

## MINUTES

Regular Meeting of Shelby City Council  
Don Gibson Theatre

June 3, 2024  
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony, III, presiding; Council Members Andrew L. Hopper, Sr., David Causby, Violet Arth, David White, Charles Webber, and Emilie Bullock; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Ben Yarboro, Assistant City Manager Justin Longino, MBA, City Attorney Jason Lunsford, City Clerk Carol Williams, Deputy City Clerk Breanna Jones, Director of Human Resources Deborah (Deb) Jolly, Director of Finance Elizabeth (Beth) Beam, CPA, Fire Chief William Hunt, EFO, Chief of Police Brad Fraser, Director of Water Resources Brian Wilson, Public Works Director Scott Black, Director Parks and Recreation Charlie Holtzclaw, Public Information and Communications Officer Chip Nuhrah, Economic Developer Brandon Ruppe, Electric Department Operations Manager Ronnie Davis, and Jennipher H. Harrill, Social Media Manager, Blue Eyes Media Connections

Mayor Anthony called the meeting to order at 6:00 p.m. and delivered the invocation.

Mrs. Bullock led the Pledge of Allegiance.

### A. Approval of agenda:

1) Motion to adopt the proposed agenda presented.

**ACTION TAKEN:** Upon a motion by Mr. White, City Council voted unanimously to approve the agenda as presented

### B. Public Hearing:

1) Proposed Fiscal Year (FY) 2024-2025 Annual Operating Budget for the City of Shelby

a. Consideration of Fiscal Year (FY) 2024-2025 Budget Ordinance: Ordinance No. 41-2024

b. Consideration of Fiscal Year (FY) 2024-2025 Supplemental Budget Ordinance: Ordinance No. 42-2024

### Presentation – Rick Howell, City Manager

Mr. Howell recapped the proposed budget for FY 2024-2025 as follows:

- the overall budget is \$104,713,489 but could change with transfers and natural gas prices fluctuating
- capital spending is down
- a 4% increase in water and sewer rates
- a 3.5% reduction in electric retail rates with these savings passed on to customers
- the tax rate remains at 51.75 cents per \$100 valuation

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. Hopper, City Council voted unanimously to approve Ordinance No. 41-2024 entitled, "FISCAL YEAR (FY) 2024-2025 BUDGET ORDINANCE."

**ACTION TAKEN:** Upon a motion made by Mr. White, City Council voted unanimously to approve Ordinance No. 42-2024 entitled, "FISCAL YEAR (FY) 2024-2025 SUPPLEMENTAL BUDGET ORDINANCE."

#### **D. Consent Agenda:**

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

- 1) Approval of the Minutes of the Special Meeting of April 30, 2024
- 2) Approval of the Minutes of the Special Meeting of May 14, 2024
- 3) Approval of the Minutes of the Regular Meeting of May 20, 2024
- 4) Approval of a Resolution honoring Samuel Scott Champion on the occasion of his retirement from employment with the City of Shelby: Resolution No. 38-2024
- 5) Approval of a Resolution honoring Richard Perry Ivey, Jr. on the occasion of his retirement from employment with the City of Shelby: Resolution No. 39-2024
- 6) Approval of a Resolution to withdraw the City's acceptance of the Rural Transformation Grant Fund, Grant Agreement Rural Downtown Transformation Grant: Resolution No. 40-2024

7) Adoption of FY 2023-2024 Budget Ordinance Amendment No. 11:  
Ordinance No. 43-2024

8) Approval of a Special Event Application:

a) First Baptist Church Block Party, requested date: June 19, 2024

9) Management Reports:

a) Monthly Financial Summary – April 2024

10) Notice of Cancellation in the Regular Meeting Schedule of Shelby  
City Council – July 1, 2024

#### **END OF CONSENT AGENDA**

**D. Unfinished Business:**

1) City of Shelby's City Hall Annex Renovations Project:

a) Adoption of budget ordinance amendment for the City  
Hall Annex Renovations Project: Ordinance No. 44-2024

b) Approval of a resolution awarding the construction contract  
for the City of Shelby's City Hall Annex Renovations Project:  
Resolution No. 41-2024

**Presentation – Rick Howell, City Manager:**

- The plan is to renovate the old Shelby Police Department to house the Planning, Code Enforcement, Building Inspections and Human Resource departments
- Upland Architects has been selected and come up with a plan after input from staff
- The lowest bid was for approximately \$1,881,000 from Neill Construction
- Funds will come from the General Fund reserves, no debt issued for this project
- Work is expected to begin later this summer

**ACTION TAKEN:** Upon a motion made by Ms. Arth, City Council voted unanimously to approve Ordinance No. 44-2024 entitled, "A BUDGET ORDINANCE AMENDMENT FOR THE CITY HALL ANNEX RENOVATIONS PROJECT."

**ACTION TAKEN: Upon a motion made by Ms. Arth, City Council voted unanimously to approve Resolution No. 41-2024 entitled, "A RESOLUTION AWARDED THE CONSTRUCTION CONTRACT FOR THE CITY OF SHELBY'S CITY HALL ANNEX RENOVATIONS PROJECT."**

**E. New Business:**

- 1) Approval of a Resolution to adopt the proposed City of Shelby Electric Service Terms and Conditions and the proposed City of Shelby New Development Electric Service Agreement: Resolution No. 42-2024

**Presentation – Ben Yarboro, Assistant City Manager**

- In 2005, the City adopted the existing Terms and Conditions Policy for the Electric Department, the City needs an updated policy due to many changes in the development of the Electric industry, costs of materials, and material availability
- Staff compared several municipalities in our area and our size to come up with a policy that is reasonable for development
- Goals of the proposed Electric Service Terms and Conditions and the proposed City of Shelby New Development Electric Service Agreement:
  - Clearly outline the roles and responsibilities of both the City and the Developer/Customer in regard to electric service
  - Ensure fair and equitable treatment of all new and existing electric customers
  - Use the policy as a training document for new employees in regard to customer service
  - Update is intended to address evolving electric system issues (ex. increasing costs, material lead times, development, etc.)
  - Allows the City to maintain a reasonable payback period for new installations
- Proposed policy addresses Installation and Service fees and what portion the City is responsible for and how much the developer is responsible for; in most instances, the developer would be responsible for approximately one-third of the various fees

**ACTION TAKEN: Upon a motion made by Mrs. Bullock, City Council voted unanimously to approve Resolution No. 42-2024 entitled, "A RESOLUTION TO ADOPT THE PROPOSED CITY OF SHELBY ELECTRIC SERVICE TERMS AND CONDITIONS AND THE PROPOSED CITY OF SHELBY NEW DEVELOPMENT ELECTRIC SERVICE AGREEMENT."**

## **F. City Manager's Report**

- The Comprehensive Land Use Plan contract has been signed with the Stewart firm.
- The Public Art Advisory Board is going to be soliciting proposals for the Eastern gateway at Marion Street and Dixon Boulevard
- The pool opening was delayed but was successfully opened on Saturday
- TAMP Phase II of paving has begun; updates are on the City website to show what is going to be paved and what has been paved
- Depot and Depot Park project will go out to bid at the end of June 2024
- Rail Trail Phase II project will go out to bid this Fall
- County Home Road construction is delayed due to an easement issue with an adjoining property owner and Duke Energy, out of our hands at this point
- Grove Street Stormwater project with KFC and Fastop is ongoing but slow

## **G. Council Announcements and Remarks**

**Mayor Anthony reminded Council of the upcoming events:**

**June 6<sup>th</sup> – CAGO meeting at Palmer Grove Baptist Church in Kingstown**

**June 8<sup>th</sup> – Fly-In at the Shelby-Cleveland County Regional Airport**

**July 3<sup>rd</sup> – Fireworks at the Shelby City Park**

**Mr. Webber acknowledged the Burns High School baseball team for finishing 2<sup>nd</sup> in the State 2A tournament.**

## **H. Closed Session:**

- 1) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged pursuant to North Carolina General Statute § 143-318.11(a)(3).**
- 2) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations pursuant to North Carolina General Statute § 143-318.11(a)(4).**
- 3) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) 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. White made a motion to enter a closed session pursuant to the appropriate North Carolina General Statutes as cited. Mayor Anthony invited all Council members present, along with Mr. Howell, Mr. Lunsford, Mr. Longino, Mr. Yarboro, Mrs. Jolly, Mr. Ruppe, Mrs. Williams and Mrs. Jones to attend. The motion passed unanimously, and Council moved into closed session at 6:37 p.m.

At the conclusion of the Closed Session item, Mr. White made a motion for City Council to return to the regular session at 7:16 p.m. and seal the minutes.

**I. Adjournment:**

**1) Motion to adjourn**

**ACTION TAKEN:** Upon a motion made by Ms. Arth, City Council voted unanimously to adjourn the meeting at 7:17 p.m.

Respectfully submitted,

Carol Williams  
City Clerk

O. Stanhope Anthony, III  
Mayor

Minutes of June 3, 2024