

## MINUTES

Regular Meeting  
City Hall Council Chamber

May 14, 2018  
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, Ben Kittrell, Jr., and Dicky Amaya; City Manager Rick Howell, ICMA-CM, City Clerk Bernadette A. Parduski, NCCMC, MMC, City Attorney Lacey Beam, Director of Finance Justin S. Merritt, MPA, Assistant Director of Finance Elizabeth B. (Beth) Beam, CPA, Director of Human Resources Deborah C. (Deb) Jolly, Director of Energy Services Julie R. McMurry, Director of Water Resources David W. Hux, Director of Engineering Services Benjamin (Ben) Yarboro, Police Chief Jeffrey H. (Jeff) Ledford, Assistant Fire Chief – Logistics and Enforcement Services Todd McMurry, Director of Public Works Daniel C. (Danny) Darst, Jr., Director of Parks and Recreation Charlie Holtzclaw, Director of Planning and Development Services Walter (Walt) Scharer, AICP; and Bill Harrelson of Cleveland Community College and C19TV

Mayor Anthony called the meeting to order at 6:00 p.m. and welcomed all who were in attendance. The Mayor called for a moment of silence in honor of National Police Week, May 13 through May 19, 2018 which includes Peace Officers Memorial Day on May 15, 2018. He gave the invocation and Mrs. Arth Dukes 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 Presentations:**

- 1) Earl Scruggs Center update – Emily Epley, Executive Director

Since opening its doors in 2014, Mrs. Epley said the Center has hosted visitors from all 50 states and 18 countries. She added 30 to 35 states and 6 to 8 countries are represented each year at the Center.

Mrs. Epley noted the City's wayfinding signs continue to be most helpful in directing visitors to the Earl Scruggs Center as well as to the Uptown Shelby

area. She mentioned banners were installed at the Center's Washington Street entrance in January 2018 and serve to inform the public of its location and to enhance the historic courthouse building. The cost of these banners were donated by two sponsors.

Next, Mrs. Epley stated two articles about the Center were recently featured in Southern Living magazine and Down the Road, the magazine of the Blue Ridge music trails.

Mrs. Epley added through a partnership with the World Equestrian Games Volunteer Program at the Tryon International Equestrian Center, the Earl Scruggs Center is offering complimentary admissions to all those volunteers of this major international championship event to be held in Tryon, North Carolina in September 2018.

As the Center is entering its fifth year of operation, Mrs. Epley was pleased to secure significant State grant funding to assist with their strategic planning process and to ensure long-term, future success.

During this past year, Mrs. Epley stated continued emphasis and focus was placed on building the Center's motor coach business and facility rentals in an effort to showcase Shelby as a destination and to increase overnight accommodations by visitors. She added the Center welcomed a group from Capitol Tours of West Columbia, South Carolina and planned a one-day itinerary. This was very well received and has the potential to generate additional tour groups from the feedback and inquiries obtained.

Mrs. Epley stated the Center presents two special exhibits each year. The "David Holt: Photos, Music and Stories" exhibit was on display from July 2017 through January 2018. Currently on display is "Home Plate Don't Move: Baseball and Community", featuring interactive components that integrate history, geography, and STEM (science, technology, engineering, and mathematics) education with a multi-sensory approach to baseball and the region.

Mrs. Epley stated the Center continues to present quality programming which includes a diverse range of programs such as the Lunch-N-Learn series, the Pickin' on the Square series, and this year, Books & Baseball for children.

Lastly, Mrs. Epley announced the 9<sup>th</sup> Annual Rhythm & Roots 5K Walk/Run and 10K Run will take place on October 13, 2018.

Council received the information. No action was required.

**2) City Park Royster Memorial Golf Course Alternative Use Study and Plan – Andrew Pack, Wayne Robinson, and Marc Meddaugh, Woolpert North Carolina PLLC**

Mr. Howell introduced the subject matter of the presentation by stating Woolpert North Carolina, LLC, a multi-discipline design firm specializing in park and recreation facilities, was contracted by the City of Shelby to conduct an alternative use study and to develop the Alternative Use Master Plan for the golf course land within the City Park property. He also referenced Resolution No. 14-2017 directing him to develop an operations improvement plan intended to increase play and revenue at the golf course and to identify viable future alternative recreational uses for the golf course property by providing opportunities for public input by December 2017.

Mr. Holtzclaw began the introductions by mentioning Woolpert has been involved in the City's recreational projects over many years including the previous City Park Recreation and Sports Complex (2011) and the current Hanna Property Multi-purpose Recreation Complex (2018). He introduced the presenters as Andrew Pack, Wayne Robinson, and Marc Meddaugh.

Next, Mr. Pack provided an overview of the presentation covering the why, the what, and the how of the alternative use study. He then stated the purpose of the presentation is to inform City Council and the public of the results of the community engagement process and to review the Alternative Use Master Plan.

As directed by City Council and City staff, Mr. Robinson stated Woolpert's study included multiple levels of community engagement activities to gain an understanding of what the local community feels is the best alternative uses for the golf course property.

He explained the steps Woolpert performed in the Alternative Use Study as follows:

- Review of the overall park and facility including all property and uses
- Review of current park and recreation needs
- Identify stakeholders within the community
  - Residents
  - Sports and outdoors
  - Parks and Recreation Advisory Board
  - Keep Shelby Beautiful Commission
  - Volunteer
  - Youth and high school
  - Travel and tourism

- **Community engagement – can include workshops, focus groups, public meetings, and survey**
  - **Workshops – The public workshops included multiple stations asking specific questions and a written survey**
    - ❖ **Most and least used activities at City Park**
    - ❖ **Priority of improving or adding current and new activities at City Park**
    - ❖ **Special events that could be held at City Park**
    - ❖ **Active or passive recreation options at City Park**
  - **Focus groups**
    - ❖ **Sports and outdoors**
    - ❖ **Parks and Recreation Advisory Board/Keep Shelby Beautiful Commission**
    - ❖ **Volunteer**
    - ❖ **High school**
    - ❖ **Travel and tourism**
  - **Online survey**
    - ❖ **The online survey asked the same questions as the public workshops**

**Mr. Robinson reviewed and discussed the online survey results as follows:**

- **Activities and programs participated in regularly: Swimming, walking/jogging, and special events**
- **Survey participants gender ratio: 60 percent female and 40 percent male**
- **Population living within Cleveland County: 92 percent to 8 percent**
- **Population living with Shelby City Limits: 53 percent to 47 percent**
- **Participated in recreation programs at Shelby City Park: 79 percent**
- **Survey participants age range: 35-44 years, 26 percent and 45-54 years, 22 percent**
- **Recreational facilities used at City Park in the past two years: Carrousel, miniature train track, playgrounds, and walking trails.**

**Mr. Robinson reviewed and discussed the workshop results as follows:**

- **Activities and programs the public would like to have at City Park: Golf training facility, dog park, and greenway trail connection**

- **Most used park elements:** Golf course, baseball/softball, and walking trails
- **Least used park elements:** Horseshoe pits, baseball/softball, and golf course
- **Special events people would likely attend:** Concert venue/music festival, Special Olympics/Senior games, and food truck festivals
- **Priority park elements:** Active recreation – 33 percent; passive recreation – 13 percent; and special events – 10 percent
- **Preferred active recreation replacements for golf course:** Bicycle trails – 25 percent; jogging trails – 12 percent; and BMX bicycle pump track – 11 percent
- **Preferred alternative golf course uses:** Bicycle trails – 27 percent; Amphitheater – 18 percent; Walking and hiking trails – 12 percent; Campground and disc golf course tied at 9 percent

**Mr. Robinson went over the existing program elements at City Park as follows:**

- **Community Center**
- **Aquatic Center**
- **Royster Golf Course**
- **Tennis courts**
- **Miniature train track**
- **Playground inside train track**
- **Carrousel**
- **Picnic area**
- **Baseball/softball fields**
- **Playground by baseball field**
- **Horseshoe pits**
- **Thompson Garden**
- **Walking trails**

**Mr. Robinson presented Woolpert’s conceptual master plan for City Park depicting existing and new elements as follows:**

**Existing:**

- **Community Center**
- **Aquatic Center**

- Thompson Garden
- Tennis courts
- Train track
- Playground
- Carrousel
- Ball fields
- Maintenance facility
- Girl Scouts building
- Parking lot

**New:**

- Ball fields
- Community garden and public orchard
- Disc golf course
- Walking and biking trails
- Fitness park
- Dog park
- Open green space and music festival space
- Picnic facilities
- Sidewalk
- Greenway trail connection
- Ropes course
- Bicycle pump track
- Community building and restrooms
- Picnic pavilion
- Parking lot

Discussion followed and concluded with Mr. Robinson stating, in general terms, the game of golf follows the market, noting there is a downward trend in municipal golf courses due to the return on investment and maintenance costs.

Mr. Hendrick requested a Council consensus to direct City staff to develop a three-year plan to implement the Conceptual Master Plan presented by Woolpert at City Council's 2019 retreat.

Mr. Hendrick made a motion to close the Royster Memorial Golf Course on June 1, 2018 and to immediately re-open it to foot traffic and to develop a plan to allow mountain bikes.

The vote was delayed to later in the meeting until Mr. Howell presented his budget message.

Council received the information. No action was taken at this time.

**C. Public Comment:**

Jamie Coulter who resides at 401 Edgewood Road in Shelby, North Carolina spoke against the closing of Royster Memorial Golf Course, urging City Council to study the matter longer before making any decision.

**D. Public Hearing:**

**1) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina: Ordinance No. 23-2018**

Mr. Scharer introduced this proposed zoning map amendment for the property located at 818 North Post Road from General Business (GB) District to General Business (GB) District and Light Industrial (LI) District as submitted by the applicant, Spencer Borders. Utilizing both location and zoning maps, he pointed to the subject property located near the Hurst Jaws of Life plant and facility on North Post Road. Land uses and zoning in the area vary.

Mr. Scharer stated the applicant wishes to rezone the rear of this property to LI due its current industrial character. The front of the property will remain GB and will cater to GB uses. This site will be adjacent to the new US 74 Bypass currently under construction. The rear of the property will have frontage on the new bypass. He utilized constructions plans to denote the location of the new bypass in relation to this site. Mr. Scharer pointed to the edge of the right-of-way as marked on the subject property.

Mr. Scharer further stated the Comprehensive Land Use Plan (2009) for this area designates the site as Conservation Development. This designation was given to the area in an effort to preserve the corridor of the new 74 Bypass which is now under construction. Therefore, this zoning map amendment is inconsistent with the current Comprehensive Land Use Plan. However, this area will be reviewed with the new Small Area Plan for the Highway 150 Interchange associated with the new bypass and will likely have its future land use designation changed upon completion of that plan.

Mr. Scharer concluded by stating the Planning and Zoning Board recommended approval of this proposed zoning amendment.

Mayor Anthony opened the public hearing at 6:55 p.m. and invited comments from the public.

The public offered no comments and Mayor Anthony closed the public hearing at 6:56 p.m.

**ACTION TAKEN:** Upon a motion made by Mr. Amaya, City Council voted 5 (Hendrick, Causby, Arth Dukes, Kittrell, and Amaya) to 1 (White) to deny Ordinance No. 23-2018 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA".

**E. 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 April 16, 2018
- 2) Approval of the Minutes of the Special Meeting of April 20, 2018
- 3) Approval of the Minutes of the Special Meeting of April 27, 2018
- 4) Approval of a resolution authorizing the City of Shelby to engage in electronic payments as defined by North Carolina General Statute 159-28: Resolution No. 22-2018
- 5) Adoption of a budget ordinance amendment for the City of Shelby's Grover Morgan Waterline Project: Ordinance No. 24-2018
- 6) Adoption of a budget ordinance amendment for the City of Shelby's East Gateway Enhancement Project: Ordinance No. 25-2018
- 7) Adoption of Fiscal Year (FY) 2017-2018 Budget Ordinance Amendment No. 17: Ordinance No. 26-2018
- 8) Adoption of Fiscal Year (FY) 2017-2018 Budget Ordinance Amendment No. 18: Ordinance No. 27-2018
- 9) Adoption of an ordinance authorizing demolition of a dwelling (615 Smith Street): Ordinance No. 28-2018
- 10) Adoption of an ordinance authorizing demolition of a dwelling (1119 North Lafayette Street): Ordinance No. 29-2018
- 11) Approval of a resolution awarding the contract for the City of Shelby Fiscal Year (FY) 2017-2018 Street Resurfacing Program: Resolution No. 23-2018



- 12) Adoption of a budget ordinance amendment for the Shelby-Cleveland County Regional Airport Runway Overlay Project: Ordinance No. 30-2018

**END CONSENT AGENDA**

**F. Unfinished Business:**

- 1) Presentation of the City Manager's Fiscal Year (FY) 2018-2019 Budget Message and Proposed Annual Operating Budget for the City of Shelby

Mr. Howell provided a synopsis of his budget message dated May 14, 2018, stating the budget is balanced and meets all the applicable requirements of the North Carolina Local Government Budget and Fiscal Control Act. The following information contains his final recommendations for the budget beginning July 1, 2018 through June 30, 2019. These recommendations are impacted by a thorough process taking into account department requests, management evaluation of those requests as well as informed dialog between management and the departments. The process also took into account guidance and recommendations from the Mayor and City Council as provided during the annual retreat and two budget sessions.

Mr. Howell summarized the following:

- The City's budget includes eight (8) major governmental and enterprise funds: General, Electric, Natural Gas, Water, Sewer, Powell Bill (Streets), Public Housing, and Stormwater. These funds are set up for fiscal and accounting purposes with a self-balancing set of accounts for the purpose of carrying out specific activities or attaining certain objectives.
- The overall budget of \$76,576,530 is a 1.88 percent net increase (\$1,416,112) from the current fiscal year adopted budget of \$75,160,418.
- With regard to property tax, this revenue source is shown to increase by \$2,035,800 over last fiscal year. The voluntary annexation of the Clearwater Paper facility last year was not reflected in the property tax line but rather appeared in the Unrestricted Intergovernmental Revenue line item. At that time it was not known if the annexation would be complete in time and subsequently the company had agreed to pay a fee in lieu of taxes. This amounts to \$1,100,000 of the increase. With regard to Unrestricted Intergovernmental Revenue, this revenue source was reduced by approximately \$1,000,000. Again, this reflects that fact that the voluntary annexation of the current

Clearwater Paper facility was shown as a fee in lieu of taxes in the previous fiscal year.

- The current assessed valuation is set at \$2,021,700,000 by the Cleveland County Tax Administrator with the collection rate expected to be 98.18 percent at the June 30 close of the fiscal year.
- The tax rate is adjusted upward from 49.72 cents to 53 cents per \$100 valuation. This tax rate increase will generate approximately \$650,000 in new property tax revenue. The City did see some tax base growth which accounts for the additional \$285,000 in collections expected this year.
- The Local Option Sales Tax is shown to increase approximately \$500,000 in Fiscal Year 2018-2019. Growth for the coming year is expected to increase as well. The City's percentage of the Local Option Sales Taxes coming back to Cleveland County from the North Carolina Department of Revenue is currently 11.51 percent, up from 10.94 percent the year before.
- Reflected under Sales and Services are revenues generated from fees charged to customers for services rendered. The most significant of these is the Solid Waste Collection fee. It is expected that this revenue will increase approximately \$312,000 due to a monthly \$3.00 increase for this service on once per week residential customers. Fee increases for commercial customers collected more often are proportionately increased.
- It is recommended that the tax rate increase to 53 cents per \$100 of valuation is primarily to provide additional revenue to implement the market-based pay plan recently completed by the City. Implementation of the Pay and Classification Market Study is the top priority. The total cost for all funds is approximately \$1,900,000 when the calculation of benefits is included. Of this, \$1,300,000 will impact the General Fund and 75 percent of this is directed toward public safety positions based upon the market data.
- The total number of fulltime employees increases from 329 to 333 with the addition of four new park personnel for the new Hanna Park. The total annual operations cost for Hanna Park is estimated at \$280,000, including the four new positions.
- The Natural Gas and Electric rates will remain unchanged for all City customers.

- **Base Water and Sewer Facilities charges will increase \$2.50 per month for all inside City residential customers and will proportionately increase \$4.72 per month for all outside City customers.**

**Lastly, all budget documents will be posted on the City's website for public viewing by May 18, 2018. The public hearing on the proposed budget will be advertised and conducted at the meeting of June 4, 2018.**

**G. New Business: None**

**H. City Manager's Report:**

- 1) Mr. Howell informed Council the Shelby Cleveland County Regional Airport T-Hangar Construction Project is on the North Carolina Board of Transportation June Project List for approval.**
- 2) Mr. Howell will provide a report to Council with regard to the unsewered areas within the City in the near future.**
- 3) Mr. Howell mentioned a City ordinance prohibiting the excessive noise due to engine compression brakes referred to as "Jake" brakes in residential areas is forthcoming .**
- 4) Mr. Howell stated he has recently met with the designer of the proposed East Gateway signage and received preliminary information related to the project.**
- 5) With regard to the Uptown Water and Sewer Project, Mr. Howell reported the contractor has moved to the next section located on Washington Street between Marion Street and Warren Street. Ongoing communications continue with all parties involved and affected by the construction activities.**

**I. Council Announcements and Remarks:**

- 1) Mayor Anthony made the following announcements and urged Council members to attend:**
  - **Shelby State of the Community Breakfast – May 17, 2018 at 7:30 a.m., Don Gibson Theatre**
  - **Law Enforcement Memorial Service – May 18, 2018 at 11:00 a.m., Raper-Roark Plaza**

**ACTION TAKEN:** Upon a motion made by Mr. Hendrick to close the Royster Memorial Golf Course on June 1, 2018 and to immediately re-open it to foot traffic, City Council voted 3 (White, Causby, and Arth Dukes) to 3 (Hendrick, Kittrell, and Amaya). Mayor Anthony explained his position not to vote to break the tie. The motion was defeated.

Discussion followed and the key points included: Avoiding a premature decision, the golf course is not utilized enough to justify the expense, cost to taxpayers, subsidizing each golfer several thousand dollars, the study and master plan require further review, and the matter can be reconsidered at a future date.

**J. Closed Session:**

- 1) To approve the Minutes and General Account of the Closed Session of March 5, 2018
- 2) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the City Council, including agreement on a tentative list of economic development incentives that may be offered pursuant to North Carolina General Statute 143-318.11 (a) (4)
- 3) To establish or instruct staff concerning the position to be taken by or on behalf of City Council in negotiating the price and other material 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. Amaya made a motion to enter into a closed session pursuant to the appropriate North Carolina General Statutes as cited. Mayor Anthony consulted with Miss Beam who advised the topics met the statutory requirements for a closed session. The Mayor invited all Council members present along with Mr. Howell, Miss Beam, Mr. Merritt, and Mrs. Parduski to attend. The motion passed unanimously and Council moved into closed session at 7:50 p.m.

Council returned to the regular session at 8:16 p.m.

**K. Adjournment:**

- 1) Motion to adjourn

**ACTION TAKEN:** Upon a motion made by Mr. White, City Council voted unanimously to adjourn the meeting at 8:17 p.m.

**Respectfully submitted,**

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

**O. Stanhope Anthony III  
Mayor**

**Minutes of May 14, 2018**