

MINUTES

Regular Meeting
City Hall Council Chamber

June 20, 2011
Monday, 6:00 p.m.

Present: Mayor W. Ted Alexander presiding; Council Members Christopher H. (Chris) Mabry, O. Stanhope (Stan) Anthony, III, Jeanette D. Patterson, Dennis C. Bailey, Joel R. Shores, Jr., Andrew L. Hopper, Sr.; City Manager Rick Howell, City Attorney Robert W. (Bob) Yelton, City Clerk Bernadette A. Parduski, MMC, Director of Finance Theodore B. (Ted) Phillips, CPA, Director of Human Resources Deborah C (Deb) Jolly, Director of Utilities Brad R. Cornwell, PLS, EI, Fire Chief William P. Hunt, Director of Parks and Recreation Charlie Holtzclaw, Director of Planning Services Walter (Walt) Scharer, AICP; and media representatives

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

A. Approval of agenda:

1) Motion to adopt the proposed agenda

At the request of Mr. Howell, Mr. Shores announced the addition of Item G-2 under New Business as follows:

- Consideration of a resolution authorizing selection of Republic Services of North Carolina, LLC (GDS) based upon proposals submitted for the provision of curbside recycling services to the City of Shelby: Resolution No. 38-2011

Mrs. Patterson requested Item E-11 under the Consent Agenda be removed and placed under New Business as Item G-3 as follows:

- Consideration of a budget ordinance amendment for the City of Shelby's Destination Cleveland County Program: Ordinance No. 28-2011

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

B. Special Presentation:**1) Rural Experiences for Youth Program – Collette W. Deviney, Ed. D.**

Dr. Deviney began her presentation by stating the Rural Experiences for Youth is a preventive program, envisioned by Mayor Alexander, to provide outdoor opportunities for nature-deficit children. The program promotes development of sound thinking skills, respect for the outdoor environment, and respect for oneself and others, thus enabling young people to become productive citizens who live crime-free lives.

Dr. Deviney stated a strategic planning team was organized and an initial study was conducted to determine organizations that were already equipped to provide rural and wilderness experiences for youth. Three organizations, 4-H Club, New Wilderness Adventures, and Venture Phoenix, were selected to design a component for eligible young people who could benefit from rural experiences. The Communities In Schools organization agreed to be the fiscal sponsor for the three rural projects. Counselors and other community leaders will recommend students for acceptance into the program and students will be selected based on individual needs and circumstances. A \$95 donation sponsors one child's experience, including outdoor activities, food, insurance, and transportation costs. The first set of summer programs, which will be implemented in late June and July 2011, will offer various farm, rural, agricultural, and wilderness experiences at different sites.

Upon questioning, Dr. Deviney concluded by reiterating the need for referrals of children ranging in ages from 8 to 18, both in and out of school, as well as for donations and sponsorships.

C. Public Comment: None**D. Public Hearing:****1) Proposed Fiscal Year 2011-2012 Annual Operating Budget for the City of Shelby****a. Consideration of the Fiscal Year (FY) 2011-2012 Budget Ordinance No. 21-2011**

For clarification purposes, Mr. Howell duly noted for the record that FY 2011-2012 Budget Ordinance No. 21-2011 contained a typographical error under Section 20 with regard the tax rate which should read forty three and a half cents.

Mayor Alexander confirmed that the City's proposed budget was made available for public inspection and consideration in the Clerk's Office, as legally required and advertised, and was posted on the City's website.

Mayor Alexander opened the public hearing at 6:17 p.m. and invited comments from the public.

The public offered no comments and Mayor Alexander closed the public hearing at 6:18 p.m.

ACTION TAKEN: Upon a motion by Mr. Shores, second by Mr. Hopper, City Council voted unanimously to approve and adopt Ordinance No. 21-2011 entitled, "CITY OF SHELBY FY 2011-2012 BUDGET ORDINANCE", as corrected.

- b. Consideration of the Fiscal Year (FY) 2011-2012 Supplemental Budget Ordinance No. 22-2011

Upon questioning, Mr. Howell responded that the City's rate and fee schedule is reviewed annually.

ACTION TAKEN: Upon a motion by Mr. Shores, second by Mr. Bailey, City Council voted unanimously to approve and adopt Ordinance No. 22-2011 entitled, "CITY OF SHELBY FY 2011-2012 SUPPLEMENTAL BUDGET ORDINANCE".

- c. Consideration of the reimbursement resolution with regard to installment financings for Fiscal Year (FY) 2011-2012: Resolution No. 33-2011

Upon questioning, Mr. Howell explained the City anticipates incurring certain expenditures for Fiscal Year 2011-2012 in an approximate amount not exceeding \$1,148,800 with respect to the purchase of motorized and other equipment prior to the issuance of tax-exempt obligations by the City in the form of an installment purchase contract for such purpose in an amount not to exceed \$1,148,800 in expenditures for Fiscal Year 2011-2012. The \$1,148,800 represents total capital purchases. The expenditures are incurred solely to acquire, construct, or rehabilitate property having a reasonably expected economic life of at least one year. The source of funds for the General Fund expenditures will be general funds derived primarily from ad valorem taxes of the City and other City general funds and for the Enterprise Funds expenditures will be charges for enterprise services.

Mr. Phillips further explained Council declares a reasonable “official intent” pursuant to U S Department of Treasury reimbursement regulations to reimburse the City from the proceeds of tax exempt obligations in the form of an installment purchase contract of the City executed under the authority of the North Carolina General Statutes for such expenditures. Such expenditures must be incurred not later than two years from the date hereof in order to be eligible for reimbursement from the proceeds of the installment purchase contract or such other date as may be applicable in the regulations. To be eligible for reimbursement of the expenditures, the installment purchase contract must be executed on or before the later of the date one year after the expenditure was paid or the date one year after the equipment was placed in service, or such later date as may be applicable in the regulations.

ACTION TAKEN: Upon a motion by Mrs. Patterson, second by Mr. Anthony, City Council voted unanimously to approve and adopt Resolution No. 33-2011 entitled, “CITY OF SHELBY REIMBURSEMENT RESOLUTION WITH REGARD TO INSTALLMENT FINANCINGS FOR FY 2011-2012”.

E. Consent Agenda:

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

- 1) Approval of the Minutes of the Special Meeting of May 10, 2011**
- 2) Approval of the Minutes of the Special Meeting of May 26, 2011**
- 3) Approval of the Minutes of the Regular Meeting of June 6, 2011**
- 4) Approval of Special Event Permit Applications:**
 - a. 2nd Annual Care for Carey 5K, requested date: August 20, 2011**
 - b. 2011 American Legion World Series Kick-off, requested dates: August 8 – 11, 2011**
- 5) Approval of a resolution approving acceptance of maintenance and ownership of the storm drainage and roadway improvements for Metrolina Drive: Resolution No. 34-2011**

- 6) Adoption of a budget ordinance amendment for the Shelby-Cleveland County Regional Airport Parallel Taxiway Grant Project: Ordinance No. 23-2011
- 7) Adoption of a budget ordinance amendment for the Shelby-Cleveland County Regional Airport Apron Pavement Rehabilitation Grant Project: Ordinance No. 24-2011
- 8) Adoption of FY 2010-2011 Budget Ordinance Amendment No. 4: Ordinance No. 25-2011
- 9) Adoption of a budget ordinance amendment for the City of Shelby's Fueling Station Project: Ordinance No. 26-2011
- 10) Adoption of a budget ordinance amendment for the City of Shelby's Airport Terminal Project: Ordinance No. 27-2011
- 11) REMOVED AND PLACED UNDER NEW BUSINESS AS ITEM G-3

Adoption of a budget ordinance amendment for the City of Shelby's Destination Cleveland County Program: Ordinance No. 28-2011
- 12) Adoption of an amendment to the capital project ordinance and budget for the City of Shelby's Weed and Seed Project: Ordinance No. 29-2011
- 13) Approval of a resolution authorizing approval of the Labor Day Recognition Bonus Program: Resolution No. 35-2011
- 14) Approval of the Notice of Cancellation of Regular Meeting of July 4, 2011 in observance of the Independence Day holiday

END CONSENT AGENDA

F. Unfinished Business:

- 1) Consideration of a resolution approving and accepting the City of Shelby Comprehensive Stormwater Management Program Report, authorizing the City Manager as the duly authorized representative of the City of Shelby and authorizing City staff to submit to the State of North Carolina an NPDES Stormwater Permit Application for compliance with the Phase II Stormwater Requirements pursuant to Session Law 2006-246 Senate Bill 1566: Resolution No. 36-2011

Mr. Howell reminded Council of the Phase II Stormwater presentation provided by staff on June 6, 2011. He presented Resolution No. 36-2011 for their consideration and approval. This resolution would formally appoint the City Manager as the duly authorized representative of the City, authorize the City Manager to sign the permit application and submit the required documents to the North Carolina Department of Environment and Natural Resources; as well as acknowledge, accept, and approve the City of Shelby Comprehensive Stormwater Management Program Report.

Mr. Anthony requested continuing updates with regard to the progress of the City's Stormwater Program.

ACTION TAKEN: Upon a motion by Mr. Bailey, second by Mr. Shores, City Council voted unanimously to approve and adopt Resolution No. 36-2011 entitled, "A RESOLUTION APPROVING AND ACCEPTING THE CITY OF SHELBY COMPREHENSIVE STORMWATER MANAGEMENT PROGRAM REPORT, AUTHORIZING THE CITY MANAGER AS THE DULY AUTHORIZED REPRESENTATIVE OF THE CITY OF SHELBY AND AUTHORIZING CITY STAFF TO SUBMIT TO THE STATE OF NORTH CAROLINA AN NPDES STORMWATER PERMIT APPLICATION FOR COMPLIANCE WITH THE PHASE II STORMWATER REQUIREMENTS PURSUANT TO SESSION LAW 2006-246 SENATE BILL 1566".

G. New Business:

- 1) Consideration of a resolution approving a financing agreement authorized by North Carolina General Statute 160A-20: Resolution No. 37-2011

Mr. Phillips stated this is an annual action necessary by Council to authorize the financed borrowing for the rolling stock (police cars, service vehicles, and equipment) purchased throughout the current fiscal year. The Finance Department sent a Request for Proposals (RFP) to 12 banks requesting bids on the City's 2010-2011 equipment financing. The total amount to be financed is \$935,725.73 and the financing term will be 59 months. The City received proposals from five banks in response. After an evaluation of the proposals submitted by the various banks, it was Mr. Phillips' recommendation that the City select Branch Banking and Trust Company (BB&T) to finance this equipment. BB&T had the lowest interest rate at 1.69 percent for a total cash outlay (principal plus interest) of \$1,015,008.25.

ACTION TAKEN: Upon a motion by Mr. Bailey, second by Mr. Hopper, City Council voted unanimously to approve and adopt Resolution No. 37-2011 entitled, "A RESOLUTION APPROVING A FINANCING AGREEMENT AUTHORIZED BY NORTH CAROLINA GENERAL STATUTE 160A-20".

- 2) **Consideration of a resolution authorizing selection of Republic Services of North Carolina, LLC (GDS) based upon proposals submitted for the provision of curbside recycling services to the City of Shelby: Resolution No. 38-2011**

Mr. Howell introduced Resolution No. 38-2011 for Council's consideration. As one of Council's goals, he issued a Request for Proposals (RFP) in May 2011 to qualified firms interested in providing curbside recycling collection and related services. Three proposals were received from qualified firms including Republic Services of NC, LLC of Hickory, North Carolina (GDS) (\$3.35/month), Curbside Management, Inc. of Asheville, North Carolina (\$4.19/month), and Inland Service Corporation, Charlotte, North Carolina Office (\$5.20/month) on June 10, 2011. Mr. Howell, Mr. Darst, and Mr. Phillips reviewed the submitted proposals from each firm, conducted reference checks, and determined that Republic Services of NC, LLC submitted the most competitive and responsive proposal to perform and provide the services as outlined in the RFP. Mr. Howell requested authorization, in consultation with Mr. Yelton, to enter into contract negotiations for curbside recycling collection services with Republic Services of NC, LLC of Hickory, North Carolina.

Discussion followed and included exploring grant opportunities for the purchase of the rollout carts, the hiring of local residents by the contracted firm, negotiating a multi-year contract, the timeline of the Curbside Recycling Collection Program, and coordinating a public education and information program about recycling.

ACTION TAKEN: Upon a motion by Mr. Mabry, second by Mrs. Patterson, City Council voted unanimously to approve and adopt Resolution No. 38-2011 entitled, "A RESOLUTION AUTHORIZING SELECTION OF REPUBLIC SERVICES OF NORTH CAROLINA, LLC (GDS) BASED UPON PROPOSALS SUBMITTED FOR THE PROVISION OF CURBSIDE RECYCLING SERVICES TO THE CITY OF SHELBY".

- 3) **Consideration of a budget ordinance amendment for the City of Shelby's Destination Cleveland County Program: Ordinance No. 28-2011**

Mr. Howell explained that Ordinance No. 28-2011 is considered a cleanup amendment and makes final adjustments to the project budget for the Destination Cleveland County Rural Center Grant Project. This project budget accounts for funding previously received by the City for the implementation of the Destination Cleveland County Rural Center Project. This project was provided funding from the North Carolina Rural Center,

Cleveland County, private donations, and the City (through travel and tourism funds) for the provision of a staff member to implement the DCC program over a four-year period, which ends this calendar year. This amendment adjusts for the actual funding received from each source and the actual expenditures. This amendment closes out the project.

ACTION TAKEN: Upon a motion by Mr. Bailey, second by Mr. Anthony, City Council voted unanimously to approve and adopt Ordinance No. 28-2011 entitled, "A BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S DESTINATION CLEVELAND COUNTY PROGRAM".

H. City Manager's Report:

- 1) Mr. Howell provided Council with an update on the Job Ready Shell Building at the Foothills Commerce Center and reported the four walls of the building have been erected. He encouraged the Mayor and Council to tour the facility.
- 2) Mr. Howell mentioned the employee health screening follow-ups and Health Coaching Program conducted by Carolinas Medical Center on behalf of the City. He said the initial employee meetings were held to learn the results of their individual health screenings (Level I). Those employees with risk factors categorized into Levels II and III will have follow-up, one-on-one meetings with a nurse/health coach scheduled to begin in July 2011 and continue through June 2012.
- 3) Mr. Howell reminded all of the Parks and Recreation Department's Dedication Ceremony of Bill Proctor Field at Shelby City Park on June 23, 2011 at 5:30 p.m. in honor of Coach Proctor's 50 years of volunteer coaching.

I. Council Announcements and Remarks:

- 1) Mr. Anthony said he recently attended a seminar at the Municipal Association of South Carolina's annual meeting and the City of Shelby was cited and recognized as a good example for its positive efforts in the Uptown area.
- 2) With regard to the newly adopted budget, Mr. Mabry expressed his appreciation to all 314 City employees for their day-to-day service to the citizens of Shelby.

He also inquired as to the responses/results of the City's website survey, which is ongoing.

- 3) Mrs. Patterson reported to Mr. Howell that she recently observed a family playing with a beach ball in the fountain at Raper-Roark Plaza.
- 4) After receiving comments from a parent of a child participating in youth athletic programs at City Park, Mr. Shores initiated discussion and requested a legal opinion about conducting background checks on the participants. Mr. Howell responded that it is certainly a philosophical issue and questioned whether the City had the legal right to do so. It was noted that for safety and security reasons coaches and Parks and Recreation staff can dismiss a disruptive child. Mr. Yelton commented that there may be legal issues with background checks if the participants are under the age of 18 and with the Equal Protection Clause.
- 5) Mr. Hopper participated in the litter sweep of the Chestnut Street neighborhood sponsored by the Keep Shelby Beautiful Commission on June 18, 2011. He commented on the importance of implementing and enforcing a litter program in conjunction with the City's new stormwater program.

Mr. Hopper announced a Dedication Ceremony for North Carolina's first State park dedicated to all five branches of its military veterans will take place on July 4, 2011 at 10:00 a.m. in Fayetteville, North Carolina. The North Carolina Veterans Park features an Oath of Service Wall where the casted hands of veterans from all 100 North Carolina counties will be displayed. He and Cleveland County Commissioner Johnny Hutchins were among those chosen as Cleveland County's representatives to be permanently enshrined at the park.

- 6) Mayor Alexander announced a homeownership fair, "Opportunities to Come Home", on June 25, 2011 from 10:00 a.m. to 3:00 p.m. at Isothermal Community College – Foundation Conference Center in Spindale, North Carolina.

The Mayor paid his highest compliments to Parks and Recreation Director Charlie Holtzclaw and his staff for an outstanding job with the new Recreation and Sports Complex facilities and dedication ceremonies held on June 17, 2011 at City Park.

He also mentioned the greatly anticipated grand opening of Clearwater Paper Corporation's facility in Shelby on June 21, 2011.

J. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion by Mr. Shores, second by Mr. Mabry, City Council voted unanimously to adjourn the meeting at 7:11 p.m.

Respectfully submitted,

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

**W. Ted Alexander
Mayor**

Minutes of June 20, A. D. 2011