

MINUTES

Regular Meeting – Electronic Meeting
City Hall and Don Gibson Theatre

September 21, 2020
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members Eric B. Hendrick, David W. White, 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 Human Resources Deborah C. (Deb) Jolly, Director of Energy Services Julie R. McMurry, 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, City Attorney Appointee Andrea Leslie-Fite, Jennipher H. Harrill, Social Media Manager, Blue Eyes Social Media Connections, and Stan Lowery, Executive Director, Don Gibson Theatre

Mayor Anthony called the meeting to order at 6:05 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. Nuhrah. 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. White, City Council voted unanimously to approve the agenda as presented.

B. Special Presentation:

- 1) Natural Gas Distribution System Assessment Presentation – Brian Hahn, Project Manager, and Wayne Noonoo, PE, Project Manager of Rummel, Klepper, Kahl, LLP (RK&K)

Mrs. McMurry introduced the subject matter of this presentation and the City's consultants from Rummel, Klepper, Kahl, LLP (RK&K, LLP) as the presenters, Brian Hahn and Wayne Noonoo. She stated the Natural Gas Distribution System Assessment Report was previously provided for informational purposes.

Next, Mr. Hahn began by stating the City engaged Rummel, Klepper & Kahl, LLP (RK&K) to conduct a thorough assessment of the natural gas facilities and develop a plan for recommended upgrades, rehabilitation and/or replacements to allow the City to continue to serve its customers safely and effectively.

The areas reviewed during the assessment included, but were not limited to:

Natural Gas System Infrastructure

- Distribution Mains
- Service Lines
- Regulator Stations
- Engineering/Operational Tools

Mr. Hahn stated considerations were given to: Age, materials, system strength, leak data, cathodic protection data, known system issues, and site visits to key facilities.

After a review of the City's natural gas distribution system, Mr. Hahn said RK&K believes that the Natural Gas Department is well-managed and is making strides to ensure a safe and reliable operation. RK&K's interaction with the Natural Gas Department personnel was generally limited to the Director of Energy Services, Natural Gas Superintendent, and Utilities Support Supervisor. They were accommodating in providing data and personal knowledge to assist in the performance of the Natural Gas System Assessment. Each of these individuals is knowledgeable of the system and the issues affecting the system and are proactive in making changes to improve the system. While RK&K found some areas for improvement related to the Natural Gas Department's infrastructure and operations, Mr. Hahn stated they did not find any areas that required immediate action to ensure safe delivery of the natural gas to its customers.

In reviewing the City's natural gas infrastructure, Mr. Hahn added RK&K did not identify any major issues with its physical condition primarily due to the City's exclusive use of coated steel pipe and the application of cathodic protection for a majority of the in-service life of the steel pipe. RK&K's review of the infrastructure focused on the mains, regulator stations, and customer services. The system is well designed, maintenance programs are followed, and it has not experienced reliability issues that RK&K is aware of. The City has a relatively "young" natural gas system with almost 80 percent of the mains and services being less than forty years old. Risks associated with these facilities that were reviewed included: Age, materials, corrosion control and leaks for the mains and services, and aerial crossings (bridge attachments), and system design strength for the mains.

Mr. Hahn stated there was no evidence of immediate risk found associated with either the age of the mains or the materials used in the distribution system. The City has only used coated steel or polyethylene (plastic) pipe in the construction of the mains and services.

The City has utilized cathodic protection to provide additional protection for the steel mains since the original mains were constructed. It appears that the original 400-psig or pounds-force per square inch gauge and 150-psig systems were the only mains with applied cathodic protection until the mid-1970's. The City then began adding cathodic protection to other parts of the system until the entire system was protected by 1983 and cathodic protection has been applied to all new steel piping since 1983. RK&K's review has identified issues with the City's cathodic protection systems that will require remedial action.

Leaks on the natural gas distribution system do not appear to occur in concentrated areas, which could suggest the need for a broadscale replacement program. The City has considered leaks, especially corrosion related leaks, in their replacement of steel pipeline segments. For service lines, the City has adopted an informal policy of replacing all steel customer service lines where corrosion related leaks occur.

Mr. Hahn said the aerial crossings were considered independently from the general review of the mains because of their risks associated with atmospheric corrosion and stresses associated with movement. The City has had each of the crossings coated with a wax-type wrap that has generally provided effective protection from the effects of the atmospheric protection.

From a design standpoint, RK&K reviewed the reticulation, or networking of the system, and restrictions in the piping system. For the most part, the City's natural gas system has been well designed to limit the non-reticulation and restrictions in the system.

RK&K reviewed the general design and conditions of the City's regulator stations that the City operates to reduce the gas pressures. There were no apparent issues with the design of the regulator stations. There were considerable deficiencies with the maintenance of the coatings that protect the regulator stations from atmospheric corrosion that will need to be addressed.

The final area of the City's operation that RK&K reviewed were the engineering/operational tools used by the City. The City has embraced GIS as a planning and daily operations tool. There is an abundance of data available within the GIS for both management and crews, but there is a need to complete the input of data and correct inaccuracies to ensure an effective tool for all operations within the Natural Gas Department. The other tool that

is discussed in this report is the City's lack of having a readily available steady-state network model. The City currently uses the services of a consultant that developed a skeletal model of the City's system to address engineering and economic development questions. An available gas system model would have allowed many questions from this assessment to be answered and addressed as part of this assessment. Once a model is developed, City personnel can easily operate the model to obtain many of these solutions in-house.

Next, Mr. Noonoo continued the presentation. He stated that as a result of RK&K's review of data, meetings with City staff, and visits to field sites have identified various issues that should be considered as areas for remediation prioritization.

Mr. Noonoo summarized as follows:

CATHODIC PROTECTION

Based on the data provided in the standard cathodic protection surveys and specialized cathodic protection surveys performed for the City in 2019, there were multiple indications of deficiencies in the City's cathodic protection systems. Mr. Noonoo recommended making the necessary repairs to the corrosion control system (i.e., increase CP currents, add galvanic anodes, repair coating deficiencies, evaluate for interference, shorts, etc. if any, and resurvey the affected areas). Once the CP levels issue has been addressed, the affected areas will need to be resurveyed.

NATURAL GAS SYSTEM MODELING

RK&K has identified segments of the natural gas distribution system that could potentially strengthen the overall operation of the distribution system or protect the City and its customers from a potential localized or widespread service outage. However, Mr. Noonoo recommend that the City should invest in a full-system model and training to operate the model prior to committing to the installation of any loop closures. The model will also be able to determine the impact of segment outages and the benefit of replacing flow restricting pipeline segments. Should the natural gas model solutions indicate that the installation of redundant 400 and 150 psig mains or the replacement of restriction pipeline segments will provide benefits to the City that outweigh the cost of installation, RK&K recommended the resolutions and prioritization of the installations and replacements.

REPLACEMENT OF NON-COMPLIANT SHALLOW MAINS

During the assessment, nearly 70 pipeline segments were determined to not meet the minimum regulatory depth of installation requirements. These

segment recommendations have been separated into four categories: Investigate, replace, isolated steel replacement, and lower.

REGULATOR STATION MAINTENANCE

Mr. Noonoo stated the general assessment of the design of the regulator stations did not indicate any issues; however, it is recommended that once the City has a complete gas system model, the City should use it to determine the operating conditions of the stations and proper sizing of the equipment.

General maintenance issues were found with the coating systems of twenty-seven of the thirty-four district regulator stations operated by the City. Corrosion with metal loss was also identified on some of the regulator stations. The City should prepare a program to remediate the coating systems of many of the regulator stations. The program should include minor coating remediation for some of the stations and complete removal of the existing coating system, removal of corrosion, and application of a new coating system for other stations.

AERIAL BRIDGE CROSSINGS

Mr. Noonoo recommended the City should correct coating, corrosion, support, and encroachment issues identified at the following locations:

- 74 West at Broad River
- Wesson Road at Broad River
- Double Shoals Road at Broad River
- Kings Road at Hickory Creek

GIS (GEOGRAPHICAL INFORMATION SYSTEM) UPDATES

A complete quality control review of each feature should be performed by the City to identify missing or inaccurate data and develop a plan to populate or correct the data.

Mr. Noonoo stated RK&K recommends that the City consider enlisting the services of a consultant to develop a steady state network model of their natural gas distribution system and receive training to operate the model. The model should be based on data available through the City's GIS and customer information system (CIS) or billing system and calibrated to a specific documented date.

To conclude, Mr. Noonoo provided a summary of the estimated costs for most of the recommended remedial actions. It was noted additional costs may be incurred by the City dependent on the findings established from the gas system model and investigations, the findings of the cathodic protection

investigations, the replacement of regulator station components, and the aerial crossings remediation.

Council received the information and took no action.

C. Public Comment:

- 1) Jimmy Hall who resides at 1442 Frederick Street in Shelby, North Carolina spoke in support of the Unity in the Community events. Mr. Hall is a local disc jockey known as D.J. Dr. Jim who organizes and promotes these events to unify Shelby in a positive way. Mr. Hall invited Mayor Anthony and Council members to the next Unity in the Community event on Saturday, September 26, 2020, from 2:00 p.m. to 5:00 p.m. at the Earl Scruggs Center. Mayor Anthony responded with his plans to attend.

Mr. Howell informed Mayor Anthony and Council that due to technical difficulties, the meeting was not being streamed live on Facebook as was noticed to the public. After consultation with Miss Thompson, Council discussed amending the agenda and moving the Public Hearings to follow Unfinished Business.

ACTION TAKEN: Mr. Hendrick moved to change the sequence of the agenda as follows:

- D – Consent Agenda
- E – Unfinished Business
- F – Public Hearings
- G – New Business
- H – City Manager’s Report
- I – Council Announcements and Remarks
- J – Adjournment

The agenda, as amended, was then unanimously approved.

D. Consent Agenda:

Mayor Anthony presented the consent agenda. Mr. Webber moved to approve the consent agenda and following items were unanimously adopted:

- 1) Approval of the Minutes of the Regular Meeting of August 17, 2020
- 2) Approval of Special Event Permit Application:
 - a. Food Truck Reception for Mara and Reese, requested date: October 4, 2020

- 3) Adoption of a proposed ordinance rescinding two minimum housing ordinances in the City of Shelby, North Carolina: Ordinance No. 29-2020
- 4) Approval of a resolution approving the campus security contract between the City of Shelby and Cleveland Community College: Resolution No. 40-2020

E. Unfinished Business:

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

a. Shelby Planning and Zoning Board

Mrs. Parduski reported the terms of two incumbents, Charles Hamrick and Greg Taylor, concluded June 2020. Both incumbents wish to continue their service and are seeking reappointment.

There is one application on file in the Clerk's Office:

- Juan Cherry

Mr. White nominated the incumbents, Charles Hamrick and Greg Taylor, 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.

2) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for property located on Wease Drive: Ordinance No. 26-2020

Mr. Scharer presented the proposed zoning map amendment, noting only the legislative hearing for this proposal took place on August 17, 2020. The 22-acre property on Wease Drive is currently undeveloped and the site is zoned Residential 20 (R20). The applicant is proposing a zoning change on this property to Residential 6 – Conditional Use (R6-CU).

Mr. Scharer stated Council may now act on this proposal. If this zoning map amendment is approved, Council may then proceed with the quasi-judicial public hearing for the proposed use associated with this conditional use map amendment. The date of the potential quasi-judicial hearing has not yet been determined. Mr. Scharer further stated approval of the zoning map amendment does not approve of the conditional use, which may only take place following a quasi-judicial public hearing.

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted 4 (Causby, Arth Dukes, Webber, and Hopper) to 2 (Hendrick and White) to deny Ordinance No. 26-2020 entitled, “A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA FOR PROPERTY LOCATED ON WEASE DRIVE”.

3) Consideration of a resolution appointing the City Attorney: Resolution No. 41-2020

Mr. Howell introduced Resolution No. 41-2020 for Council’s consideration. If approved, this resolution would formalize the appointment of Andrea Leslie-Fite as City Attorney under North Carolina General Statute 160A-173.

Mr. Howell explained the competitive process the City followed in seeking to select its first staff attorney. The newly established position of City Attorney was widely advertised, and the City followed an assessment center process. The panel of assessors made their recommendations and Mr. Howell concurred, recommending the appointment of Andrea Leslie-Fite as City Attorney to Council.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to approve and adopt Resolution No. 41-2020 entitled, “A RESOLUTION APPOINTING THE CITY ATTORNEY”.

Mr. Howell informed Mayor Anthony and Council that the technical difficulties have not been resolved. After consultation with Miss Thompson, Council discussed amending the agenda for a second time and moving the Public Hearings to follow Council Announcements and Remarks.

ACTION TAKEN: Mr. Hendrick moved to change the sequence of the agenda as follows:

- F – New Business
- G – City Manager’s Report
- H – Council Announcements and Remarks
- I – Public Hearings
- J - Adjournment

The agenda, as amended, was then unanimously approved.

F. New Business: None

G. City Manager’s Report:

- 1) Mr. Howell provided an update regarding the Biosolids Project at the Wastewater Treatment Plant. He stated the treatment process is now

operational and the old compost building is scheduled for demolition. The project should be complete by the end of November 2020 and a ribbon cutting ceremony will be planned.

- 2) Mr. Howell provided Council with updates about the various projects honoring Bobby Bell. The signs renaming City Pavilion to Bobby Bell Pavilion are complete and ready to be arranged for installation. The honorary designation of Dekalb Street to Bobby Bell Boulevard is in process with the North Carolina Department of Transportation. Staff is in negotiations with the artist chosen for the design of the Bobby Bell Mural Project.
- 3) Mr. Howell informed Council that the City received notifications that its North Carolina Parks and Recreation Trust Fund (PARTF) grant application for the Shelby Rail Trail Depot Park Segment Phase 1 was denied and the Fiscal Year 20 BUILD Grant application for the Shelby Regional Access Improvement Line (R.A.I.L.) was also denied. Staff will be requesting a debriefing session for both applications and hopes to resubmit stronger applications in the future grant cycle.

The City is also awaiting the status of its Recreational Trails Program Grant application to be determined in October 2020.

Mr. Howell reminded Council the City was awarded a North Carolina Department of Transportation (NCDOT) – Transportation Alternatives Program (TAP) grant in the amount of \$4.16 million to secure the purchase of the rail corridor for its rails-to-trail project. The City continues to work with NCDOT to obtain the status of those funds which have been delayed due to the Department's budget issues.

- 4) Mr. Howell mentioned the new digital payment kiosk should be installed and ready for use by September 28, 2020, allowing customers to pay their bills at the outdoor covered kiosk 24 hours a day, 365 days a year.
- 5) Mr. Howell said the Water and Sewer Cost of Service Rate Study which was funded in the current budget will move forward soon.
- 6) Mr. Howell mentioned the contractor for the Norfolk Southern Rail Corridor continues to remove the rails and the debris in order to proceed with patching and resurfacing the streets.
- 7) Mr. Howell will share the plans to repair the First Broad River Trail and to replace the suspension bridge at Council's next meeting.
- 8) Regarding the Uptown Shelby Streetscaping Project, Mr. Howell provided a brief update about the signalization improvements and the handicap

parking spaces, which have not been reduced in number. The signs have been ordered and will be re-installed. He anticipates three weeks to completion of the project.

H. Council Announcements and Remarks: None

I. Public Hearings: CONTINUED TO OCTOBER 5, 2020 AT 6:00 P.M. AT THE DON GIBSON THEATRE FOR AN IN-PERSON CITY COUNCIL MEETING; A NOTICE REGARDING MEETING ACCESS DUE TO THE CURRENT COVID-19 PANDEMIC STATE OF EMERGENCY WILL BE PUBLISHED

- 1) Consideration of a resolution for the City of Shelby's application for Community Development Block Grant Coronavirus (CDBG-CV) funding: Resolution No. 39-2020
- 2) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for property located on Randolph Road: Ordinance No. 27-2020
- 3) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina for property located on Railroad Avenue: Ordinance No. 28-2020

ACTION TAKEN: Mr. White moved to continue the above public hearings to October 5, 2020 at 6:00 p.m. at the Don Gibson Theatre. The motion was unanimously approved.

ACTION TAKEN: Mr. Hopper moved to return to an in-person City Council meeting on October 5, 2020 at 6:00 p.m. at the Don Gibson Theatre. The motion was unanimously approved.

Mr. Howell expressed his appreciation to Martha Thompson for stepping into the role of Interim City Attorney. Miss Thompson provided excellent legal services to staff as well as to Mayor and Council. Mayor Anthony and Council members echoed Mr. Howell's comments, adding their compliments to Miss Thompson.

J. Adjournment:

- 1) Motion to recess

ACTION TAKEN: Upon a motion made by Mr. Causby, City Council voted unanimously to recess and reconvene on October 5, 2020 at 6:00 p.m. at the Don Gibson Theatre for an in-person City Council meeting.

The meeting was concluded at 7:27 p.m.

Respectfully submitted,

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

**O. Stanhope Anthony III
Mayor**

Minutes of September 21, 2020