

MINUTES

Regular Meeting
City Hall Council Chamber

October 3, 2016
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members David W. White, David Causby, Dennis C. Bailey, Ben Kittrell, Dicky Amaya; City Manager Rick Howell, City Attorney Robert W. (Bob) Yelton, Director of Finance Justin S. Merritt, MPA, Director of Human Resources Deborah C. (Deb) Jolly, Director of Energy Services Julie R. McMurry, Police Chief Jeffrey H. (Jeff) Ledford, Fire Chief William P. Hunt, MPA, EFO, Director of Parks and Recreation Charlie Holtzclaw, and Director of Planning and Development Services Walter (Walt) Scharer, AICP

Absent: Council Member Eric B. Hendrick and City Clerk Bernadette A. Parduski

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. White, City Council voted unanimously to approve the agenda as presented.

B. Public Hearing:

- 1) Consideration of an ordinance to extend the corporate limits of the City of Shelby, North Carolina: Ordinance No. 47-2016

Mr. Scharer introduced Ordinance No. 47-2016 for Council's consideration. He certified the sufficiency of the voluntary annexation petition submitted by Circle Holdings, LLC for 109 Embert Lane. Utilizing a map of the area, Mr. Scharer pointed to the subject property which is approximately 3.7 acres in size, located just off the intersection of South Lafayette Street (NC Highway 18) and College Avenue (NC Highway 150). The site is contiguous with the primary corporate limits of the City.

Mayor Anthony opened the public hearing at 6:02 p.m. and invited comments from the public.

The public offered no comments and Mayor Anthony closed the public hearing at 6:03 p.m.

ACTION TAKEN: Upon a motion made by Mr. Amaya, City Council voted unanimously to approve and adopt Ordinance No. 47-2016 entitled, "AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF SHELBY, NORTH CAROLINA".

C. Consent Agenda:

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

- 1) Approval of the Minutes of the Regular Meeting of September 19, 2016
- 2) Approval of Special Event Permit Application:
 - a. AHA 5K, requested date: November 12, 2016
- 3) Adoption of Fiscal Year (FY) 2016-2017 Budget Ordinance Amendment No. 4: Ordinance No. 48-2016
- 4) Approval of a resolution ratifying the purchase of real property: Resolution No. 50-2016
- 5) Adoption of Fiscal Year (FY) 2016-2017 Budget Ordinance Amendment No. 5: Ordinance No. 51-2016
- 6) Approval of an Order authorizing the sale and issuance by the City of Shelby, North Carolina of a not to exceed \$3,020,000 combined enterprise system revenue bond, Series 2016 and authorizing the execution and delivery of certain documents in connection therewith: Resolution No. 51-2016

END CONSENT AGENDA

D. Unfinished Business: None

E. New Business:

- 1) Consideration of an ordinance amending the City of Shelby's Schedule of Fees: Ordinance No. 50-2016

Mr. Howell introduced Ordinance No. 50-2016 for Council's consideration. If approved, this ordinance would amend the current Schedule of Fees and Charges. Mr. Howell stated the amendment would impact all natural gas customers currently qualifying for the "High Load Factor" service. Approximately 10 to 12 eligible High Load Factor customers would see a 12.2 percent reduction in the base commodity rate (or operating margin portion) of their bill. Mr. Howell explained gas service under this rate schedule is available to any eligible commercial or industrial consumer using natural gas principally for process steam generation, manufacturing purposes, or any other base-load application, where the use of gas for space heating is only incidental. This rate is not available to consumers whose use of gas during the month of least consumption is less than 50 percent of the use during the month of greatest consumption. These customers are typically small businesses using natural gas for a "process" and not simply heating a building. Mr. Howell further stated the Cost of Service – Natural Gas Rate Study identified this rate as being the most disproportionate with the current market.

Mr. Howell concluded by estimating the net impact on the City's budget would be approximately \$14,000. He recommended the revisions to the Natural Gas Rates Schedules as proposed and presented.

ACTION TAKEN: Upon a motion made by Mr. Bailey, City Council voted unanimously to approve and adopt Ordinance No. 50-2016 entitled, "AN ORDINANCE AMENDING THE CITY OF SHELBY'S SCHEDULE OF FEES".

F. City Manager's Report:

- 1) With regard to the US 74 Gateway Project, Mr. Howell reported the plans and designs for improvements to the intersection of East Dixon Boulevard and East Marion Street, including the installation of mast arm signal poles, landscaping, and other site improvements are complete and pending approval by the North Carolina Department of Transportation (NCDOT). A presentation illustrating the proposed intersection design and a project budget ordinance reflecting the cost figures will be considered by Council in November 2016.
- 2) Mr. Howell reported the City of Shelby has again been awarded a grant by the North Carolina General Assembly for downtown revitalization efforts. The funding appropriation will provide approximately \$94,000 to be used for additional parking and lighting improvements in City owned parking lots just off North Lafayette Street and West Campbell Street. Similar in scope to the previous parking lot improvements at East Graham and

South Washington Streets and at Arey and Morgan Streets, this work will include pavement resurfacing, vegetation removal, sidewalk repair, and lighting installation. The work will be completed prior to the close of the fiscal year.

- 3) Mr. Howell reported City electric crews are currently replacing existing street lighting fixtures along East Marion Street and Dekalb Street as part of an ongoing, phased approach to make improvements on heavily traveled street segments. He reminded Council this project is funded through the Electric Department's annual operating budget.

G. Council Announcements and Remarks:

- 1) Mayor Anthony mentioned an article which appeared in the ElectriCities Developments Q3 2016 publication, naming a Smart Site (an ElectriCities Economic Development Site Qualification Program) in Shelby located at 2215 Randolph Road off Washburn Switch Road.
- 2) Mayor Anthony announced in preparation for the Mush, Music, and Mutts Festival, the Uptown Shelby Litter Sweep hosted by Uptown Shelby Association and the Keep Shelby Beautiful Commission is scheduled for October 8, 2016 beginning at 9:00 a.m. and meeting at the Cleveland County Chamber of Commerce building.

H. Closed Session:

- 1) To establish or instruct staff in negotiating the terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease pursuant to North Carolina General Statute 143-318.11 (a) (5)

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 and Mr. Yelton to attend. The motion passed unanimously and Council moved into closed session at 6:17 p.m.

Council returned to the regular session at 6:29 p.m.

I. Adjournment:

- 1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Mr. Kittrell, City Council voted unanimously to adjourn the meeting at 6:30 p.m.

Respectfully submitted,

Bernadette A. Parduski, NCCMC, MMC
City Clerk

O. Stanhope Anthony III
Mayor

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