion to adopt the proposed agenda**

ACTION TAKEN: Upon a motion made by Mr. Hendrick, City Council voted unanimously to approve the agenda as presented.

B. Consent Agenda:

Mayor Anthony presented the consent agenda. Mr. Hopper moved to approve the consent agenda and the following item was unanimously adopted:

- 1) Approval of the Minutes of the Regular Meeting of July 20, 2020**

C. Unfinished Business:

1) Consideration of a resolution and order permanently closing an unopened right of way for Chesterfield Drive: Resolution No. 31-2020

Mr. Howell noted that after full and complete consideration of the matter and after having granted full and complete opportunity for all interested persons to appear and register any objections that they might have with respect to the requested closure/abandonment of the Chesterfield Drive right-of-way as displayed on the plat submitted, Resolution No. 31-2020 is presented for Council's consideration. If approved, it would permanently close this unopened and unimproved right-of way, returning ownership to the abutting property owner. In this case it is a single property owner, Dale Short.

ACTION TAKEN: Upon a motion made by Mrs. Arth Dukes, City Council voted unanimously to approve and adopt Resolution No. 31-2020 entitled, "A RESOLUTION AND ORDER PERMANENTLY CLOSING AN UNOPENED RIGHT OF WAY FOR CHESTERFIELD DRIVE".

2) Consideration of a resolution and order permanently closing the north end of Pere Street from West Dale Street to West Marion Street: Resolution No. 32-2020

Mr. Howell noted that after full and complete consideration of the matter and after having granted full and complete opportunity for all interested persons to appear and register any objections that they might have with respect to the requested closure/abandonment of Pere Street as displayed on the plat submitted, Resolution No. 32-2020 is presented for Council's consideration. If approved, it would permanently close this short street segment right-of way, returning ownership to the abutting property owner. In this case it is a single property owner, Thompson, Gordon and Shook (TGS) Engineers.

ACTION TAKEN: Upon a motion made by Mr. Hendrick, City Council voted unanimously to approve and adopt Resolution No. 32-2020 entitled, "A RESOLUTION AND ORDER PERMANENTLY CLOSING THE NORTH END OF PERE STREET FROM WEST DALE STREET TO WEST MARION STREET".

3) Consideration of a resolution and order permanently closing West Stadium Street: Resolution No. 33-2020

Mr. Howell noted that after full and complete consideration of the matter and after having granted full and complete opportunity for all interested persons to appear and register any objections that they might have with respect to the requested closure/abandonment of West Stadium Street as displayed on the survey submitted, Resolution No. 33-2020 is presented for Council's consideration. If approved, it would permanently close this short street segment right-of way, returning ownership to the abutting property owner. In this case it is a single property owner, Cleveland County Schools.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to approve and adopt Resolution No. 33-2020 entitled, “A RESOLUTION AND ORDER PERMANENTLY CLOSING WEST STADIUM STREET”.

4) Consideration of appointments to City advisory boards and commissions:

a. Shelby Housing and Redevelopment Advisory Board

Mrs. Parduski reported the terms of two incumbents, Keith Hawkins and Sharon Leigh, concluded March 2020. Both incumbents wish to continue their service on this board. There is also a vacancy for a new term concluding March 2023.

The applications on file in the Clerk’s Office include the following:

- Juan Cherry
- Peter Potemkin
- Tanzy Wallace

Mr. Hopper nominated the incumbents, Keith Hawkins and Sharon Leigh, for reappointment.

Mr. Webber nominated Tanzy Wallace for appointment.

ACTION TAKEN: Upon a motion made by Mr. Hendrick, City Council voted unanimously to close the nominations and accept the nominees by acclamation.

b. Alcoholic Beverage Control Board

Mrs. Parduski reported the terms of two incumbents, Gerald Weathers and Sallie Craig, concluded April 2020. Both incumbents wish to continue their service.

The applications on file in the Clerk’s Office include the following:

- Darrell Gerald
- James Martin
- Peter Potemkin
- James Phillip Reid
- Jeffrey Yates

Mr. Causby nominated the incumbents, Gerald Weathers and Sallie Craig, for reappointment.

ACTION TAKEN: Upon a motion made by Mr. Hendrick, City Council voted unanimously to close the nominations and accept the nominees by acclamation.

D. New Business: None

F. City Manager's Report:

1) Mr. Howell mentioned several agenda items related to policy and Code amendments are under review by staff and the City Attorney prior to being brought forward for Council's consideration. These items may be better discussed during a face-to-face Council meeting when appropriate.

Mr. Howell also reminded Council a quasi-judicial public hearing is scheduled for their next meeting on August 17, 2020, proposing a face-to-face meeting if there is a consensus to do so.

2) Regarding the Brookwood Water, Sewer, and Street Improvement Project, Mr. Howell stated the work is ongoing. The water line and valve work are mostly complete. The contractor is working on the roadway work to repair the sunken segments related to the sewer lines that were installed many years ago. The work should be completed within several weeks, weather permitting.

3) Regarding the Water Treatment Plant Modernization Project, Mr. Howell reported this project is nearing completion with only minor items remaining and the plant now operational. He previously reported to Council that the older clear well tanks constructed in the 1950s were leaking an estimated 500,000 gallons per day. Now that the new tanks are in operation, it has been determined this loss was much higher. It is more accurately estimated that treated water loss was as much as 800,000 gallons per day. This is significant because it will result in operational savings, which will be monitored over the next several months to verify cost reductions. It is hoped a formal ribbon cutting for this facility can be held in September 2020.

4) Regarding the Wastewater Treatment Plant Biosolids Project, Mr. Howell reported the building portion of the project is complete. Equipment delivery, installation, and testing is the bulk of the remaining work. It is anticipated the initial start-up will begin sometime in late September or early October and the entire project is expected to be complete by the end of 2020. Mr. Howell said a formal ribbon cutting for this facility will also be held with a date to be determined.

- 5) Mr. Howell reminded Council an air curtain burner was budgeted for purchase in Fiscal Year 2019-2020. This equipment will provide the City with an alternative way to dispose of collected wood and yard waste now that the biosolids compost process no longer needs it. The only other alternatives were to landfill the material and pay tipping fees to Cleveland County or to continue to grind it up. Neither option made financial or operational sense. The air burner to be installed at the Wastewater Treatment Plant has been ordered and is expected to be delivered next month. In addition, the Department of Environmental Quality air permit and land storage permit are in process. Mr. Howell stated the payback on the capital cost is less than two years.
- 6) Mr. Howell explained Governor Roy Cooper's Executive Orders 124 and 142, which prohibited municipal utilities from charging late fees and/or disconnecting utility customers for non-payment, has expired. The City will be moving forward with disconnections for those bills due after the July 29, 2020 expiration date. He stated there are approximately 2,000 accounts that are past due with roughly 600 of these having made payment arrangements. This number is expected to climb since the City has opened Customer Service operations at City Hall to the public. He added the City will follow the guidance from the Governor's Office and the Attorney General's Office on customer payment plans under the Executive Orders 124 and 142.
- 7) Regarding the Norfolk Southern Rail Corridor, Mr. Howell stated the contractor for Norfolk Southern has removed a significant portion of the rails on the segment from Sunset Cemetery south but very few crossties have been removed. He has been in touch with his contact at Norfolk Southern about the slowness of the process and received assurances the contractor will be held accountable for leaving the corridor in good condition. However, Mr. Howell prefers the contractor complete the removal on the segment from Sunset Cemetery south rather than start the segment in the Washburn Switch corridor or the northern section. He may consider charging the contractor with trespass if the removal is underway in the Washburn Switch corridor prior to completing the Sunset Cemetery segment.
- 8) Regarding the Job Ready Industrial Shell Building No. 3 Project, Mr. Howell reported the construction activities are progressing ahead of schedule and may be completed by December 2020, weather permitting.
- 9) Regarding the Uptown Shelby Streetscaping Project, Mr. Howell reported Sealand Contractors will continue with asphalt milling of the Uptown streets in preparation for resurfacing and paving, weather permitting. The

remaining construction activities will follow with completion anticipated in early September 2020.

10) Mr. Howell mentioned the City will receive a credit from a rate case with Transco recently decided by federal regulators. The matter related to what the City pays for the transportation of natural gas through the Transco pipeline. Transco proposes the rate increase for customers like the City to the Federal Energy Regulatory Commission (FERC) and they can begin charging the increased fee while their rate case is being heard. Once the federal regulator rules on the rate case then a credit or refund is due to the customer. This dates to August 2018. The new rate tariff went into effect on March 1, 2019. The case was settled and approved by FERC on March 24, 2020. The new tariff went into effect on June 1, 2020 at much less than Transco had proposed. A refund of the difference in the final settled tariff and what Transco proposed was calculated with interest and returned to the City in the amount of \$499,933.75.

11) Mr. Howell informed Council that consultants, Rummel, Klepper & Kahl (RK&K) LLP of Charlotte, North Carolina, have completed their Natural Gas System Assessment Project and they are ready for a report presentation at a future Council meeting. RK&K will provide a summary of the assessment's findings and recommendations.

G. Council Announcements and Remarks:

1) Mayor Anthony announced the re-opening of City Hall on a limited basis as of today. City Hall opened to the public without appointment for utility payments and payment arrangement requests. Customers can schedule an in-person appointment for certain City services such as starting a new service or transferring an existing service. The Mayor added all business is being handled at the Customer Service counter on the first floor while the Customer Service Center on the second floor of City Hall will remain closed to the public at this time.

Mr. Howell stated further access to City Hall, including Administration, Finance, and Human Resources, is by appointment only. He also stated the City has purchased and will install a payment kiosk for the further convenience of its utility customers.

2) Mayor Anthony discussed the upcoming quasi-judicial public hearing scheduled for August 17, 2020 and the possibility of holding this City Council meeting in person. The majority preferred to continue to meet via remote participation. The Mayor stated Council and staff will proceed with caution.

H. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Mr. Hendrick, City Council voted unanimously to adjourn the meeting at 6:50 p.m.

Respectfully submitted,

**Bernadette A. Parduski, NCCMC, MMC
City Clerk**

**O. Stanhope Anthony III
Mayor**

Minutes of August 3, 2020