

MINUTES

**Regular Meeting – Electronic Meeting
City Hall and Don Gibson Theatre**

**June 1, 2020
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 Andrew Hopper, Sr.; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Justin S. Merritt, MPA, Interim City Attorney Martha R. Thompson, City Clerk Bernadette A. Parduski, Director of Human Resources Deborah C. (Deb) Jolly, Director of Finance Elizabeth B. (Beth) Beam, 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, Director of Planning and Development Services Walter (Walt) Scharer, AICP, Public Information and Communications Officer Chip Nuhrah, Jennipher H. Harrill, Social Media Manager, Blue Eyes Social Media Connections, and Stan Lowery, Executive Director, Don Gibson Theatre

Mayor Anthony called the meeting to order at 6:00 p.m. and certified a quorum was present. It was noted a location for public access to the meeting was established at the Don Gibson Theatre and monitored by Mr. Lowery. A maximum of ten (10) persons would be allowed to attend.

The Mayor called for a moment of silence and reflection for all those working on the front lines of the COVID-19 pandemic, including the health care providers, first responders, and essential service workers. Afterwards, he delivered an invocation.

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 Hearings:

- 1) Proposed Fiscal Year (FY) 2020-2021 Annual Operating Budget for the City of Shelby**

- a. Consideration of Fiscal Year (FY) 2020-2021 Budget Ordinance: Ordinance No. 22-2020**
- b. Consideration of Fiscal Year (FY) 2020-2021 Supplemental Budget Ordinance: Ordinance No. 23-2020**

Mr. Howell had previously presented the proposed Fiscal Year (FY) 2020-2021 Annual Operating Budget for the City of Shelby to Council at their regularly scheduled meeting of May 18, 2020. The City of Shelby General Fund Budget Presentation, Fiscal Year (FY) 2020-2021; City of Shelby Utility (Enterprise) Funds Budget Presentation, Fiscal Year (FY) 2020-2021; his Budget Message; the Proposed Budget Ordinance; and the Proposed Supplemental Budget Ordinance were posted to the City's website for public access and review. The public hearing was scheduled as required by North Carolina General Statute 159-12 for Council's regular meeting of June 1, 2020. Under the provisions of Section 4.31 of S.L. 2020-3 (SB704), amending North Carolina General Statute 159-12(a), City Council must receive public comment on the budget for at least twenty-four (24) hours after the close of the hearing. Council will consider the adoption of the annual Budget Ordinance No. 22-2020 and the Supplemental Budget Ordinance No.23-2020 at its regular meeting of June 15, 2020.

Overall, Mr. Howell referred to the proposed budget as a status quo budget. Given the COVID-19 pandemic and its negative impact on federal, state, and local economies, the effect has created uncertainty and much greater unpredictability of the major revenue streams usually relied upon by the City, specifically, the collection of property taxes and the distribution of local option sales taxes.

Mr. Howell mentioned Governor Roy Cooper's Executive Order No. 142 issued on May 30, 2020 which extends the prohibition on utility shut offs and the extension of assistance for North Carolina utility customers to July 29, 2020. This, too, could have significant impact on all the City's utility revenues.

Mr. Howell reiterated to Council to expect more frequent budget ordinance amendments throughout the fiscal year.

Next, Mr. Howell discussed the City's primary obligations:

- To provide and deliver services to its customers
- To pay its debt
- To compensate its employees

Regarding the General Fund budget, Mr. Howell noted the following:

- No property tax rate increase
- No fee increases
- Implementation of Phase 3 of the approved Compensation and Pay Plan is delayed due to the revenue uncertainty created by the pandemic. Implementation will be reconsidered if revenues become available to make the adjustment.

Mr. Howell concluded by stating the overall budget of \$80,222,400 is a 1.5 percent net increase (\$1,194,364) from the current fiscal year adopted budget of \$79,028,036. Nearly all this increase is due to payments for new debt service.

Mayor Anthony opened the public hearing at 6:12 p.m. and invited comments from the public. The public offered no comments.

Mayor Anthony closed the public hearing at 6:13 p.m.

Council took no action.

2) Consideration of a proposed ordinance to amend the Unified Development Ordinance (UDO) of the City of Shelby: Ordinance No. 24-2020

Mr. Scharer introduced the proposed text amendment to Development Standards to amend Private Clubs or Recreation Facilities in Article 9 and Article 11 of the City of Shelby Unified Development Ordinance (UDO). He stated currently the UDO permits Private Recreational Clubs within all residential zoning districts: Residential 20, Residential 10, Residential 8, Residential 6, Rural Residential, and Residential Office. After review, staff determined this use is inconsistent with the Shelby Comprehensive Land Use Plan as well as the Strategic Growth Plan. The proposed ordinance would eliminate private recreational clubs as a permitted use in the Residential 10, Residential 8, and Residential 6 zoning districts.

Mr. Scharer concluded by stating the Planning and Zoning Board has reviewed this proposal and recommended approval of the proposed text amendment as submitted by staff. The proposed ordinance will be available to act upon by Council at their meeting of June 15, 2020.

Mayor Anthony opened the public hearing at 6:14 p.m. and invited comments from the public. The public offered no comments.

Mayor Anthony closed the public hearing at 6:15 p.m.

Council took no action.

C. Consent Agenda:

Mayor Anthony presented the consent agenda. Mr. Hendrick moved to approve the consent agenda and the following item was unanimously adopted:

1) Approval of the Minutes of the Regular Meeting of May 18, 2020

D. Unfinished Business: None

E. New Business: None

F. City Manager's Report:

- 1) Mr. Howell informed Council he received notification from Norfolk Southern Railway Company about the removal of the rails and other railroad equipment along the rail corridor from Sunset Cemetery to the South Carolina state line beginning the week of June 1, 2020.**
- 2) Regarding the Water Treatment Plant Rehabilitation and Upgrade Project, Mr. Howell stated the start-up of the new pumps began last week and that work is continuing.**
- 3) Mr. Howell informed Council that there have been requests from individuals to hold prayer vigils at City Pavilion in response to the country's current civil unrest. In utilizing a City facility, he said there is an obligation to ensure the organizers follow Governor Cooper's executive orders, the North Carolina Department of Health and Human Services guidelines for COVID-19 as well as the Centers for Disease Control and Prevention guidelines for coronavirus.**
- 4) Mr. Howell mentioned a work schedule for the Brookwood Drive Project is anticipated and the repair work will begin soon.**
- 5) Mr. Howell stated Cleveland Community College has requested to contract for a police officer to be on their campus.**
- 6) Mr. Howell stated that he, along with Mr. Merritt and Mr. Holtzclaw, have been working on a plan to re-open the Aquatics Center and Summer Day Camp. Both programs are allowed under Governor Cooper's Executive Order No. 141 for easing restrictions under Phase 2.**

G. Council Announcements and Remarks:

- 1) Mr. Webber requested the status of the Cherryville Road and East Marion Street realignment of intersection project, which may not bid until sometime in 2021.**

Mr. Howell will request an update from the North Carolina Department of Transportation (NCDOT).

Mr. Webber also expressed his appreciation to the Utilities staff for assisting with hanging the Shelby High School senior athletes' banners along Dekalb Street.

2) Mrs. Arth Dukes requested prayers for our country at this difficult time.

H. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Mrs. Arth Dukes, City Council voted unanimously to adjourn the meeting at 6:24 p.m.

Respectfully submitted,

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

**O. Stanhope Anthony III
Mayor**

Minutes of June 1, 2020