

MINUTES

Regular Meeting
City Hall Council Chamber

April 18, 2016
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members Eric B. Hendrick, David W. White, David Causby, Dennis C. Bailey, Ben Kittrell, Dicky Amaya; City Manager Rick Howell, City Clerk Bernadette A. Parduski, NCCMC, MMC, City Attorney Robert W. (Bob) Yelton, Director of Finance Justin S. Merritt, MPA, Director of Human Resources Deborah C. (Deb) Jolly, Police Chief Jeffrey H. (Jeff) Ledford, Fire Chief William P. Hunt, MPA, EFO, Director of Public Works Daniel C. (Danny) Darst, Jr., Director of Parks and Recreation Charlie Holtzclaw, and Director of Planning and Development Services Walter (Walt) Scharer, AICP; and Director of Cable Programming Greg Tillman of Cleveland Community College

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

A. Approval of agenda:

- 1) Motion to adopt the proposed agenda

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

B. Special Presentation:

- 1) Honoring the men and women of the Shelby Police Department who serve as Public Safety Telecommunicators: Resolution No. 15-2016

Mayor Anthony stated each year the second full week of April has been designated as National Public Safety Telecommunicators Week. The week of April 10 through 16, 2016 presented an opportunity for the City of Shelby to publically recognize the men and women who serve as public safety telecommunicators.

Mayor Anthony called upon Terry Grayson, Service Division Manager, who then introduced the telecommunicators of the Shelby Police Department in attendance. He formally read and presented framed Resolution No. 15-2016

to Mr. Grayson and the Service Division with appreciation for their dedicated service.

C. Public Comment: None

D. Public Hearing:

- 1) **Consideration of the City of Shelby's participation in the Community Development Block Grant (CDBG) Program administered by the North Carolina Department of Commerce and the Downtown Redevelopment Fund of the North Carolina Main Street Program**

Mr. Scharer stated the North Carolina Department of Commerce has notified local communities of the latest round of Community Development Block Grant (CDBG) funding assistance through the Downtown Redevelopment Fund of the North Carolina Main Street Program. The City may be eligible for CDBG funds to eliminate slum and blight in the Uptown area. A public hearing notifying the public the City may submit a grant application for CDBG funds is required before any application may be submitted. A subsequent hearing will be conducted directly concerning an application for a specific project.

Mayor Anthony opened the public hearing at 6:07 p.m. and invited comments from the public.

The public offered no comments and Mayor Anthony closed the public hearing at 6:08 p.m.

Council took no action at this time.

E. Consent Agenda:

ACTION TAKEN: Mayor Anthony presented the consent agenda. Mr. White made a motion to approve the consent agenda and each item as presented. The consent agenda and following items were unanimously approved:

- 1) **Approval of the Minutes of the Regular Meeting of April 4, 2016**
- 2) **Approval of Special Event Permit Application:**
 - a. **Rock the Square, requested date: April 23, 2016**
- 3) **Approval of a resolution entering into a Memorandum of Understanding between the City of Shelby, North Carolina and the City of Kings Mountain,**

North Carolina for a Public Safety Answering Point (PSAP): Resolution
No. 18-2016

END CONSENT AGENDA

F. Unfinished Business:

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

a. Alcoholic Beverage Control (ABC) Board

Mrs. Parduski reported the terms of incumbents, Page Morgan and Carl Dockery, Jr., conclude April 2016. Both incumbents wish to continue their service. There are no applications on file in the Clerk's Office.

Mr. White nominated Page Morgan and Carl Dockery, Jr. for reappointment.

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

2) Consideration of a resolution authorizing submission of a revised loan application to the North Carolina Department of Environment and Natural Resources (NCDENR) Division of Water Infrastructure for funding related to the Shelby Wastewater Treatment Plant solids handling upgrades: Resolution No. 19-2016

Mr. Howell introduced Resolution No. 19-2016 for Council's consideration. If approved, it would authorize amending an application to the North Carolina Revolving Fund Program for a loan not to exceed \$10 million.

As background information, Mr. Howell recalled the design of the First Broad River Wastewater Treatment Plant (WWTP) Upgrades Project included all of the project components currently in construction with State Utility Constructors (SUC), plus the Compost Building improvements. After the 50 percent cost opinion revealed the overall project would most likely be over budget, the decision was made to bid two project packages: WWTP Upgrades Project and Compost Building Project. The compost project came in well over budget and staff elected to hold off on the compost project portion and move forward with the process improvements in order to be compliant by the August 2016 deadline.

Due to the lack of success in the bid environment and in consideration of additional needs for the compost facility in coming years, City staff elected to

have its consultant, HDR Engineering Inc., conduct an evaluation of potential options for existing compost building or exploring other Class A technologies. The evaluation also considered costs that would be required with a future expansion of the First Broad Wastewater Treatment Plant. The final report provided a recommendation of a new dewatering building, anaerobic digestion, and heat drying as a long-term biosolids management alternative. This recommended alternative would be implemented in a phased approach with the first phase consisting of constructing a new dewatering building and anaerobic digestion and land applying Class B Biosolids. The budgetary cost is \$10.7 million.

Mr. Howell noted Shelby was awarded a State Revolving loan in January 2015 in the amount of \$3,947,952.00 (0% loan) for the Compost Facility Improvements. Subsequent discussions with the North Carolina Division of Water Infrastructure (DWI) indicate that there is additional funding available to Shelby for modification of the current loan for construction of the new biosolids infrastructure. City staff would anticipate submitting an application modifying the current loan to \$10.66 million to cover the engineering, construction, closing costs, and other associated fees with a project of this scope.

Mr. Howell recommended approval of Resolution No. 19-2016 at this time, noting that approval of this resolution does not commit the City to moving forward. It merely allows for the development of a formal plan for Council's consideration at a later date.

ACTION TAKEN: Upon a motion made by Mr. Kittrell, City Council voted unanimously to approve and adopt Resolution No. 19-2016 entitled, "A RESOLUTION AUTHORIZING SUBMISSION OF A REVISED LOAN APPLICATION TO THE NORTH CAROLINA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES (NCDENR) DIVISION OF WATER INFRASTRUCTURE FOR FUNDING RELATED TO THE SHELBY WASTEWATER TREATMENT PLANT SOLIDS HANDLING UPGRADES".

G. New Business: None

H. City Manager's Report:

- 1) Mr. Howell reminded Mayor and Council to respond to their invitation to attend the Foothills Merry Go Round Festival Committee Honors Awards reception and presentations on April 29, 2016.
- 2) Mr. Howell encouraged Mayor and Council to attend Town Hall Day, sponsored by the North Carolina League of Municipalities, on June 8, 2016

in Raleigh, North Carolina.

- 3) **Mr. Howell mentioned the finalists in the trail naming process for the new section of the Carolina Thread Trail have been shared with Mayor and Council. The selections will be considered and the name will be chosen at the next Council meeting of May 2, 2016.**
- 4) **Mr. Howell announced the Court Square Infrastructure Improvement Project public open house drop-in is scheduled for April 19, 2016 between 5:30 p.m. and 7:30 p.m. at the Earl Scruggs Center.**
- 5) **Mr. Howell announced in preparation for the Arts on the Square Festival, the Uptown Shelby Litter Sweep hosted by Uptown Shelby Association and the Keep Shelby Beautiful Commission is scheduled for April 23, 2016 beginning at 9:00 a.m. and meeting at the Cleveland County Chamber of Commerce building.**
- 6) **Mr. Howell informed Mayor and Council the Cost of Service Study of the City's Electric System is in final draft form. He is attempting to schedule a presentation by the consultant during one of the upcoming budget sessions regarding the structure of the City's electric rate and the results of the study.**
- 7) **Mr. Howell stated the Grover Street and Morgan Street Waterline Extension Project is ready to proceed. A financing plan will be brought to Council for consideration.**

I. Council Announcements and Remarks:

- 1) **Mayor Anthony mentioned the Graham Street construction and detour, inquiring when the road work will be completed. It was noted to be a North Carolina Department of Transportation project and work schedule.**
- 2) **Mayor Anthony updated Council about the meeting held on April 15, 2016 with Cleveland County Commissioner Chair Jason Falls and Cleveland County Commissioner Vice Chair Eddie Holbrook, which included the City and County Managers. Both he and Mr. Bailey were able to educate the County representatives about some City issues in a positive way. Mr. Bailey added the City-County partnership is strong. They anticipate a joint meeting of the boards to be coordinated by the managers.**
- 3) **Mr. Causby stated he and others were in favor of a dog park.**
- 4) **Mr. Bailey reported he attended a North Carolina League of Municipalities**

Board of Directors meeting very recently. The board members made a concentrated effort to prioritize goals, which are currently being tabulated for possible inclusion to the League's Municipal Advocacy Goals.

Next, Mr. Bailey requested information regarding the Alcoholic Beverage Control (ABC) Board as to Council's authority, responsibilities, costs, and expenses. Mr. Howell explained the State ABC Commission has oversight authority with respect to each local ABC Board. Municipal ABC Boards in North Carolina are local independent subdivisions of the State. They operate as separate entities establishing their own policies and procedures. The Shelby ABC Board consists of a Chair and four board members appointed by City Council as the appointing authority. At Council's request, the North Carolina General Assembly increased members on the Shelby ABC Board from three to five members beginning July 2006. The Shelby ABC Board retains authority to set policy and adopt rules in conformity with ABC laws and Commission rules. Regarding compensation of board members, a local board member shall not receive compensation exceeding \$150.00 per board meeting. Additionally, no local board member shall receive any non-monetary compensation or benefits. Travel expenses are paid through the operating budget of the local ABC Board. Mr. Howell stated both the City and the County are recipients of a proportionate share of the profits. Shelby receives approximately \$65,000.00 per year through alcohol sales.

- 5) Mr. Hendrick expressed his appreciation to Mr. Bailey for his time and travel representing the City of Shelby on various boards.

He also complimented Uptown Shelby Association after receiving positive feedback about Uptown Shelby from several out-of-town friends and guests who visited recently.

- 6) Mayor Anthony reminded Council to review the finalists in naming the new trail along the First Broad River which is part of the Carolina Thread Trail by the next Council meeting. The grand opening of the trailhead is scheduled for May 21, 2016.
- 7) Mr. Amaya said he participated in the Trail Maintenance Day on April 16, 2016 and reported the trail was being used by many people and is quite beautiful, reminding him of the wilderness.

J. Closed Session:

- 1) To approve the Minutes and General Account of the Closed Session of

February 1, 2016

- 2) To consult with the City Attorney in order to preserve the attorney-client privilege pursuant to North Carolina General Statute 143-318.11 (a) (3)

ACTION TAKEN: Mr. Bailey made a motion to enter into a closed session pursuant to the appropriate North Carolina General Statute as cited. Mayor Anthony consulted with Mr. Yelton who advised the topic met the statutory requirements for a closed session. The Mayor invited all Council members present along with Mr. Howell, Mr. Yelton, Mrs. Parduski, Police Chief Ledford, and Mrs. Jolly to attend. The motion passed unanimously and Council moved into closed session at 6:43 p.m.

Council returned to the regular session at 7:01 p.m.

K. Adjournment:

- 1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Mr. Kittrell, City Council voted unanimously to adjourn the meeting at 7:02 p.m.

Respectfully submitted,

Bernadette A. Parduski, NCCMC, MMC
City Clerk

O. Stanhope Anthony III
Mayor

Minutes of April 18, 2016