

MINUTES

Regular Meeting
City Hall Council Chamber

June 3, 2019
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 Dicky Amaya; City Manager Rick Howell, ICMA-CM, City Attorney Robert W. (Bob) Yelton, City Clerk Bernadette A. Parduski, Assistant City Manager/Director of Finance Justin S. Merritt, MPA, Director of Human Resources Deborah (Deb) Jolly, Director of Energy Resources Julie R. McMurry, Police Chief Jeffrey H. (Jeff) Ledford, Fire Chief William P. Hunt, MPA, EFO, Director of Public Works Daniel C. (Danny) Darst, Jr., and Director of Planning and Development Services Department Walter (Walt) Scharer, AICP

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 mourning the victims of the recent attack at the Virginia Beach Municipal Center and gave the invocation. Mrs. Parduski 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 a proposed ordinance designating a local historic landmark – Bank OZK, Shelby, North Carolina: Ordinance No. 40-2019

Mr. Scharer introduced the proposed ordinance designating a local historic landmark for Council's consideration. He stated Bank OZK submitted a Landmark Designation Application to the Cleveland County Historic Preservation Commission seeking local historic landmark designation for the entire exterior and partial interior in order to recognize the property's architectural and historical significance.

Mr. Scharer explained since 2005, the Cleveland County Historic Preservation Commission has served as the Historic Preservation Commission for the City of Shelby through an inter-local agreement. The Commission is solely responsible for reviewing and designating historic

landmark properties. Based on the inter-local agreement, Shelby City Council must hold a public hearing prior to adopting any ordinance designating a historic landmark property.

Mr. Scharer further stated the North Carolina State Historic Preservation Office reviewed the Local Historic Landmark Designation Report as required by the North Carolina General Statutes and offered their comments on the report. State staff noted the Blanton and Wray Buildings, which housed First National Bank (Clerk's note: Bank of the Ozarks acquired First National Bank in 2013; Bank of the Ozarks became Bank OZK in 2018), Central Hotel, Hotel Charles, and Wray-Nix Company and its successors, appear to lack both the special significance and architectural integrity that are necessary for individual landmark designation. These are important structures in Uptown Shelby, but do not rise to the level of being eligible for landmark designation.

Mr. Scharer concluded by stating the Cleveland County Historic Preservation Commission recommended this Historic Landmark Property Designation. However, City staff believes the Historic Preservation Commission ignored the recommendation of the State Historic Preservation Office and approved the application. He further concluded City staff strongly recommended not approving this application for Historic Landmark Property Designation due to the State Historic Preservation Office's review that this property lacks special significance and architectural integrity that are necessary for individual landmark designation. It was noted the State Historic Preservation Office cautioned City Council to keep in mind the standard they want to see for Local Landmark Designation in Shelby. Additionally, a downtown consisting of a majority of individually landmarked properties negates the purpose of individual designation.

Mayor Anthony opened the public hearing at 6:06 p.m. and invited comments from the public. The public offered no comments.

Mayor Anthony closed the public hearing at 6:07 p.m.

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to deny Ordinance No. 40-2019 entitled, "A PROPOSED ORDINANCE DESIGNATING A LOCAL HISTORIC LANDMARK – BANK OZK, SHELBY, NORTH CAROLINA".

C. Consent Agenda:

ACTION TAKEN: Mayor Anthony presented the consent agenda. Mr. Amaya 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 May 20, 2019
- 2) Approval of Special Event Permit Applications:
 - a. Uptown Shelby Sculpture Celebration, requested date: June 8, 2019
 - b. Hardin Drive Neighborhood Block Party, requested date: July 27, 2019
- 3) Approval of a resolution awarding the contract for the City of Shelby Fiscal Year 2018-2019 Street Resurfacing Program: Resolution No. 40-2019
- 4) Adoption of Fiscal Year 2018-2019 Budget Ordinance Amendment No. 9: Ordinance No. 41-2019

END CONSENT AGENDA

D. Unfinished Business:

- 1) Discussion of Recycling Program Contract Renewal

Mr. Howell reminded Council the City entered into a contract with Republic Services to provide curbside single stream recycling services beginning January 1, 2012 for an initial five (5) year term with the option to renew for an additional three (3) year extension. The current extension expires December 31, 2019. The City currently bills all 7,476 residential customers \$3.00 per month and provides a fifty cent (.50) credit for those 6,447 (representing 86 percent) residential customers participating in the program. The remaining 1,029 residential customers pay the full \$3.00 per month. There are also 272 commercial customer accounts that participate voluntarily in the program.

Mr. Howell stated for the past several months staff has been meeting with Republic Services representatives attempting to address a contract renewal after the end of the year. Unfortunately, world events impacting the recycling market have complicated these discussions. A preliminary proposal made by Republic Services would raise the current per cart collection fee from \$2.78 to \$5.25 per month effective July 1, 2019. Republic Services has explained their costs at the Rutherford County Recycling Transfer Station are to increase dramatically per ton (\$130) and if contaminated, the additional cost to landfill will be increased by \$63 per ton. Republic Services is attempting to pass those costs on to the City. The current contract extension does not provide for Republic Services to pass this increased cost on to the City. Mr. Howell stated the current proposal

from Republic Services is not acceptable; however, the City will continue to negotiate in good faith, weighing the benefits versus costs. If the City refuses to pay, this would result in a breach of contract.

Mr. Howell also discussed the challenges of participating in a recycling program with regard to education and elimination. A critical aspect for all recycling programs is proper separation of recycling materials from regular solid waste garbage. Educating the public about adding unacceptable materials such as glass and plastic bags to the recycling containers will contaminate the load, which means it goes to the landfill, is key.

Discussion followed and included recycling alternatives and other options as to recycling companies and allowing the public to have a voice about continuing a recycling program.

Council received the information and took no action.

E. New Business: None

F. City Manager's Report:

1) Mr. Howell provided the following project updates:

- Water Treatment Plant Upgrades Project – moving along very well
- Farmville Road elevated storage water tank near Clearwater Paper Corporation – due to be operational in September 2019
- First Broad River Wastewater Treatment Plant Bio-solids Improvement Project – ongoing and moving forward
- Utility relocation projects – all continuing
- Shelby-Cleveland County Regional Airport T-Hangar Project – on schedule and moving forward
- Mafic USA, LLC – as previously agreed, Mafic has requested the extension of the City's natural gas line to their facility in order to operate their new furnace
- Electrical Distribution System Reconductoring Projects – are moving forward
- South Washington Street Streetscape Project – is wrapping up; the Uptown Shelby Streetscape Project will re-bid on June 6, 2019
- Greenheck Fan Corporation announcement – With Greenheck's recent announcement that it will expand its manufacturing facilities in Shelby and plans to develop a campus setting within the Foothills Commerce Center, Mr. Howell expressed his appreciation to Council for their support of this expansion project and Council, in turn, expressed its appreciation to City staff for their efforts and

work with the Greenheck project.

- Foothills Commerce Center – with only two lots left, there will be a staff recommendation regarding a future shell building

G. Council Announcements and Remarks:

- 1) Mayor Anthony announced and encouraged all to attend the Come Hear NC Concert in Shelby on June 8, 2019 at 7:00 p.m., Don Gibson Theatre.
- 2) Mayor Anthony recognized the generosity of the City's employees as he proudly announced another successful United Way campaign by the City of Shelby. The Mayor acknowledged the City was the recipient of an Eagle Award and the 2018 Spirit of North Carolina Award for campaign excellence, raising a record \$136,000 as Number 1 in the nation for local government campaigns.
- 3) Mayor Anthony announced and encouraged all to attend the Uptown Shelby Association's Sculpture Celebration on June 8, 2019 from 11:00 a.m. to 1:00 p.m. at 206 South Washington Street.
- 4) Mr. Webber echoed the Mayor's comments regarding the City's 2018 United Way campaign, adding the record is highly commendable.

Mr. Webber also expressed his appreciation to the public and the City for their generous response to the scholarship fund honoring his late daughter, Faith Webber. He was gratified to announce three scholarships will be awarded to Shelby High School graduates.

- 5) Mr. Causby echoed the Mayor's comments regarding the City's successful 2018 United Way campaign.

Mr. Causby was impressed by the participation and talent in the annual Chalk Fest held on June 1, 2019 around the Court Square sponsored by the Cleveland County Arts Council.

- 6) Mr. Amaya also attended the Shelby Breakfast Rotary Club Putt-Putt Tournament and the Chalk Fest on June 1, 2019 in Uptown Shelby around the Court Square.
- 7) Mrs. Arth Dukes echoed the Mayor's comments regarding the City's successful 2018 United Way campaign, adding her congratulations to City staff.

She also reiterated her position on the City's recycling program, hoping a solution can be found to keep the program active.

H. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Mr. Amaya, City Council voted unanimously to adjourn the meeting at 6:45 p.m.

Respectfully submitted,

Bernadette A. Parduski, NCCMC, MMC
City Clerk

O. Stanhope Anthony III
Mayor

Minutes of June 3, 2019