

MINUTES

**Regular Meeting
Don Gibson Theatre**

**November 2, 2020
Monday, 6:00 p.m.**

Present: Mayor O. Stanhope Anthony III, presiding; Council Members 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, City Attorney Andrea Leslie-Fite, City Clerk Bernadette A. Parduski, Public Information and Communications Officer Chip Nuhrah, Police Chief Jeffrey H. (Jeff) Ledford, Stan Lowery, Executive Director, Don Gibson Theatre; and Jennipher H. Harrill, Social Media Manager, Blue Eyes Social Media Connections

Absent: Council Member Eric B. Hendrick

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. A maximum of 25 persons would be allowed to attend, following the current Executive Orders of Governor Cooper and the North Carolina Department of Health and Human Services COVID-19 guidelines.

The Mayor delivered the invocation and Mr. White led the Pledge of Allegiance.

A. Approval of agenda:

- 1) Motion to adopt the proposed agenda**

ACTION TAKEN: Upon a motion made by Mrs. Arth Dukes, City Council voted unanimously to approve the agenda as presented.

B. Consent Agenda:

Mayor Anthony presented the consent agenda. Mr. White moved to approve the consent agenda and following items were unanimously adopted:

- 1) Approval of the Minutes of the Regular Meeting of October 19, 2020**
- 2) Approval of a resolution honoring Mark Steven Swink on the occasion of his retirement from employment with the City of Shelby: Resolution No. 48-2020**
- 3) Approval of a resolution awarding the contract for the City of Shelby Stormwater Infrastructure Assistance Program project at 1025 East Dixon Boulevard in Shelby, North Carolina: Resolution No. 49-2020**

C. Unfinished Business:**1) Consideration of Fiscal Year (FY) 2020-2021 Budget Ordinance
Amendment No. 3: Ordinance No. 31-2020**

Mr. Howell introduced Ordinance No. 31-2020 for Council's consideration. If approved, the ordinance recognizes \$50,000 in grant funding from the Cleveland County Economic Development Partnership (CCEDP), which was donated by Duke Energy. Previously, McGill Associates was chosen to undertake the Farmville Road Site Development Project via Resolution No. 46-2020.

Mr. Howell stated the budget ordinance amendment establishes a budget for McGill Associates to perform the professional civil engineering services specified in their proposal dated October 23, 2020 related to the preliminary site development of a 105-acre site at 1641 Farmville Road owned jointly by the City of Shelby and Cleveland County. He further stated the deliverables are expected to be complete within 90 days.

ACTION TAKEN: Upon a motion made by Mr. Hopper, City Council voted unanimously to approve and adopt Ordinance No. 31-2020 entitled, "FISCAL YEAR (FY) 2020-2021 BUDGET ORDINANCE AMENDMENT NO. 3".

D. New Business:**1) City of Shelby Water and Sewer System Financial Analysis and Capital
Improvements Plans Update:****a. Consideration of Fiscal Year (FY) 2020-2021 Budget Ordinance
Amendment No. 2: Ordinance No. 32-2020**

Mr. Merritt introduced Ordinance No. 32-2020 for Council's consideration. If approved, the ordinance would appropriate \$16,500 from both the Water Fund and the Sewer Fund (fund balances) totaling \$33,000 for the purpose of conducting a Water and Sewer System Financial Analysis as well as an update to the Capital Improvements Plan. The City has not conducted a rate analysis in some time. The rates for a variety of rate classifications have not been adjusted in several years and it is important to ensure there is equity and fairness across all rate classes. Mr. Merritt stated the City has received a proposal from WithersRavenel to work with City staff to develop the plans. He concluded with the recommendation from staff to approve the budget amendment that will appropriate funding for the project.

ACTION TAKEN: Upon a motion made by Mrs. Arth Dukes, City Council voted unanimously to approve and adopt Ordinance No. 32-2020 entitled, “FISCAL YEAR (FY) 2020-2021 BUDGET ORDINANCE AMENDMENT NO. 2”.

- a. Consideration of a resolution approving the City of Shelby Water and Sewer System Financial Analysis and Capital Improvements Plan Update contract between the City of Shelby and WithersRavenel: Resolution No. 50-2020

Next, Mr. Merritt introduced Resolution No. 50-2020 for Council’s consideration. He stated the City of Shelby has invested heavily in its water and sewer system infrastructure over the past several years. Over this same period, the City has seen substantial growth in its industrial manufacturing base. Due to these significant changes in the water and sewer system operations and user base, staff feels that it is time to review the financial condition of these utilities, ensure the City has a fair and equitable rate structure, and develop a plan for capital improvements over the next 10 years. Staff believes that these steps will lead to continued financial stability in these funds and ensure the City is prepared to address future capital needs in a strategic manner.

Mr. Merritt discussed the general process to be utilized by the consultant, WithersRavenel, to aid the City of Shelby with updating the City’s Capital Improvement Plans, establishing a water and sewer system rate model, and preparing a Financial Analysis for its enterprise funds. He reiterated the primary objective of this undertaking is to help the City of Shelby project and prioritize its long-term enterprise funds’ capital needs and develop a plan for funding those needs while charging equitable rates.

Mr. Merritt concluded with the recommendation from staff to approve the resolution authorizing the City Manager, in consultation with the City Attorney, to negotiate and execute the contract with WithersRavenel.

ACTION TAKEN: Upon a motion made by Mrs. Arth Dukes, City Council voted unanimously to approve and adopt Resolution No. 50-2020 entitled, “A RESOLUTION APPROVING THE CITY OF SHELBY WATER AND SEWER SYSTEM FINANCIAL ANALYSIS AND CAPITAL IMPROVEMENTS PLAN UPDATE CONTRACT BETWEEN THE CITY OF SHELBY AND WITHERSRAVENEL”.

E. City Manager’s Report:

- 1) Mr. Howell expressed his appreciation to Mayor Anthony and Council members for their attendance at tonight’s ribbon cutting event to celebrate the completion of the City’s Uptown Shelby Streetscape Project. He also mentioned the Mayor’s positive remarks not only about the project

itself and what it represents to the City of Shelby but to all those associated with the project in various roles and functions, including the business owners and the community for their patience and support during all the phases of construction activities.

Mr. Howell also reminded Council the next ribbon cutting ceremony is scheduled for the Water Treatment Plant Upgrade Project on November 16, 2020 at 4:45 p.m., 801 West Grover Street.

- 2) Mr. Howell informed Council the City of Shelby will be requesting Statements of Qualification from qualified firms to provide professional civil engineering services to update its Transportation Asset Management Plan. He explained the purpose of this request for qualifications is to obtain expert professional, technical, and advisory civil engineering services to develop a report that re-evaluates the condition of the City's transportation assets along with funding necessary to make the needed improvements for the City of Shelby. This approach will produce an objective asset condition rating that will then be used to develop a set of capital project needs that can be planned for through the City's annual capital improvement planning process. During this process there should be a forecast of transportation related capital improvements and present alternatives for funding said projects. He stated the current plan is approximately seven years old and progress has been made during this time frame. However, it is time to update the document.

Following a recommendation by City staff, the final selection of a qualified engineering consultant will be made by City Council, which Mr. Howell expects to be completed by the end of 2020.

- 3) Mr. Howell provided several dates for scheduling purposes of the City Council retreat: January 9, January 23, or January 30, 2021. By consensus, Council scheduled January 9, 2021 for their annual retreat to be held at the Don Gibson Theatre. Further details about the retreat will be determined later.
- 4) Regarding the Transportation Alternatives Program (TAP) Grant from the North Carolina Department of Transportation (Rail Corridor Acquisition), Mr. Howell informed Council that he and staff continue to work with DOT staff to secure the \$4,160,000 locally administered federal grant awarded to the City of Shelby.
- 5) Mr. Howell announced the City of Shelby has been awarded Community Development Block Grant (CDBG) funds for the NC CDBG Coronavirus (CDBG-CV) Program in the amount of \$900,000. The Rural Economic Development Division (REDD) administers the CDBG Program and will assist the City in implementing the grant. The City plans to partner with

United Way of Cleveland County and Cleveland County Development Corporation to distribute the funds.

- 6) Mr. Howell mentioned the contractor for Norfolk Southern continues to remove the railroad facilities including rails, ties, fixtures, equipment, and any material specific to railroad uses owned by Norfolk Southern from the rail corridor. The removal and clean-up work have been a long, slow process still the City will continue to work with the contractor, hopeful it will be left in good condition.
- 7) Regarding the West Marion Street Streetscaping Project, Mr. Howell reported the construction activities with the goal of improving accessibility in the area while also providing aesthetic enhancement are nearing completion.
- 8) Regarding the Brookwood Drive Water, Sewer, and Street Improvement Project, Mr. Howell reported the contractor returned to perform asphalt repair work. The work improved some of the asphalt patch work previously completed over the sewer line.
- 9) Mr. Howell stated the City previously submitted a proposal for the Grover Street Multi-Use Path to the Recreational Trails Grant Program in the amount of \$250,000. All applications are reviewed by the North Carolina Trails Committee and recommendations are made to the Secretary of the Department of Natural and Cultural Resources, who makes the final determination on grant awards. Staff anticipates notification by the end of November 2020.
- 10) Mr. Howell mentioned Shelby and the surrounding area was affected by rain, flash flooding, and high winds on Wednesday, October 28, 2020, and Thursday, October 29, 2020, as the remnants of Tropical Storm Zeta caused downed trees and power lines, and power outages. He commended several City departments, including Electric, Public Works, Fire and Rescue, and Police, for their outstanding responsiveness during these storm conditions.

F. Council Announcements and Remarks:

- 1) Mr. Hopper reminded the public about Election Day and encouraged citizens to vote.
- 2) Mr. Webber expressed his appreciation to all for all the great things happening in the City of Shelby.
- 3) Mrs. Arth Dukes expressed her appreciation to the City's Electric and Public Works crews for restoring her power so promptly and efficiently.

She also encouraged citizens to vote on Election Day.

G. Adjournment:

1) Motion to adjourn

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

Respectfully submitted,

Bernadette A. Parduski, NCCMC, MMC
City Clerk

O. Stanhope Anthony III
Mayor

Minutes of November 2, 2020