

Welcome and Call to Order by Mayor O. Stanhope Anthony III

~ Invocation ~

~ Pledge of Allegiance ~

A. Approval of agenda:

Discussion and revision of the proposed agenda, including consent agenda; adoption of an agenda

- 1) Motion to adopt the agenda as proposed or amended

B. Special Presentations:

- 1) Recognition of Timothy Milson Walker on the occasion of his retirement from employment with the City of Shelby:
Resolution No. 46-2018 1
- 2) 2018 General Election – Clifton W. Philbeck, Director of Elections, and Renee G. Bost, Deputy Director of Elections, Cleveland County Board of Elections 3

C. Public Comment: 5

In accordance with City Council's policy, public comment is only taken at the second regular meeting each month. Any citizen who wishes to address Council must register with the City Clerk prior to 6:00 p.m. on the meeting night. The Mayor will call upon each individual during this portion of the meeting and will allow three (3) minutes to speak.

D. Public Hearing:

- 1) Consideration of a resolution authorizing the closeout of the Campbell and Sterchi Building Revitalization Project under the North Carolina Department of Commerce Division of Community Investment and Assistance Community Development Block Grant (CDBG) Grant No. 15-E-2771:
Resolution No. 55-2018 6

E. Consent Agenda:

Prior to approval and adoption of the agenda, a Council Member may move an item from the Consent Agenda to the regular agenda. Items remaining on the Consent Agenda will be considered collectively through a single motion and vote.

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J. Adjournment:

To adjourn a meeting of City Council, a majority of the Council members must vote for a motion to adjourn.

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City of Shelby
Agenda Item Summary
October 15, 2018
City Hall Council Chamber

Agenda Item: B-1

Special Presentations

- 1) Recognition of Timothy Milson Walker on the occasion of his retirement from employment with the City of Shelby: Resolution No. 46-2018

(Comments: Stan Anthony, Mayor)

Summary of Available Information:

- Resolution No. 46-2018

City Manager's Recommendation / Comments

This time is scheduled on your agenda to recognize Timothy Walker on the occasion of his retirement from employment. In keeping with policy City Council previously adopted Resolution No. 46-2018 to recognize him for having served the City faithfully with the Shelby Police Department. He is to be congratulated!

Tim is a dedicated employee who has provided veteran leadership over the past several years in the performance of his duties. He has been a vital part of the team at the Shelby Police Department. He will be missed both personally and professionally.

As is in keeping with current policy Timothy Walker will be presented with a framed resolution, a city lapel pin and a key to the City. It is customary and appropriate to recognize Timothy Walker for his many years of service to the City.

Please join me in wishing him a healthy and happy retirement.

RESOLUTION NO. 46-2018

**A RESOLUTION HONORING TIMOTHY MILSON WALKER
ON THE OCCASION OF HIS RETIREMENT
FROM EMPLOYMENT WITH THE CITY OF SHELBY**

WHEREAS, on the occasion of his retirement from employment on August 1, 2018, it is fitting and proper for the City Council to express its sincere appreciation to Timothy Milson Walker for his loyal, dedicated, and committed service to the City of Shelby from May 1, 1989 to August 1, 2018; and,

WHEREAS, Mr. Walker has been a loyal team member in the continuing development of the Shelby Police Department, especially for his strength, courage, and bravery exhibited in providing protection and service to the City of Shelby and to all of its citizens; and,

WHEREAS, during his tenure of service, Mr. Walker has been a loyal employee for the City of Shelby, beginning as a Patrol Officer in May 1989, receiving a promotion to Police Sergeant in July 1995, receiving a promotion to Police Lieutenant in December 2001, and finishing his career as a Vice/Narcotics Lieutenant, and has been an outstanding example of the quality of employee necessary to the development of the good of the City; and Mr. Walker previously served as a K-9 Police Officer, an Element Leader over Shelby Police Department's Hostage Negotiator Team, a Patrol Watch Commander, a Community Oriented Policing Unit Commander, a Law Enforcement General Instructor as well as a Specialized Subject Control and Arrest Technique Instructor; and,

WHEREAS, Mr. Walker completed over 2,000 hours of advanced law enforcement training, having received his Law Enforcement Advanced Certificate May 1997, which is the highest certification that a Law Enforcement Officer can receive from the State of North Carolina; and is a successful graduate of the North Carolina Law Enforcement Executive Program, March 1998; and, provided security for the 2012 Democratic National Convention for the 44th President of the United States, Barak Hussein Obama, II, held in Charlotte, North Carolina; and, received several Region C Citations for outstanding dedication, leadership, and achievement in advancing professional law enforcement and reducing crime in the community as recent as June 2018 for successfully negotiating a suspect's surrender after the subject had shot a family member and threatened to end his own life; and,

WHEREAS, Mr. Walker's commitment, leadership, laudatory work effort, and devotion to duty has helped create a winning attitude within the Shelby Police Department of the City of Shelby; and,

WHEREAS, the City of Shelby is most grateful for the devoted, community, and personal contributions Mr. Walker has given to all the citizens, organizations, and businesses within the greater Shelby community; and,

WHEREAS, the City Council of the City of Shelby wishes to acknowledge and express its appreciation to Mr. Walker for his dedicated and devoted duty to law enforcement service to its citizens, noting that Mr. Walker will be missed both professionally and as a fellow co-worker.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council publicly express their sincere appreciation to Timothy Milson Walker for his performance of duty to the City of Shelby, and extend the very best wishes for a successful retirement.

BE IT FURTHER RESOLVED that this Resolution be entered upon the permanent Minutes of the City Council.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Shelby to be affixed this the 17th day of September 2018.

O. Stanhope Anthony III
Mayor

ATTEST:

Bernadette A. Parduski, NC-CMC, IIMC-MMC
City Clerk

City of Shelby
Agenda Item Summary
October 15, 2018
City Hall Council Chamber

Agenda Item: B-2

- 2) 2018 General Election – Clifton W. Philbeck, Director of Elections, and Renee G. Bost, Deputy Director of Elections, Cleveland County Board of Elections

(Comments: Mayor Stan Anthony)

Summary of Available Information:

- Early Voting Information sheet

City Manager's Recommendation / Comments

This time is scheduled on City Council agenda to allow a representative of the Cleveland County Board of Elections to make an informational presentation.



November 2018 General Election

Early Voting Information

Visit us @ elections.clevelandcounty.com

Follow us @ CCBdOfElections



General Election Day: November 6, 2018

Early Voting Locations & Hours:

Market Place Shopping Center (Near Hobby Lobby/Bargain Hunt) 1736 E. Dixon Blvd. Shelby, NC 28152	Kings Mountain Fire Museum 269 Cleveland Ave Kings Mountain, NC 28086	Boiling Springs Town Hall 114 East College Ave Shelby, NC 28152
Wednesday	October 17, 2018	7:00am-7:00pm
Thursday	October 18, 2018	7:00am-7:00pm
Friday	October 19, 2018	7:00am-7:00pm
Monday	October 22, 2018	7:00am-7:00pm
Tuesday	October 23, 2018	7:00am-7:00pm
Wednesday	October 24, 2018	7:00am-7:00pm
Thursday	October 25, 2018	7:00am-7:00pm
Friday	October 26, 2018	7:00am-7:00pm
Saturday	October 27, 2018	8:00am-1:00pm
Sunday	October 28, 2018	1:00pm-5:00pm
Monday	October 29, 2018	7:00am-7:00pm
Tuesday	October 30, 2018	7:00am-7:00pm
Wednesday	October 31, 2018	7:00am-7:00pm
Thursday	November 1, 2018	7:00am-7:00pm
Friday	November 2, 2018	7:00am-7:00pm
Saturday	November 3, 2018	8:00am-1:00pm

**As always voters can request a ballot be mailed to them using the NC State Absentee Request Form available at their local elections office or online at elections.clevelandcounty.com.

Voters can register to vote & cast a ballot during Early Voting ONLY.

PHOTO ID IS NOT REQUIRED TO VOTE IN PERSON.

City of Shelby
Agenda Item Summary
October 15, 2018
City Hall Council Chamber

C. Public Comment:

In accordance with City Council's policy, public comment is only taken at the second regular meeting each month. Any citizen who wishes to address Council must register with the City Clerk prior to 6:00 p.m. on the meeting night. The Mayor will call upon each individual during this portion of the meeting and will allow three (3) minutes to speak.

City of Shelby
Agenda Item Summary
October 15, 2018
City Hall Council Chamber

D. Public Hearing

Agenda Item: D-1

- 1) Consideration of a resolution authorizing the closeout of the Campbell and Sterchi Building Revitalization Project under the North Carolina Department of Commerce Division of Community Investment and Assistance Community Development Block Grant (CDBG) Grant No. 15-E-2771: Resolution No. 55-2018

(Presenting: Walter Scharer, Planning Director)

Summary of Available Information:

- Memorandum dated October 8, 2018 from Walter Scharer, Planning Director to Rick Howell, City Manager
- Notice of Public Hearing
- Resolution No. 55-2018

City Manager's Recommendation / Comments

This time is scheduled on the agenda to all City to conduct a public hearing on the closeout of this project as required by the provisions of our grant agreement with the Division of Community Assistance. The purpose of the hearing is to allow the public to offer comments on the activities carried out by the City under CDBG Grant No. 15-E-2771.

This grant was originally awarded and intended for improvements to be made to both the Campbell and Sterchi buildings in the uptown. Improvements were completed on the Campbell building however the City took action to de-commit funding for the Sterchi project when the owners of Ex Animo LLC (Stringbean) were non responsive to City inquiries as to the status of the project.

After the close of the public hearing no action is formally required. Unless otherwise directed by Council, City staff will then proceed to requesting formal closeout by DCA.

After the conclusion of the public hearing City Council may act upon Resolution No. 55-2018



To: Rick Howell - City Manager
From: Walter Scharer – Planning Director
Date: October 8, 2018
Subject: CDBG Close Out Public Hearing (Grant No. DRF #15-E-2771)

Executive Summary of issue – Background

In 2015 the City obtained a CDBG Building Reuse Grant from the Department of Community Assistance (DCA) to rehabilitate vacant historic buildings for economic development. 112 North Lafayette Street was target building for this project.

Review and Comments

The construction and rehabilitation of the building at 112 N. Lafayette Street is complete and the businesses are now in operation. The project provided critical building improvements that allowed Greenbrook Design Center and Uptown Indigo to open its doors in Shelby, NC. The improvements consisted of the renovation of a dilapidated building to bring the building up to code compliance, and included new electric, gas, plumbing, roof, paint, etc. The project came in on budget and the CDBG-DRF reimbursed a total of \$250,000. The total project cost was greater than a million dollars.

As a requirement of receiving Community Development Block Grant funds from the North Carolina Department of Commerce, Division of Community Investment and Assistance, the City of Shelby must hold a public hearing to accept citizens’ comments concerning the CDBG-DRF #15-E-2771 project prior to closing this grant. Staff recommends proceeding with a close out public hearing for this grant project.

Recommendation

Please schedule a public hearing to close out this Community Development Block Grant project at the City Council meeting on October 15, 2018.

Attachment: Public Hearing Notice

City of Shelby: Campbell Building Revitalization Project

CDBG-DRF #15-E-2771

Closeout Public Hearing Notice

Notice is hereby given that the City of Shelby will hold a public hearing on October 15, 2018 at 6:00 p.m. at City Hall at 300 South Washington Street, Shelby, NC 28150. The purpose of this hearing is to review the budget and activities that have been accomplished through the CDBG Downtown Redevelopment Program, 2015 CDBG-DRF #15-E-2771. The activities being paid for with CDBG-DRF funds are complete and the City is in the process of closing out the grant.

The construction and rehabilitation of the building at 112 N. Lafayette Street is complete and the business is now in operation. The project provided critical building improvements that allowed Greenbrook Design Center and Uptown Indigo to open its doors in Shelby, NC. The improvements consisted of the renovation of a dilapidated building to bring the building up to code compliance, and included new electric, gas, plumbing, roof, paint, etc. The project came in on budget and the CDBG-DRF reimbursed a total of \$250,000.

Citizens will also be given the opportunity to provide oral and written comment on the City of Shelby's use of CDBG funds. All interested citizens are encouraged to attend. For additional information or to submit written comments, send to the Planning Director at Post Office Box 207, Shelby, NC 28151. Comments should be postmarked by October 12, 2018.

If you plan to attend and require special accommodations because of a disability or physical impairment, please contact the Planning Director at 704-484-6829 or 315 S. Lafayette Street by October 12, 2018 prior to the hearing. The NC Relay for the Deaf number is 1-800-735-8262.

This information is available in Spanish or any other language upon request. Please contact the Planning Director at 704-484-6829 for accommodations for this request.

Esta información está disponible en español o en cualquier otro idioma bajo petición. Por favor, póngase en contacto con Planning Director at 704-484-6829 o en 315 S. Lafayette Street de alojamiento para esta solicitud.

The City of Shelby is an EEO.

RESOLUTION NO. 55-2018

A RESOLUTION AUTHORIZING THE CLOSEOUT OF THE
CAMPBELL AND STERCHI BUILDING REVITALIZATION PROJECT
UNDER THE NORTH CAROLINA DEPARTMENT OF COMMERCE
DIVISION OF COMMUNITY INVESTMENT AND ASSISTANCE
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
GRANT NO. 15-E-2771

WHEREAS, the City of Shelby is participating in the Community Development Block Grant Program under the Housing and Community Development Act of 1974, as amended, administered by the North Carolina Department of Commerce; and,

WHEREAS, the City of Shelby has completed the scheduled activities identified in the grant and as approved by the Division of Community Investment and Assistance; and,

WHEREAS, the City of Shelby has conducted the required public hearing for the closeout of CDBG Grant No. 15-E-2771.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA THAT:

Section 1. The City Council of the City of Shelby hereby formally takes this action to close out the aforementioned Community Development Block Grant project.

Section 2. The Closeout Performance Report is hereby approved by the Shelby City Council and the Mayor or City Manager is authorized to execute the document on behalf of the City.

Section 3. This Resolution shall become effective upon its adoption and approval.

Adopted and approved this the 15th day of October 2018.

O. Stanhope Anthony III
Mayor

ATTEST:

Bernadette A. Parduski, NC-CMC, IIMC-MMC
City Clerk

City of Shelby
Agenda Item Summary
October 15, 2018
City Hall Council Chamber

E. Consent Agenda:

Prior to approval and adoption of the agenda, a Council Member may move an item from the Consent Agenda to the regular agenda. Items remaining on the Consent Agenda will be considered collectively through a single motion, second, and vote.

Agenda Item: E-1

- 1) Approval of the Minutes of the Regular Meeting of October 1, 2018

Consent Agenda Item: (Bernadette Parduski, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Regular Meeting of October 1, 2018.

City Manager's Recommendation / Comments

Approve the minutes as presented or as amended by the Mayor and City Council via the Consent Agenda.

MINUTES

Regular Meeting
City Hall Council Chamber

October 1, 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, Charles Webber, Dicky Amaya; City Manager Rick Howell, ICMA-CM, City Attorney Robert W. (Bob) Yelton, City Clerk Bernadette A. Parduski, Director of Human Resources Deborah C. (Deb) Jolly, Director of Energy Services Julie R. McMurry, Director of Water Resources David W. Hux, Police Chief Jeffrey H. (Jeff) Ledford, Fire Chief William P. Hunt, MPA, EFO, Assistant Fire Chief – Logistics and Enforcement Services Todd McMurry, 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 gave the invocation and Mr. Hendrick 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. Assumption of Office:

- 1) Oath of Office administered to Council Member Charles Leon Webber

Judge Bridges, Senior Resident Superior Court Judge, administered the Oath of Office to Mr. Webber who was assisted by his wife, Audrey Webber.

C. Special Presentations:

- 1) Recognition of Ben Kittrell, Jr. for his service to the City of Shelby

Mayor Anthony called upon Mr. Kittrell and presented a plaque to him for his loyal and dedicated public service to the citizens of Shelby. The Mayor expressed his heartfelt, personal appreciation to Mr. Kittrell as an outgoing Council Member, extending mutual best wishes from City Council as well.

Mr. Kittrell expressed his appreciation to the City Council members he

served with and to the City staff for their leadership and professionalism. He will cherish his fond memories, stating his departure was bittersweet.

2) City of Shelby Natural Gas Marketing and Promotions – Chip Nuhrah, Marketing and Promotions Specialist

Mr. Howell introduced Chip Nuhrah as the City's recently hired Marketing and Promotions Specialist, a newly created position which is charged primarily with marketing and promoting the natural gas system. He stated the natural gas system is and has been a vital part of the City for more than 60 years, providing a tremendous resource to customers and economic development efforts.

Next, Mr. Nuhrah introduced the subject matter of his presentation with his newly designed logo for the natural gas system. He commented it is tied to the current City's logo and gives natural gas its own distinct look.

Mr. Nuhrah said the new marketing slogan for the City of Shelby's natural gas services is, "Making the way we live even better", noting the many applications for natural gas is the meaning of the message.

Mr. Nuhrah listed the methods by which he is promoting natural gas which have already been implemented or are in the process of implementation:

- Social media
- Local movie theatre
- Door hangers
- Banners
- Vehicle decals and wraps
- Brochures
- Trade shows and events
- Billboards
- Bill inserts
- Website
- Promotional materials
- Yard signs

Mr. Nuhrah maintains a wall map of Cleveland County with every street listed. He selected 13 zones where the City's gas lines are located near homes or near clusters of homes in neighborhoods. There is opportunity to provide natural gas to those homes at existing gas lines or to create opportunity for those clusters of homes near those existing gas lines. Within those 13 zones, Mr. Nuhrah stated there are 1,080 homes with natural gas services available and no customers. These are also 123 clusters of homes where natural gas

lines are just outside of those developments. These potential customers can expect door-to-door contact from the City.

Mr. Nuhrah also created a series of 13 highly customized brochures and rack cards covering the benefits of natural gas, natural gas safety, rebates and incentives, and affordability.

Mr. Nuhrah mentioned 23 yard signs and eight custom banners have been strategically placed around targeted areas in Cleveland County.

Mr. Nuhrah said the City's first billboard advertisement for natural gas was installed in September 2018. The billboard will also rotate around Cleveland County in strategic locations every three months.

Mr. Nuhrah noted movie theatre advertising is an effective marketing tool. The Shelby movie theatre averages 5,500 movie goers each week and the City's ad will run twice during every movie, every day.

With regard to social media marketing, Mr. Nuhrah is utilizing Facebook, Instagram, and the current City's natural gas website page. He has designed a new webpage which is interactive and will be going live in the near future.

Mr. Nuhrah has set up several events including a natural gas service informational and promotional giveaway at the Lowe's Home Improvement store location, a presentation about natural gas service to the Cleveland County Association of Realtors at their membership meeting, and a natural gas information booth at the Cleveland County Fair.

Mr. Nuhrah introduced "Finley" as the newest member of the team to promote natural gas safety to children. "Finley" is featured in a kid-friendly natural gas safety brochure as well as in a kids coloring page. "Finley" and the associated promotional items are meant to create information flow between children and their parents about natural gas services.

In order to measure the success of the City's marketing program, Mr. Nuhrah created a spreadsheet to track what advertising and promotional items are working and not working.

Mr. Nuhrah researched the City's natural gas new installations from 2015 (68), 2016 (58), 2017 (61), and 2018 (73) and set a target goal of 91 new natural gas installations from July 1, 2018 through June 30, 2019 which represents a 25 percent increase from the previous year.

Mr. Nuhrah concluded by stating that natural gas services is exceeding its goal since the current increase compared to same time period last year is 33.5 percent.

Council received the information. No action was required.

- 3) A Proclamation declaring October 7 through 13, 2018 as “Public Natural Gas Week” in the City of Shelby, North Carolina

Mayor Anthony called upon Natural Gas Superintendent, Jeff Champion. The Mayor formally read and presented the Proclamation declaring October 7 through 13, 2018 as “Public Natural Gas Week” in the City of Shelby to Mr. Champion, commending the City’s employees of the Natural Gas Department.

- 4) A Proclamation declaring October 7 through 13, 2018 as “Public Power Week” in the City of Shelby, North Carolina

Mayor Anthony called upon Electric Superintendent, Jeff Freeman. The Mayor formally read and presented the Proclamation declaring October 7 through 13, 2018 as “Public Power Week” in the City of Shelby to Mr. Freeman, commending the City’s employees of the Electric Department.

D. 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 Special Meeting of September 10, 2018
- 2) Approval of the Minutes of the Regular Meeting of September 17, 2018
- 3) Approval of a Special Event Permit Application:
 - a. Shelby High School Homecoming Parade, requested date: October 18, 2018
- 4) Approval of a resolution awarding the contract for the Fallen Hero Memorial Park Project: Resolution No. 51-2018
- 5) Approval of a resolution in support of the 2019 American Legion World Series bid: Resolution No. 52-2018

- 6) Approval of a resolution approving for acceptance, maintenance, and ownership of the water extension improvements for Cleveland County Fairgrounds: Resolution No. 53-2018
- 7) Adoption of an ordinance authorizing demolition of a dwelling: Ordinance No. 55-2018
- 8) Adoption of Fiscal Year 2018-2019 Budget Ordinance Amendment No. 3: Ordinance No. 56-2018

END CONSENT AGENDA

E. Unfinished Business:

- 1) Consideration of a resolution authorizing submission of a revised loan application to the North Carolina Department of Environmental Quality - Division of Water Infrastructure for funding related to the Water Treatment Plant Upgrades Project: Resolution No. 54-2018

Mr. Howell introduced Resolution No. 54-2018 for Council's consideration. Previously in February 2017, the Division of Water Infrastructure reviewed the City's loan application and the State Water Infrastructure Authority approved the Water Treatment Plant Rehabilitation and Upgrades Project as eligible to receive funding. Mr. Howell stated the Drinking Water State Revolving Fund loan amount was \$10,285,000 at a maximum interest rate of 1.53 percent for 20 years. He explained Phase 1 of the Water Treatment Plant Rehabilitation and Upgrades Project was advertised for bid on August 27, 2018 with bids received on September 27, 2018. The lowest responsible bid for this project was \$15,069,000, exceeding the loan funding of \$10,285,000 from the Drinking Water State Revolving Fund. Based upon discussions with the City's consultant, HDR of the Carolinas, and contractors, the bids are reflective of a volatile construction market that has impacted both labor and materials. Mr. Howell stated concrete prices for the project have nearly doubled since the construction estimate in 2016.

Mr. Howell further explained in consideration of the age of the City's Water Treatment Plant and issues related to the leaking clearwells and aging infrastructure, City staff believes the project needs to move forward with this first phase of Water Plant upgrades to include:

- Two new clearwells
- New high service pump station
- Structural improvements to sedimentation basin
- Filter valve improvements

- **Main Water Plant building improvements (structural)**

Mr. Howell added this project is especially critical with the City's projected significant increase in water demand in early 2019. In efforts to meet the deadlines of the initial loan offer and award construction contracts, City staff would like to request additional funding from the State of North Carolina State Water Infrastructure Authority. Pending approval from Council, a revised loan application will be submitted to the North Carolina Department of Environmental Quality.

If approved, this resolution would authorize Mr. Howell to seek an increase from \$10.2 million to \$16 million from the State Revolving Fund. At this point, he believes the City can avoid an additional rate increase to pay the debt service incurred by this project.

ACTION TAKEN: Upon a motion made by Mr. Hendrick, City Council voted unanimously to approve and adopt Resolution No. 54-2018, "A RESOLUTION AUTHORIZING SUBMISSION OF A REVISED LOAN APPLICATION TO THE NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY - DIVISION OF WATER INFRASTRUCTURE FOR FUNDING RELATED TO THE WATER TREATMENT PLANT UPGRADES PROJECT".

F. New Business: None

G. City Manager's Report:

- 1) Mr. Howell previously informed Council that the City would bear 100 percent of the utility relocation costs associated with the C Section of the new US Highway 74 Bypass. After some follow-up and verification with North Carolina Department of Transportation at the local office and from Raleigh, it appears the City's cost will be reduced from the full \$534,732 to 25 percent of the total cost which would be \$133,683.**
- 2) Mr. Howell reported the North Carolina Division of Aviation has contacted the City inquiring if there is an interest in utilizing State grant funding to complete an update of the City's Airport Layout Plan. The Airport Layout Plan was last updated in 2007, which exceeds the recommended update timeframe of five to seven years. Additionally, multiple projects shown on the plan have been completed or are in process of being completed. The estimated cost of an Airport Layout Plan update is \$225,000 with a local match of 10 percent. This will be a future agenda item.**
- 3) Mr. Howell said it is likely the dedication ceremony for Hanna Park may be later than previously anticipated. He is expecting a late November date.**

H. Council Announcements and Remarks:

1) Mayor Anthony made the following announcements:

- The Cleveland Cup will be held on Friday, October 26, 2018, at 3:30 p.m. starting and finishing at Shelby City Park. The 5K walk and run is an event sponsored for all employees of Cleveland County, City of Shelby, and City of Kings Mountain.

Mr. Hendrick challenged Police Chief Jeff Ledford to participate in this year's Cleveland Cup, noting Fire Chief William Hunt is a veteran participant.

- The City's Volunteer Recognition Event is scheduled for Thursday, October 18, 2018, beginning at 6:00 p.m., City Pavilion

2) Mr. Hendrick, Mr. White, Mr. Causby, Mrs. Arth Dukes, and Mr. Amaya all personally welcomed Mr. Webber to the board.

3) Mr. Amaya participated in an airlift last weekend from Mount Pleasant Regional Airport, where essential supplies were collected and flown by volunteer aircraft owners and pilots, to the flood stricken areas of Lumberton, North Carolina in the aftermath of Hurricane Florence.

4) Mr. Webber expressed his appreciation to Mayor Anthony, City Council, City staff, particularly his family and friends, as well as the community for all the support received during the appointment process and during the last six weeks since the passing of his daughter, Faith Webber. He mentioned his pledge to his late daughter about engaging in public service and is fulfilling that promise to honor her memory.

I. Closed Session:

- 1) To establish or instruct staff in negotiating the 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 into a closed session pursuant to the appropriate North Carolina General Statutes as cited. Mayor Anthony consulted with Mr. Yelton who advised the topics met the statutory requirements for a closed session. The Mayor invited all Council members present along with Mr. Howell, Mr. Yelton, and Mrs. Parduski to attend. The

motion passed unanimously and Council moved into closed session at 7:08 p.m.

Council returned to the regular session at 7:55 p.m.

J. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Mr. Amaya, City Council voted unanimously to adjourn the meeting at 7:56 p.m.

Respectfully submitted,

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

**O. Stanhope Anthony III
Mayor**

Minutes of October 1, 2018

City of Shelby
Agenda Item Summary
October 15, 2018
City Hall Council Chamber

Agenda Item: E-2

- 2) Adoption of an ordinance authorizing demolition of a dwelling at 208 Broad Street:
Ordinance No. 57-2018

Consent Agenda Item: (Staff Resource, Walter Scharer, Planning Director)

Summary of Available Information:

- Memorandum dated October 8, 2018 from Walter Scharer, Planning Director to Rick Howell, City Manager
- Photo of property
- Location Map
- Tax Card 2018
- Ordinance No. 57-2018

City Manager's Recommendation / Comments

Please note that the Building Inspector has duly conducted enforcement of the minimum housing code in accordance with the NC General Statutes and City Code. I do want to emphasize that it is the common practice of the City to err on the side of the property owner in most all cases giving them the benefit of the doubt when action is initiated. A thorough and fair due process is followed in all cases. Demolition of these homes is always the last resort after efforts to persuade a property owner to make these minimum standards have failed. As you all know once this ordinance is passed the City is empowered to enter onto the property to demolish the building. All associated demolition costs and administrative costs are then filed by the City Attorney as a lien against the property. This lien is normally only satisfied to the City's benefit upon the sale of the property.

Excerpt from Strategic Growth Plan

4. Community Appearance & Image

POLICY 4.4: Vacant and abandoned sites and buildings shall be properly cared for or removed, thereby preventing a blighting impact on the area in which they are located.

Action 4.4.1: Examine and implement standards for maintaining undeveloped or vacant lots and for repairing or removing abandoned structures and sites.

It is my recommendation Ordinance No. 57-2018 be adopted and approved by City Council at this time via the Consent Agenda.



Memorandum

To: Rick Howell - City Manager
From: Walter Scharer – Planning & Development Director
Date: October 8, 2018
Subject: **Minimum Housing Demolition of Structure at 208 Broad Street**

Executive Summary of issue – Background

The dwelling associated with this proposed demolition action is in a dilapidated condition and should be removed for the safety of the citizens of Shelby. Initial complaints came from residents, the Shelby Police Department and City Code Enforcement. The property owner has been given due process and has failed to comply with the City’s Minimum Housing Code.

Review and Comments

Due to dilapidation this dwelling is unfit for human habitation and has the potential of increasing the hazards of fire, accident, and other calamities; it is dangerous and detrimental to the health, safety, and welfare of the citizens of the City of Shelby. The estimated cost of demolition and removal is approximately \$4,000.00. Budgeted minimum housing funds will be used for this demotion.

Removal of this structure is in compliance with the City of Shelby Minimum Housing Code pursuant to N.C.G.S. 160A-441.

Removal of this structure is supported by the following Strategic Growth Plan Policies and Actions:

POLICY 4.4: Vacant and abandoned sites and buildings shall be properly cared for or removed, thereby preventing a blighting impact on the area in which they are located.

Action 4.4.1: Examine and implement standards for maintaining undeveloped or vacant lots and for repairing or removing abandoned structures and sites.

POLICY 9.2: Consistent, reliable enforcement of well written housing and nuisance abatement codes shall be employed to eliminate instances of unlawful activity and urban blight within the planning area of Shelby.

Recommendation

Please place this item on the consent agenda for the next City Council meeting on OCTOBER 15, 2018. Staff recommends this minimum housing action.

Attachments: Photo of Structure, Location Map, Tax Card and Ordinance





Location Map

208 Broad Street

Map Information:
Datum: NAD 1983
Coordinate: State Plane
North Carolina (Meier)
Projection: Lambert Conformal Conic
US National Grid
Grid Zone Designation (GZD): 17S
100,000m Square ID: MV/MU



Date: 8/30/2018

500 Feet

250

0

1 inch = 250 feet

Scale 1:3,000

USER ALAN FOR YEAR 2018

BAKER JAMES PARCEL ID.. 19607 PIN... S26 2 21
 LOCATION... 208 BROAD ST
 DEED YEAR/BOOK/PAGE.. 2015 1697 1437 ASSESSMENT RECY
 608 N LAFAYETTE ST PLAT BOOK/PAGE... OWNER ID.. 1297221
 LEGAL DESC:LT#34 PB 1-3 SOUTH SHELBY DISTRICT.. 6 CITY OF SHELBY

TOWNSHIP... 6 SHELBY NBRHOOD... 223 S MAPS 06
 SHELBY NC 28150-3827 RESIDENTIAL

MAINTAINED.. 5/17/2017 BY MAYES VALUED.. 9/14/2016 BY MAYES
 VISITED..... 10/26/2015 BY PM ROUTING#..
 PARCEL STATUS... ACTIVE CATEGORY.. Real & Personal

DEED BK/PAGE	SALE DATE	SALES INSTRUMENT	DISQUALIFIED	SALE AMOUNT	STAMP AMOUNT	DEED NAME
1697 1437	5/15/2015	DEED				BAKER JAMES
1590 0199	1/21/2010	DEED				SPIVEY JEFFREY A &W/ SPIVEY MO
1590 0196	1/21/2010	DEED				KEBOS REAL ESTATE LLC
1484 1835	4/27/2006	DEED		9,000	18.00	EARWOOD ROBERT KEITH
1452 2249	6/10/2005	DEED				CHAMPION CATHY
1449 0480	5/04/2005	DEED				PHILBECK JOYCE R
1158 1961	3/08/1995	DEED		20,000	40.00	HEAFNER CLYDE JAMES
8W 448	1/01/1960	SALE				QUALIFIED

LAND #	ZONE	STRAT CODE	LAND TYPE/CODE	LAND QTY	LAND RATE	DPT%	SHP%	LOC%	SIZ%	OTH%	TOP%	TOT ADJ	CURRENT FMV
1		02	FF F DPTH..	50.000	56.00	100.00	.00	100.00	.00	.00	.00	.00	2,800
TOTAL ACRES..				.000									2,800

IMPROVEMENT # 1 MAJOR IMPR-M
 MAIN FIN AREA.. 1,260.00 ACT/EFF YR/AGE.. 1925 1973 43 VISITED.. 10/26/2015 BY PM
 STRAT..... 02 DESCRIP... SINGLE FAMILY DWELLING-WF MAINTAINED.. 5/17/2017 BY MAYES
 MAIN PERIM..... 146.00 MAIN GROUND SF.... 1,260.00
 LOCATION #..... 212 BROAD ST

COMPONENT	TYPE/CODE/DESC	PCT	UNITS	RATE	STR#	STR%	SIZ%	HGT%	PER%	CDS%	COST	%CPL
AC 06	COVERED PORCH	100	196.00	13.19			107.00				2,766	
MA 37W	SINGLE FAMILY DWELLI	100	1260.00	62.11	1.00		100.00			100	78,258	
EW 08	ALUMINUM/VINYL	100	146.00	.00							0	
- FD 04	PERIMETER FOOTING	100	1260.00	.00							0	
- HC 06	UNIT HEATERS	100	1260.00	1.00-							1,260-	
- PL R	RES PLUMB-EXTRA FIXT	100	5.00	717.00							0	

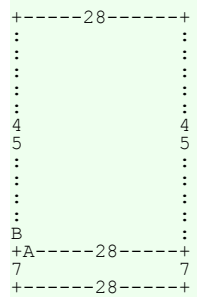
	RCN...		PCT COMPLETE				100	x			79,764	
	QUAL.. QG D4		D-05				80.00	x			63,811	
	DEPR.. D6		43 YEARS OLD				74.00	-		47,220		
	LOCA.. LOD		LOCATIONAL OBS DEP				25.00	-		4,147	51,367	T

--FMV... MA 223			223 MARKET ADJ				90.00	x			11,198	

DATE 5/25/18 CLEVELAND COUNTY PAGE 2
 TIME 9:16:24 PROPERTY CARD PROG# AS2006
 USER ALAN FOR YEAR 2018

BAKER JAMES PARCEL ID.. 19607 PIN... S26 2 21

IMPROVEMENT # 1 MAJOR IMPR-M



	AC 06	COVERED PORCH	TRAVERSE				
D R	28.00	D D	7.00	D L	28.00	D U	7.00
	MA 37W	SINGLE FAMILY DWELLI	FLOOR:	TRAVERSE			
D U	45.00	D R	28.00	D D	45.00	D L	28.00

TOTAL PARCEL VALUES----	LAND /	OVR	IMPROVEMENTS / OVR	TOTAL LAND/IMPROVE	2017 VALUE
FMV.....	2,800		11,198	13,998	13,998
APV.....	2,800		11,198	13,998	13,998

COMMENTS -

ORDINANCE NO. 57-2018

AN ORDINANCE AUTHORIZING DEMOLITION OF A DWELLING

WHEREAS, pursuant to the provisions of Chapter 160A, Article 19, Part 6, of the North Carolina General Statutes, the single family dwelling located at **208 BROAD STREET**, Shelby, North Carolina, has been inspected and found to be unfit for human habitation and to otherwise constitute a danger to persons and a threat to the health and welfare of the citizens within the City; and,

WHEREAS, according to the procedure provided by law, the owner(s) of said property, **JAMES BAKER**, has or have been given notice of the aforesaid inspection, determination, and orders to bring said property into compliance with the housing standards of the City of Shelby by appropriate repair or removal of said dwelling; and,

WHEREAS, no action of any kind has been taken or initiated by the owner(s), or any party on behalf of said owner(s), to achieve compliance with said ordinances within the periods allowed by law; and,

WHEREAS, the said dwellings remain at this time unfit for human habitation, dilapidated, and a danger to the health and safety of the citizens of the City of Shelby, and should be removed by demolition in order to prevent and alleviate such continuing danger and dilapidated conditions.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA:

Section 1. The dwellings on the property known as **208 BROAD STREET**, Shelby, and described in the Cleveland County records as Tax Parcel No. **19607** be demolished forthwith, the remnants thereof disposed, and a lien for the costs of such demolition and removal, less any credits due the owner(s), be filed against the property and collected pursuant to the provisions of North Carolina General Statutes § 160A-443, et seq.; and,

Section 2. Said lien bear interest until paid, as allowed in Article 10 of Chapter 160A of the N.C. General Statutes, at the rate of eight percent (8.0%) per annum.

Adopted and approved this 15th day of October 2018.

O. Stanhope Anthony, III
Mayor

ATTEST:

Bernadette A. Parduski, NC-CMC, IIMC-MMC
City Clerk

APPROVED AS TO FORM:

Robert W. Yelton
City Attorney

City of Shelby
Agenda Item Summary
October 15, 2018
City Hall Council Chamber

Agenda Item: E-3

- 3) Adoption of a budget ordinance amendment for the City of Shelby's Uptown Streetscape and Pedestrian Improvements Project: Ordinance No. 58-2018

Consent Agenda Item: (Rick Howell, City Manager and Ben Yarboro, Engineering Services Director)

Summary of Available Information:

- Memorandum dated October 10, 2018 from Ben Yarboro, Engineering Services Director to Rick Howell, City Manager
- Professional Services Agreement Change Order from Stantec
- Ordinance No. 58-2018

City Manager's Recommendation / Comments

Ordinance No. 58-2018 is presented for City Council consideration via the Consent Agenda. If approved this ordinance will appropriate an additional \$12,310 toward engineering services for the streetscape process to account for costs related to an NCDOT required environmental assessment and a report for the State Historic Preservation Office. These are necessary in order for NCDOT to financially participate in the project. We had previously only counted on NCDOT for resurfacing after the project was complete but now may be able to obtain additional monies toward construction of some aspects. Local NCDOT officials are working with the City to ensure we take all the necessary steps to qualify the project for assistance.

It is my recommendation Ordinance No. 58-2018 be adopted and approved by City Council at this time via the Consent Agenda.



Memorandum

To: Rick Howell, City Manager
Justin Merritt, Finance Director

From: Ben Yarboro, Engineering Services Director *BY*

RE: Shelby Streetscape Project – Historical and Environmental Review and Documentation

Date: October 10, 2018

Background

During the plan review phase of the Shelby Streetscape Project, NCDOT representatives made the City and our consultant (Stantec) aware of the specific historic and environmental reviews and documents that would be required. Stantec has reviewed the NCDOT requirements and prepared a Task Order totaling \$12,310.00 to complete the necessary tasks.

These NCDOT specifications require documentation of the historic properties in the project area and then coordination for review by the Cleveland County Historic Preservation Commission and the State Historic Preservation Office. Stantec will prepare a Certificate of Appropriateness (COA) application and work with the necessary parties to obtain a COA for the proposed project.

Stantec will also conduct an environmental review of the proposed project and prepared the required Minimum Criteria Determination Checklist (MCDC). After the MCDC is prepared, this will be reviewed with NCDOT to determine the requirements for obtaining environmental document approval.

It is important to note that these historical and environmental review items must be completed prior to the City and NCDOT completing a Municipal Reimbursement Agreement (MRA) for the costs associated with the project that NCDOT will be responsible for. Furthermore, the MRA must be completed prior to the plans for the project being approved by NCDOT for advertising and bidding.

Recommendation

City Staff recommends a budget amendment in the amount of \$12,310.00 to allow Stantec to complete the historical and environmental tasks required by NCDOT for the Shelby Streetscape Project.

Please advise if you have any questions or need additional information.

www.cityofshelby.com



PROFESSIONAL SERVICES AGREEMENT CHANGE ORDER

Change Order # Change Order No. 4 Date 10/2/2018
"STANTEC" STANTEC CONSULTING SERVICES INC.

STANTEC Project # Stantec Proj. No. 171001832
801 Jones Franklin Road, Suite 300
Ph: (919) 851-6866 Fx: (919) 851-7024
email: mike.lindgren@stantec.com

CLIENT CITY OF SHELBY, NC
Client Project # N/A
P.O. Box 207, Shelby, NC 28151-0207
Ph: (704) 669-2060 Fx: (704) 484-6808
email: ben.yarboro@cityofshelby.com

Project Name and Location: Uptown Shelby Streetscape Project

In accordance with the original Professional Services Agreement dated March 14, 2017 and Change Orders thereto, the Agreement changes as detailed below are hereby authorized.

[Click here and enter detail changes or note attachment of details]

Table with 2 columns: Description and Amount. Rows include Total fees this Change Order (\$12,310.00), Original agreement amount (\$290,220.90), Change Order Number 1 (\$18,676.00), Change Order Number 2 (\$83,641.50), Change Order Number (blank) (\$-), Change Order Number (blank) (\$-), and Total Agreement (\$404,848.40).

Effect on Schedule: Revised Draft Schedule Attached to be coordinated with the City-Turning in final construction plans as soon as is feasible.

Payments shall be made in accordance with the original agreement terms. All other items and conditions of the original Agreement shall remain in full force and effect.

STANTEC CONSULTING SERVICES INC.

CITY OF SHELBY, NC

Mike Lindgren, PE SR. Associate
Print Name and Title


Ben Yarboro, Engin. Serv. Director
Print Name and Title

Signature [Handwritten Signature]
Digitally signed by Michael Lindgren
DN: cn=Michael Lindgren, ou=Stantec, ou=Transportation, email=mike.lindgren@stantec.com, c=US
Date: 2018.10.02 15:32:51 -0600

Signature _____

Date Signed: 10-2-2018

Date Signed: _____

Project	Shelby Streetscape Project - Marion Street Improvements (Task Order 4)		
Prepared by:	Mike Lindgren, PE		
Date	10/2/2018		
801 Jones Franklin Road, Suite 300 Raleigh, North Carolina 27606-3394			
NOTES - TASK ORDER No. 4 SCOPE			
NOTE: ALL SCOPE DATA INCLUDED IN THE ORIGINAL CONTRACT SCOPE (TASK ORDER NO. 1) APPLIES TO TASK ORDER NO. 4			
PLANNING			
<p>Stantec will document historic properties located immediately adjacent to the proposed streetscape improvements and initiate coordination with the Cleveland County Historic Preservation Commission and the State Historic Preservation Office. Stantec will prepare a Certificate of Appropriateness (COA) application and coordinate as needed with the Commission to obtain a COA for the proposed project. This coordination is anticipated to include email and phone coordination. It is assumed that Stantec will not present at, or otherwise attend Commission meetings. Stantec will conduct an environmental review of the proposed project and prepare a Minimum Criteria Determination Checklist (MCDC). Stantec will submit the draft MCDC to NCDOT and will coordinate with NCDOT on revisions to the draft MDCCD and any other items required to finalize the MCDC.</p>			

ORDINANCE NO. 58-2018

A BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S
 UPTOWN STREETScape AND PEDESTRIAN IMPROVEMENTS PROJECT

WHEREAS, in accordance with applicable provisions of the North Carolina Budget and Fiscal Control Act, the City of Shelby finds it advisable and necessary to revise and amend its capital project ordinance and budgets for the City of Shelby's Uptown Streetscape and Pedestrian Improvements Project; and

WHEREAS, the City Manager (Budget Officer) has recommended certain amendments to the budget which the governing body finds acceptable; and,

WHEREAS, City Council now desires to act on the recommended budget amendments and approve the same for implementation and compliance with the North Carolina Local Government Budget and Fiscal Control Act;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA:

Section 1. Ordinance No. 19-2017, the City's Uptown Streetscape and Pedestrian Improvements Project, is hereby amended as follows to provide for Budget Amendment No. 2 for said project:

Uptown Streetscape and Pedestrian Improvements Project

(1) Appropriating Fund Balance:

Fund Balance Appropriated	11001000-39900	\$6,156
Transfer to General Capital Projects	110495-49111	\$6,156
Fund Balance Appropriated	61006000-39900	\$1,026
Transfer to General Capital Projects	610711-49111	\$1,026
Fund Balance Appropriated	62006000-39900	\$1,026
Transfer to General Capital Projects	620721-49111	\$1,026
Fund Balance Appropriated	63006000-39900	\$2,051
Transfer to General Capital Projects	630731-49111	\$2,051
Fund Balance Appropriated	64006000-39900	\$2,051
Transfer to General Capital Projects	640741-49111	\$2,051

(2) The following General Fund Cap. Project Revenues are amended by the City:

Transferred from General Fund	11101000-39110-USPIP	\$ 6,156
Transferred from Water Fund	11101000-39610-USPIP	\$ 1,026
Transferred from Sewer Fund	11101000-39620-USPIP	\$ 1,026
Transferred from Electric Fund	11101000-39630-USPIP	\$ 2,051
Transferred from Gas Fund	11101000-39640-USPIP	\$ 2,051

(3) The following General Fund Cap. Project Expenditures are amended by the City:

Engineering	111451-42004-USPIP	\$ 12,310
-------------	--------------------	-----------

Section 2. That the revenues, expenditures and amendments set forth in Section 1 of this ordinance are hereby summarized as follows:

<u>East Gateway Enhancement Project</u>	<u>Current Budget</u>	<u>Amendment No. 2</u>
Revenues		
Transferred from General Fund	\$ 196,450	\$ 202,606
Transferred from Water Fund	\$ 32,747	\$ 33,773
Transferred from Sewer Fund	\$ 32,747	\$ 33,773
Transferred from Electric Fund	\$ 65,478	\$ 67,529
Transferred from Gas Fund	\$ 65,478	\$ 67,529
Expenditures		
Engineering	\$ 392,900	\$ 405,210

Section 3. Copies of this Budget Ordinance Amendment shall be furnished to the City Manager as Budget Officer and to the Finance Director to be kept on file by them for their direction in the collection and disbursement of funds. Said officials are hereby authorized to receive and expend funds as herein set forth in accordance with the Shelby City Code, the General Statutes of North Carolina, and the provisions of the original budget ordinance; inclusive of GS 159-28 governing budgetary accounting of appropriations.

Section 4. This ordinance shall become effective upon its adoption and approval.

Adopted and approved this the 15th day of October, 2018.

O. Stanhope Anthony, III
Mayor

ATTEST:

Bernadette A. Parduski, NC-CMC, IIMC-MMC
City Clerk

APPROVED AS TO FORM:

Robert W. Yelton
City Attorney

City of Shelby
Agenda Item Summary
October 15, 2018
City Hall Council Chamber

Agenda Item: E-4

- 4) Adoption of an ordinance establishing a capital project ordinance and budget for the City of Shelby's Airport Grant T-Hagar Project: Ordinance No. 59-2018

Consent Agenda Item: (Rick Howell, City Manager and Ben Yarboro, Engineering Services Director)

Summary of Available Information:

- Memorandum dated October 9, 2018 from Ben Yarboro, Engineering Services Director to Rick Howell, City Manager
- Letters from NCDOT
- Ordinance No. 59-2018

City Manager's Recommendation / Comments

Ordinance No. 59-2018 is presented for City Council consideration at this time via the Consent Agenda. If approved this ordinance would recognize revenue to be received from the NC Division of Aviation grant, Cleveland County and a City fund balance appropriation. It would also set forth and authorize expenditures in like amounts for construction and grading of the T Hangar Project.

As a reminder the City does have a significant number of pilots that have stated intentions of renting these T Hangar spaces and staff believes we can fill them up within months after completion.

It is my recommendation Ordinance No. 59-2018 be adopted and approved by City Council at this time via the Consent Agenda.



Memorandum

To: Rick Howell, City Manager
Justin Merritt, Finance Director

From: Ben Yarboro, Engineering Services Director *BY*

RE: Shelby-Cleveland County Regional Airport
T-Hangar and Taxilane Development Budget Ordinance
Amendment

Date: October 9, 2018

Background

The City of Shelby utilized NC Division of Aviation grant funding to initiate the design of the T-Hangar site development and hangar building project in 2012. Due to the lack of available grant funding following the design/bid process, this project was delayed. In June 2018, the NC Board of Transportation approved \$1,880,000 for site development associated with this project. Following the approval of this grant funding, the City's consultant, W.K. Dickson updated the plans and re-advertised the project. A public bid opening was conducted on August 28, 2018, where 5 bidders submitted bids. W.K. Dickson reviewed bids and provided a certified bid tabulation (attached for reference) establishing Anson Contractors as the low bidder. The bid by Anson Contractors is as follows:

<i>Item</i>	<i>Description</i>	<i>Amount</i>
Schedule I	Site Preparation and Paving	\$2,258,141.95
Schedule II	Building Construction (Two 10-unit hangars)	\$1,068,500.00
Total construction contract		\$3,326,641.95

The professional services proposal from W.K. Dickson related to the construction phase of this project totals \$252,531.00. This proposal includes design/contract documents, bidding assistance, construction administration, construction observation and inspection, material testing, and grant administration. The total of the site development and professional services for this project is \$2,511,497.85. The shortfall from the original Board of Transportation award is \$631,497.85 and this difference in funding is included on the October 2018 Board of

Transportation agenda for the October 11, 2018 meeting. The site development for this project is being funded via state grants and has a 15% local match.

The construction of the two 10-unit hangars totals \$1,068,500.00 and will be funded via current and future annual VISION 100 grant funding. These annual grants provide the City with a total of \$166,667 each year. The City currently has 4 grants available totaling \$666,668. The remaining \$401,832 will be paid by the City and then reimbursed over the next 3 years as annual grant funding is awarded.

The following is a summary of the overall funding for the T-Hangar project:

Site Preparation (includes professional services & advertising): \$2,511,497.85

- Previous State Grant (15% match): \$1,880,000.00
 - \$1,598,000.00 state and \$282,000 local match
- Upcoming State Grant (15% match): \$631,497.85
 - \$536,773 state and \$94,725 local match

Hangar Construction (2 10-unit buildings): \$1,068,500.00

- 4 years of previously awarded NPE Vision 100 Grants are available totaling \$666,668 (10% match)
 - \$666,668 (\$600,001 federal and \$66,667 local match)
- \$401,832 to be paid by City and then reimbursed with future NPE funding (Annual grants of \$166,667 are received in the fall of each year)

Recommendations

City staff recommends the budget ordinance associated with the T-Hangar and Taxilane Development project be increased by \$3,579,997.85. This total project amount consists of \$2,734,774 of grant funds and \$845,224 local funds. After the City establishes this budget ordinance and submits the applicable NCDOA Grant Forms, Grant Agreements for the aforementioned grants will be provided to the City for formal acceptance by the City.

Please let me know if more information is required.

Attachments:

- Notification of 2015 NPE VISION 100 Grant dated July 30, 2015
- Notification of 2016 NPE VISION 100 Grant dated November 3, 2016
- Notification of 2017 NPE VISION 100 Grant dated October 20, 2017
- Notification of 2018 NPE VISION 100 Grant dated September 7, 2018
- Notification of State Grant dated June 18, 2018
- Bid Tabulation from W.K. Dickson



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

1501 MAIL SERVICE CENTER, RALEIGH, N.C. 27699-1501

PAT MCCRORY
GOVERNOR

NICHOLAS J. TENNYSON
ACTING SECRETARY

July 30, 2015

Mr. Rick Howell, Manager
City of Shelby
P. O. Box 207
Shelby, NC 28151

Dear Mr. Howell:

On behalf of Governor Pat McCrory, Transportation Acting Secretary Nicholas J. Tennyson, and the NC Board of Transportation, please be advised that FAA *Non-Primary Entitlement* funds have been allocated under the State Block Grant Program for Federal Fiscal Year (FFY) 2015 for the Shelby-Cleveland County Regional Airport. Please note, these funds are intended for airside safety needs first, at which point other needs can be considered. Furthermore, this award must be fully expended no later than July 1, 2019, or any unspent funds will be taken down.

The specific funding allocation is noted below:

Award ID	Description	Federal Funds	Local Funds
36237.16.NPE.15	Airport Improvements	\$150,000	\$16,667

The NCDOT – Division of Aviation is excited to partner with you and we appreciate your commitment and contribution to our state’s aviation system. Please work closely with your Airport Project Manager for grant execution.

Sincerely,

Bobby L. Walston, P.E.
Director of Aviation

BLW/vh

cc: Governor Pat McCrory
Nicholas J. Tennyson, Acting Secretary, NCDOT
Keith Weatherly, Interim Deputy Secretary for Transit
Thom Tillis, United States Senate
Richard Burr, United States Senate
Patrick McHenry, United States Congress
Lou Wetmore, BOT Representative
John D. Lennon, BOT Member At Large

MAILING ADDRESS:
NC DEPARTMENT OF TRANSPORTATION
DIVISION OF AVIATION
1560 MAIL SERVICE CENTER
RALEIGH NC 27699-1560

TELEPHONE: 919-814-0550
Fax: 919-840-9267

WEBSITE: WWW.NCDOT.GOV

LOCATION:
RDU AIRPORT
1050 MERIDIAN DRIVE
MORRISVILLE, NC 27560



Transportation

PAT McCrory
Governor

NICHOLAS J. TENNYSON
Secretary

November 3, 2016

Mr. Rick Howell, Manager
City of Shelby
P.O. Box 207
Shelby, NC 28151

RE: REVISED NOTIFICATION OF AWARD

Dear Mr. Howell:

On behalf of Governor Pat McCrory, Transportation Secretary Nicholas Tennyson, and the NC Board of Transportation, please be advised that FAA *Non-Primary Entitlement* funds have been allocated under the State Block Grant Program for Federal Fiscal Year (FFY) 2016 for the Shelby-Cleveland County Regional Airport. Please note, these funds are intended for airside safety needs first, at which point other needs can be considered. Furthermore, this award must be fully expended no later than June 1, 2020 or any unspent funds will be taken down.

The specific funding allocation is noted below:

Award ID	Description	Federal Funds	Local Funds
36237.16.NPE.16	Airport Improvements	\$150,000	\$16,667

The NCDOT-Division of Aviation is excited to partner with you and we appreciate your commitment and contribution to our state's aviation system. Please work closely with your Airport Project Manager for grant execution.

Sincerely,

Bobby L. Walston, P.E
Director of Aviation

BLW/vh

- cc: Governor Pat McCrory
- Nicholas J. Tennyson, Secretary NCDOT
- Keith Weatherly, Deputy Secretary for Transit
- Richard Burr, United States Senate
- Thom Tillis, United States Senate
- Patrick McHenry, United States Congress
- Lou Wetmore, BOT Representative
- Robby Collins, BOT At-Large Member
- Jack Poole, Airport Supervisor





STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

JAMES H. TROGDON, III
SECRETARY

October 20, 2017

Mr. Rick Howell, Manager
City of Shelby
P.O. Box 207
Shelby, NC 28151

Dear Mr. Howell:

On behalf of Governor Roy Cooper, Transportation Secretary James H. Trogdon, III, and the NC Board of Transportation, please be advised that FAA Federal Fiscal Year (FFY) 2017 *Non-Primary Entitlement* funds have been allocated under the State Block Grant Program for the Shelby-Cleveland County Regional Airport. Please note, these funds must be obligated in a grant by no later than June 1, 2020 and are intended for airside safety needs first, at which point other needs can be considered. Furthermore, this award must be fully expended no later than June 1, 2021, or any unspent funds will be taken down.

The specific funding allocation is noted below:

Award ID	Description	Federal Funds	Local Funds
36237.16.NPE.17	Airfield Improvements	\$150,000	\$16,667

The NCDOT-Division of Aviation is excited to partner with you and we appreciate your commitment and contribution to our state's aviation system. Please work closely with your Airport Project Manager for grant execution.

Sincerely,

Bobby L. Walston, P.E.
Director of Aviation

BLW/cr

- cc: Governor Roy Cooper
James H. Trogdon, III, Secretary NCDOT
Julie A. White, Deputy Secretary for Multi-Modal Transportation
Richard Burr, United States Senate
Thom Tillis, United States Senate
Patrick T. McHenry, United States Congress
John R. Pope, BOT Representative
Daniel F. McComas, BOT At-Large Member – State Ports and Aviation
Jack Poole, Airport Supervisor
Ben Yarboro, Engineering Services Director

Mailing Address:
NC DEPARTMENT OF TRANSPORTATION
DIVISION OF AVIATION
1560 MAIL SERVICE CENTER
RALEIGH, NC 27699-1560

Telephone: 919-814-0550
Fax: 919-840-9267

Website: www.ncdot.gov/aviation

Location:
RDU AIRPORT
1050 MERIDIAN DRIVE
MORRISVILLE, NC 27560



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

JAMES H. TROGDON, III
SECRETARY

September 7, 2018

Mr. Rick Howell
Manager
City of Shelby
P.O. Box 207
Shelby, NC 28151-0207

Dear Mr. Howell,

On behalf of Governor Roy Cooper, Transportation Secretary James H. Trogdon, III, and the NC Board of Transportation, please be advised that FAA Federal Fiscal Year (FFY) 2018 *Non-Primary Entitlement* funds have been allocated under the State Block Grant Program for **Shelby-Cleveland County Regional Airport**.

Please note, these funds must be obligated in a grant no later than May 30, 2021. These funds are intended for airside safety needs first, after which other needs can be considered. The NCDOT Division of Aviation requires effective airport planning and management for all projects to ensure that funds are expended within the performance period of this grant. **Therefore, this award must be fully expended before May 30, 2022, or any unspent funds will be relinquished.**

The specific funding allocation is noted below:

<u>Award ID</u>	<u>Description</u>	<u>Federal Funds</u>	<u>Local Funds</u>
36237.NPE.18	Airfield Improvements	\$150,000	\$16,667

The NCDOT Division of Aviation appreciates your commitment and contribution to our state aviation system and we are excited to partner with you on this grant.

Sincerely,

Bobby L. Walston, P.E.
Director of Aviation

BLW/bb

Cc: Roy Cooper, Governor
James H. Trogdon, III, Secretary NCDOT
Julie A. White, Deputy Secretary for Multi-Modal Transportation

Mailing Address:
NC DEPARTMENT OF TRANSPORTATION
DIVISION OF AVIATION
1560 MAIL SERVICE CENTER
RALEIGH, NC 27699-1560

Telephone: 919-814-0550
Fax: 919-840-9267

Location:
RDU AIRPORT
1050 MERIDIAN DRIVE
MORRISVILLE, NC 27560

Website: www.ncdot.gov/aviation

Richard Burr, United States Senate
Thom Tillis, United States Senate
Patrick T. McHenry, United States Representative
John R. Pope, BOT Member
Jack Poole, Airport Supervisor
Ben Yarboro, Engineering Services Director



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

JAMES H. TROGDON, III
SECRETARY

June 18, 2018

Mr. Rick Howell, Manager
City of Shelby
P.O. Box 207
Shelby, NC 28151-0207

RE: NOTIFICATION OF AWARD

Dear Mr. Howell:

On behalf of Governor Roy Cooper, Transportation Secretary James H. Trogdon, III, and the NC Board of Transportation, this Notification of Award serves as official verification that State funds have been allocated for **Shelby-Cleveland County Regional Airport**, Project Request No. 3630, for State Fiscal Year (SFY) 2018 and were approved at the May 31, 2018 Board of Transportation Meeting.

The specific work elements and funding allocation is noted below:

Award ID	Description	State Funds	Local Funds
36244.23.13.2	T-Hangar & Taxilane Development	\$1,598,000	\$282,000

Upon receipt of this award letter, the NCDOT Division of Aviation requires that you submit pertinent start-up documentation within 90 days from the date of this letter. Failure to meet this deadline will result in the forfeiture of this award unless an extension is authorized in writing by the NCDOT Division of Aviation. Please visit the NCDOT Connect website listed below, and click on “Next Steps – Initial Instructions,” which will walk you through the process from this letter until grant execution.

<https://connect.ncdot.gov/municipalities/State-Airport-Aid/Pages/default.aspx>

The NCDOT Division of Aviation requires effective airport planning and management for all projects to ensure that funds are expended within two years from the date of this letter unless authorized in writing by the NCDOT Division of Aviation. Should the Airport encounter reasonable delays, the Division of Aviation has the ability to reprogram existing-year funds to a later year and divert the monies to another airport to expend those funds.

After the project is completed and the final reimbursement request has been processed, the NCDOT Division of Aviation has the authority to rescind any remaining unused funds (with the exception of NPE funds) for use toward other projects.

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The NCDOT Division of Aviation appreciates your commitment and contribution to our state aviation system and we are excited to partner with you on this grant.

Sincerely,



Bobby L. Walston, P.E.
Director of Aviation

BLW/bb

cc: Governor Roy Cooper
James H. Trogdon, III, Secretary NCDOT
Julie A. White, Deputy Secretary for Multi-Modal Transportation
Richard Burr, United States Senate
Thom Tillis, United States Senate
Patrick McHenry, United States Congress
John Pope, BOT Representative
Jack Poole, Airport Supervisor
Ben Yarboro, Engineering Services Director

BID TABULATION
T-Hangar and Taxi Lane Development
Shelby-Cleveland County Regional Airport
BID DATE: August 28, 2018
WKD Project No. 20170207.00.CL

ITEM NO.	SPEC SECT.	DESCRIPTION	QTY	UNIT	UNIT PRICE	EXTENDED TOTAL	UNIT PRICE	EXTENDED TOTAL	UNIT PRICE	EXTENDED TOTAL	UNIT PRICE	EXTENDED TOTAL
1.	P-106	Mobilization	1	LS	113,815.00	113,815.00	123,537.14	123,537.14	150,000.00	150,000.00	200,000.00	200,000.00
2.	P-102	Embankment in Place (Off-Site Borrow)	87,500	CY	12.75	1,115,625.00	14.03	1,227,625.00	20.00	1,750,000.00	15.00	1,312,500.00
3.	P-102	Unstable Excavation	690	CY	4.00	2,760.00	8.13	5,682.90	15.00	10,350.00	10.00	6,900.00
4.	P-102	Geo-Grid	1	EA	4,000.00	4,000.00	3,464.50	3,464.50	3,000.00	3,000.00	2,640.00	2,640.00
5.	P-106	Temporary Construction Entrance	9	EA	205.00	1,845.00	290.38	2,613.42	200.00	1,800.00	150.00	1,350.00
6.	P-106	Temporary Rock Pipe Inlet Protection	1	EA	1,050.00	1,050.00	290.38	290.38	500.00	500.00	1,125.00	1,125.00
7.	P-106	Temporary Filter Sock	1,191	LF	7.50	8,932.50	5.23	6,176.63	5.00	5,955.00	8.00	9,528.00
8.	P-106	Temporary Seeding (Mulched)	7.1	AC	1,200.00	8,520.00	1,626.10	11,545.31	1,500.00	10,650.00	2,500.00	17,750.00
9.	P-106	Erosion Control Matting (NAG S150)	7,635	SY	1.75	13,361.25	1.92	14,659.20	2.00	15,270.00	2.00	15,270.00
10.	P-106	Erosion Control Matting (NAG S150)	1,425	LS	127,250.00	181,250.00	16,261.00	23,185.00	12,500.00	17,875.00	225,000.00	322,500.00
11.	P-106	Temporary Skimmer Basin	1	LS	5,700.00	5,700.00	1,653.00	1,653.00	3.00	3.00	6.00	6.00
12.	P-106	Temporary Diversion Ditch	32	SY	75.00	2,400.00	232.30	7,433.60	80.00	2,560.00	165.00	5,280.00
13.	P-106	Rip Rap Outlet Protection, Class B (18" Depth)	1,776	SY	6.00	10,656.00	6.39	11,348.64	3.00	5,328.00	12.00	21,312.00
14.	P-103	Remove Existing Asphalt Pavement	425	SY	8.00	3,400.00	3,999.25	1,695.76	10.00	4,250.00	12.00	5,100.00
15.	P-103	Remove Existing Concrete Pavement	2,051	CY	62.75	128,770.25	95.24	195,337.24	60.00	123,060.00	90.00	184,590.00
16.	P-209	Crushed Aggregate Base Course	2,104	TN	139.00	292,456.00	156.80	329,907.20	150.00	315,000.00	150.00	315,000.00
17.	P-400	Asphalt Surface Course (S-8.5B)	2,390	GL	6.25	14,937.50	6.97	16,668.30	7.00	16,730.00	7.00	16,730.00
18.	P-602	Bituminous Prime Coat	797	GL	3.85	3,068.45	4.07	3,243.79	4.00	3,168.00	4.00	3,168.00
19.	P-603	Bituminous Tack Coat	1,007	SY	61.00	61,427.00	87.11	87,719.77	58.50	59,909.50	63.00	63,441.00
20.	P-610	Portland Cement Concrete (5" Depth)	6	EA	150.00	900.00	487.86	2,927.16	100.00	600.00	80.00	480.00
21.	P-610	Parking Check	122	LF	35.00	4,270.00	26.14	3,189.08	40.00	4,880.00	35.00	4,270.00
22.	P-610	5" Wide Concrete Skewwalk	888	SF	4.75	4,206.00	5.23	4,644.24	5.00	4,440.00	6.00	5,328.00
23.	P-620	ReflectORIZED Pavement Marking (Yellow)	33	SF	50.00	1,650.00	16.26	536.58	15.00	495.00	15.00	495.00
24.	P-620	ReflectORIZED Pavement Marking (White)	1,068	LF	60.00	64,080.00	56.34	60,171.12	50.00	53,400.00	88.00	93,984.00
25.	D-701	18" RCP Class IV	196	LF	37.50	7,350.00	29.62	5,805.52	30.00	5,880.00	81.00	15,876.00
26.	D-701	12" HDPE	250	CY	25.00	6,250.00	26.134	6,533.50	125.00	31,250.00	50.00	12,500.00
27.	D-701	Rock Excavation for Pipe Trenching	87	LF	50.00	4,350.00	505.47	43,876.89	10.00	870.00	15.00	1,305.00
28.	D-701	Remove Existing 18" CMP	1	EA	750.00	750.00	232.30	232.30	1,000.00	1,000.00	200.00	200.00
29.	D-751	Remove Existing Drop Inlet	9	EA	5,100.00	45,900.00	3,172.35	28,511.15	3,500.00	31,500.00	2,500.00	22,500.00
30.	D-751	4" x 4" Drop Inlet	2	EA	1,500.00	3,000.00	813.05	1,626.10	1,000.00	2,000.00	2,000.00	4,000.00
31.	D-752	18" Flared End Section	140	LF	120.00	16,800.00	139.38	19,513.20	130.00	18,200.00	150.00	21,000.00
32.	L-110	4-Way Concrete Encased Underground Duct Bank	38	LF	110.00	4,180.00	127.77	4,855.26	120.00	4,560.00	130.00	4,940.00
33.	L-110	Split Duct Bank	1	EA	2,400.00	2,400.00	4,413.70	4,413.70	3,000.00	3,000.00	2,500.00	2,500.00
34.	F-162	24" Swing Gate	7.1	AC	1,550.00	11,005.00	1,858.40	13,194.64	2,500.00	17,750.00	2,500.00	17,750.00
35.	T-901	Seeding (Mulched)	36	33.11.00	48,500.00	1,752,000.00	81,119.16	2,920,485.36	30,000.00	1,080,000.00	47,436.27	1,680,000.00
36.	33.11.00	Water Extension/Service Tie-in, Complete	1	LS	78,000.00	78,000.00	84,092.60	84,092.60	30,750.00	30,750.00	57,401.00	57,401.00
37.	33.11.00	Sanitary Sewer Extension/Service Tie-in, Complete	1	LS	78,000.00	78,000.00	84,092.60	84,092.60	30,750.00	30,750.00	57,401.00	57,401.00
38.	31.23.18	Rock Removal	250	CY	25.00	6,250.00	203.25	50,812.50	80.00	20,000.00	50.00	12,500.00
39.	Spec.	Utility-Electrical Installation, Complete	1	LS	5,000.00	5,000.00	16,144.85	16,144.85	25,000.00	25,000.00	50,000.00	50,000.00
40.	Spec.	Retaining Wall	310	SF	75.00	23,250.00	56.58	17,539.80	45.00	13,950.00	40.00	12,400.00
						2,258,141.95	2,654,420.90		2,793,530.50		2,808,339.27	
						Schedule 1 - Total	2,654,420.90		2,793,530.50		3,486,379.00	

BID TABULATION
T-Hanger and Taxitane Development
Shelby-Cleveland County Regional Airport
BID DATE: August 28, 2018
WKD Project No. 20170207.00.CL

	Anson Contractors PO Box 796 Wadesboro, NC 28170 License No. 27511	Eagle Wood Inc. 7880 Townsend Drive Denver, NC 28037 License No. 12347	Clark Ledbetter Grading & Hauling, Inc. 1606 Gaffney Rd Shelby, NC 28152 License No. 48245	Two Brothers Utilities, LLC 2122 Manley Bridges Rd Shelby, NC 28152 License No. 70904	Ritenburg Construction 440 West Barbee St Zebulon, NC 27597 License No. 37560
Schedule II					
1. 13122 10 Unit T-Hanger Building (No. 1, With Restroom), Complete	493,000.00	587,433.90	485,000.00	478,155.03	1,062,000.00
2. 13122 10 Unit T-Hanger Building (No. 2), Complete	475,000.00	590,396.37	485,000.00	467,907.03	1,017,000.00
	968,000.00	1,167,830.27	970,000.00	946,062.06	2,079,000.00
Schedule II - Total					
	1	1			
	1	1			
Additive Bid Items - Schedule II					
1. 13122 Insulate Hanger Exterior Walls and Bi-Fold Doors, Complete Per Building	18,750.00	13,785.84	7,000.00	16,326.00	18,000.00
2. 13122 Gutters with Down Spouts, Complete Per Building	30,500.00	25,684.30	18,000.00	31,507.00	24,000.00
	3,226,141.95	3,702,251.17	3,763,530.50	3,754,401.33	5,566,379.00
Total Bid (Schedule I + Schedule II)					

Math Error Corrected

I hereby certify that the above is a true and correct
 (to the best of my knowledge) tabulation of bids received on August 28, 2018.

Greg Kershaw, PE
 W.K. Dickson & Co., Inc.



AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGET FOR THE CITY OF SHELBY'S AIRPORT GRANT T-HANGAR PROJECT

WHEREAS, in accordance with applicable provisions of the North Carolina Budget and Fiscal Control Act the City of Shelby finds it advisable and necessary to establish a capital project ordinance and budget for the City of Shelby's Airport T-Hangar Project

WHEREAS, it is necessary for the City to establish a budget for this capital project and appropriate applicable funds needed for this project in order to comply with applicable provisions of the North Carolina Local Government Budget and Fiscal Control Act; and,

WHEREAS, G.S. 159-13.2 provides that a City may undertake projects such as the Airport T-Hangar construction project by way of a capital project ordinance providing the necessary balance budget and funding for the life of the project;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA: The City of Shelby's Airport has received grants for construction of a T-Hangar. The proceeds and disbursements of this grant are required to be appropriated.

Section 1. Appropriating General Fund Balance:

Fund Balance Appropriated	11001000-39900	\$ 422,612
Transfer to General Cap. Projects	110495-49111	\$ 422,612

Section 2. The following amounts are hereby appropriated for the Airport T-Hangar Project:

111453-53000-APTHP	Hangar Construction	\$1,068,500
111453-53417-APTHP	Site Improvements	\$2,511,498

Section 3. It is estimated that the following revenues will be available for the Airport T-Hangar Project:

11105000-34501-APTHP	State Grants	\$ 2,734,774
11105000-33500-APTHP	Transferred from County	422,612
11005000-39110-APRWO	Transferred from General Fund	422,612

Section 3. The provisions of this capital project ordinance shall be entered in the minutes of the Shelby City Council and copies filed with the City Manager as Budget Officer, the Finance Director, and the City Clerk for their direction and guidance in receiving revenues and expending the monies due thereunder.

Section 4. This ordinance shall become effective upon its adoption and approval.

Adopted and approved this the 15th day of October 2018.

O. Stanhope Anthony, III
Mayor

ATTEST:

Bernadette A. Parduski, NC-CMC, IIMC-MMC
City Clerk

APPROVED AS TO FORM:

Robert W. Yelton
City Attorney

City of Shelby
Agenda Item Summary
October 15, 2018
City Hall Council Chamber

Agenda Item: F-1

Unfinished Business

- 1) Consideration of a resolution authorizing the assignment of a sole source vendor for the purchase of a dewatered solids conveyor system for the City of Shelby's Wastewater Treatment Plant Compost Facility Upgrade Project: Resolution No. 56-2018

Unfinished Business Item: (Staff Resource, Rick Howell, City Manager and David Hux, Water Resources Director)

Summary of Available Information:

- Memorandum dated October 9, 2018 from David Hux, Water Resources Director to Rick Howell, City Manager
- Letter from HDR to David Hux
- Quote from Serpentix Conveyor Corp
- NC General Statute 143-129(e)(6)
- Resolution No. 56-2018

City Manager's Recommendation / Comments

In accordance with NC General Statute 143-129(e)(6) this item is brought forth for Council consideration and approval. If approved Resolution No. 56-2018 would specifically designate the specified equipment and vendor within this agenda item as the sole source vendor for the conveyor system with regard to the City Wastewater Treatment Plant Biosolids Improvement Project.

This authorization is brought before Council upon recommendation of City staff and the design engineering firm who believe it is essential that this particular equipment be specified to ensure the successful operation of the system after construction is complete. Mr. Hux will be present to address any questions.

It is my recommendation Resolution No. 56-2018 be adopted and approved by City Council at this time via the Consent Agenda.

§ 143-129. Procedure for letting of public contracts.

(a) Bidding Required. – No construction or repair work requiring the estimated expenditure of public money in an amount equal to or more than five hundred thousand dollars (\$500,000) or purchase of apparatus, supplies, materials, or equipment requiring an estimated expenditure of public money in an amount equal to or more than ninety thousand dollars (\$90,000) may be performed, nor may any contract be awarded therefor, by any board or governing body of the State, or of any institution of the State government, or of any political subdivision of the State, unless the provisions of this section are complied with; provided that The University of North Carolina and its constituent institutions may award contracts for construction or repair work that requires an estimated expenditure of less than five hundred thousand dollars (\$500,000) without complying with the provisions of this section.

For purchases of apparatus, supplies, materials, or equipment, the governing body of any political subdivision of the State may, subject to any restriction as to dollar amount, or other conditions that the governing body elects to impose, delegate to the manager, school superintendent, chief purchasing official, or other employee the authority to award contracts, reject bids, or readvertise to receive bids on behalf of the unit. Any person to whom authority is delegated under this subsection shall comply with the requirements of this Article that would otherwise apply to the governing body.

(b) Advertisement and Letting of Contracts. – Where the contract is to be let by a board or governing body of the State government or of a State institution, proposals shall be invited by advertisement in a newspaper having general circulation in the State of North Carolina. Where the contract is to be let by a political subdivision of the State, proposals shall be invited by advertisement in a newspaper having general circulation in the political subdivision or by electronic means, or both. A decision to advertise solely by electronic means, whether for particular contracts or generally for all contracts that are subject to this Article, shall be approved by the governing board of the political subdivision of the State at a regular meeting of the board.

The advertisements for bidders required by this section shall appear at a time where at least seven full days shall lapse between the date on which the notice appears and the date of the opening of bids. The advertisement shall: (i) state the time and place where plans and specifications of proposed work or a complete description of the apparatus, supplies, materials, or equipment may be had; (ii) state the time and place for opening of the proposals; and (iii) reserve to the board or governing body the right to reject any or all proposals.

Proposals may be rejected for any reason determined by the board or governing body to be in the best interest of the unit. However, the proposal shall not be rejected for the purpose of evading the provisions of this Article. No board or governing body of the State or political subdivision thereof may assume responsibility for construction or purchase contracts, or guarantee the payments of labor or materials therefor except under provisions of this Article.

All proposals shall be opened in public and the board or governing body shall award the contract to the lowest responsible bidder or bidders, taking into consideration quality, performance and the time specified in the proposals for the performance of the contract.

In the event the lowest responsible bids are in excess of the funds available for the project or purchase, the responsible board or governing body is authorized to enter into negotiations with the lowest responsible bidder above mentioned, making reasonable changes in the plans and specifications as may be necessary to bring the contract price within the funds available, and may award a contract to such bidder upon recommendation of the Department of Administration in the case of the State government or of a State institution or agency, or upon recommendation of the responsible commission, council or board in the case of a subdivision of the State, if such bidder will agree to perform the work or provide the apparatus, supplies,

materials, or equipment at the negotiated price within the funds available therefor. If a contract cannot be let under the above conditions, the board or governing body is authorized to readvertise, as herein provided, after having made such changes in plans and specifications as may be necessary to bring the cost of the project or purchase within the funds available therefor. The procedure above specified may be repeated if necessary in order to secure an acceptable contract within the funds available therefor.

No proposal for construction or repair work may be considered or accepted by said board or governing body unless at the time of its filing the same shall be accompanied by a deposit with said board or governing body of cash, or a cashier's check, or a certified check on some bank or trust company insured by the Federal Deposit Insurance Corporation in an amount equal to not less than five percent (5%) of the proposal. In lieu of making the cash deposit as above provided, such bidder may file a bid bond executed by a corporate surety licensed under the laws of North Carolina to execute such bonds, conditioned that the surety will upon demand forthwith make payment to the obligee upon said bond if the bidder fails to execute the contract in accordance with the bid bond. This deposit shall be retained if the successful bidder fails to execute the contract within 10 days after the award or fails to give satisfactory surety as required herein.

Bids shall be sealed and the opening of an envelope or package with knowledge that it contains a bid or the disclosure or exhibition of the contents of any bid by anyone without the permission of the bidder prior to the time set for opening in the invitation to bid shall constitute a Class 1 misdemeanor.

(c) Contract Execution and Security. – All contracts to which this section applies shall be executed in writing. The board or governing body shall require the person to whom the award of a contract for construction or repair work is made to furnish bond as required by Article 3 of Chapter 44A; or require a deposit of money, certified check or government securities for the full amount of said contract to secure the faithful performance of the terms of said contract and the payment of all sums due for labor and materials in a manner consistent with Article 3 of Chapter 44A; and the contract shall not be altered except by written agreement of the contractor and the board or governing body. The surety bond or deposit required herein shall be deposited with the board or governing body for which the work is to be performed. When a deposit, other than a surety bond, is made with the board or governing body, the board or governing body assumes all the liabilities, obligations and duties of a surety as provided in Article 3 of Chapter 44A to the extent of said deposit.

The owning agency or the Department of Administration, in contracts involving a State agency, and the owning agency or the governing board, in contracts involving a political subdivision of the State, may reject the bonds of any surety company against which there is pending any unsettled claim or complaint made by a State agency or the owning agency or governing board of any political subdivision of the State arising out of any contract under which State funds, in contracts with the State, or funds of political subdivisions of the State, in contracts with such political subdivision, were expended, provided such claim or complaint has been pending more than 180 days.

(d) Use of Unemployment Relief Labor. – Nothing in this section shall operate so as to require any public agency to enter into a contract which will prevent the use of unemployment relief labor paid for in whole or in part by appropriations or funds furnished by the State or federal government.

(e) Exceptions. – The requirements of this Article do not apply to:

- (1) The purchase, lease, or other acquisition of any apparatus, supplies, materials, or equipment from: (i) the United States of America or any agency thereof; or (ii) any other government unit or agency thereof within the

United States. The Secretary of Administration or the governing board of any political subdivision of the State may designate any officer or employee of the State or political subdivision to enter a bid or bids in its behalf at any sale of apparatus, supplies, materials, equipment, or other property owned by: (i) the United States of America or any agency thereof; or (ii) any other governmental unit or agency thereof within the United States. The Secretary of Administration or the governing board of any political subdivision of the State may authorize the officer or employee to make any partial or down payment or payment in full that may be required by regulations of the governmental unit or agency disposing of the property.

- (2) Cases of special emergency involving the health and safety of the people or their property.
- (3) Purchases made through a competitive bidding group purchasing program, which is a formally organized program that offers competitively obtained purchasing services at discount prices to two or more public agencies.
- (4) Construction or repair work undertaken during the progress of a construction or repair project initially begun pursuant to this section.
- (5) Purchase of gasoline, diesel fuel, alcohol fuel, motor oil, fuel oil, or natural gas. These purchases are subject to G.S. 143-131.
- (6) Purchases of apparatus, supplies, materials, or equipment when: (i) performance or price competition for a product are not available; (ii) a needed product is available from only one source of supply; or (iii) standardization or compatibility is the overriding consideration. Notwithstanding any other provision of this section, the governing board of a political subdivision of the State shall approve the purchases listed in the preceding sentence prior to the award of the contract.

In the case of purchases by hospitals, in addition to the other exceptions in this subsection, the provisions of this Article shall not apply when: (i) a particular medical item or prosthetic appliance is needed; (ii) a particular product is ordered by an attending physician for his patients; (iii) additional products are needed to complete an ongoing job or task; (iv) products are purchased for "over-the-counter" resale; (v) a particular product is needed or desired for experimental, developmental, or research work; or (vi) equipment is already installed, connected, and in service under a lease or other agreement and the governing body of the hospital determines that the equipment should be purchased. The governing body of a hospital shall keep a record of all purchases made pursuant to this subdivision. These records are subject to public inspection.

- (7) Purchases of information technology through contracts established by the State Office of Information Technology Services as provided in G.S. 147-33.82(b) and G.S. 147-33.92(b).
- (8) Guaranteed energy savings contracts, which are governed by Article 3B of Chapter 143 of the General Statutes.
- (9) Purchases from contracts established by the State or any agency of the State, if the contractor is willing to extend to a political subdivision of the State the same or more favorable prices, terms, and conditions as established in the State contract.
- (9a) Purchases of apparatus, supplies, materials, or equipment from contracts established by the United States of America or any federal agency, if the

contractor is willing to extend to a political subdivision of the State the same or more favorable prices, terms, and conditions as established in the federal contract.

- (10) Purchase of used apparatus, supplies, materials, or equipment. For purposes of this subdivision, remanufactured, refabricated or demo apparatus, supplies, materials, or equipment are not included in the exception. A demo item is one that is used for demonstration and is sold by the manufacturer or retailer at a discount.
- (11) Contracts by a public entity with a construction manager at risk executed pursuant to G.S. 143-128.1.
- (12) (Repealed effective July 1, 2015) Build-to-suit capital leases with a private developer under G.S. 115C-532.

(f) Repealed by Session Laws 2001-328, s. 1, effective August 2, 2001.

(g) Waiver of Bidding for Previously Bid Contracts. – When the governing board of any political subdivision of the State, or the person to whom authority has been delegated under subsection (a) of this section, determines that it is in the best interest of the unit, the requirements of this section may be waived for the purchase of apparatus, supplies, materials, or equipment from any person or entity that has, within the previous 12 months, after having completed a public, formal bid process substantially similar to that required by this Article, contracted to furnish the apparatus, supplies, materials, or equipment to:

- (1) The United States of America or any federal agency;
- (2) The State of North Carolina or any agency or political subdivision of the State; or
- (3) Any other state or any agency or political subdivision of that state, if the person or entity is willing to furnish the items at the same or more favorable prices, terms, and conditions as those provided under the contract with the other unit or agency. Notwithstanding any other provision of this section, any purchase made under this subsection shall be approved by the governing body of the purchasing political subdivision of the State at a regularly scheduled meeting of the governing body no fewer than 10 days after publication of notice that a waiver of the bid procedure will be considered in order to contract with a qualified supplier pursuant to this section. Notice may be published in a newspaper having general circulation in the political subdivision or by electronic means, or both. A decision to publish notice solely by electronic means for a particular contract or for all contracts under this subsection shall be approved by the governing board of the political subdivision. Rules issued by the Secretary of Administration pursuant to G.S. 143-49(6) shall apply with respect to participation in State term contracts.

(h) Transportation Authority Purchases. – Notwithstanding any other provision of this section, any board or governing body of any regional public transportation authority, hereafter referred to as a "RPTA," created pursuant to Article 26 of Chapter 160A of the General Statutes, or a regional transportation authority, hereafter referred to as a "RTA," created pursuant to Article 27 of Chapter 160A of the General Statutes, may approve the entering into of any contract for the purchase, lease, or other acquisition of any apparatus, supplies, materials, or equipment without competitive bidding and without meeting the requirements of subsection (b) of this section if the following procurement by competitive proposal (Request for Proposal) method is followed.

The competitive proposal method of procurement is normally conducted with more than one source submitting an offer or proposal. Either a fixed price or cost reimbursement type contract is awarded. This method of procurement is generally used when conditions are not appropriate for the use of sealed bids. If this procurement method is used, all of the following requirements apply:

- (1) Requests for proposals shall be publicized. All evaluation factors shall be identified along with their relative importance.
- (2) Proposals shall be solicited from an adequate number of qualified sources.
- (3) RPTAs or RTAs shall have a method in place for conducting technical evaluations of proposals received and selecting awardees, with the goal of promoting fairness and competition without requiring strict adherence to specifications or price in determining the most advantageous proposal.
- (4) The award may be based upon initial proposals without further discussion or negotiation or, in the discretion of the evaluators, discussions or negotiations may be conducted either with all offerors or with those offerors determined to be within the competitive range, and one or more revised proposals or a best and final offer may be requested of all remaining offerors. The details and deficiencies of an offeror's proposal may not be disclosed to other offerors during any period of negotiation or discussion.
- (5) The award shall be made to the responsible firm whose proposal is most advantageous to the RPTA's or the RTA's program with price and other factors considered.

The contents of the proposals shall not be public records until 14 days before the award of the contract.

The board or governing body of the RPTA or the RTA shall, at the regularly scheduled meeting, by formal motion make findings of fact that the procurement by competitive proposal (Request for Proposals) method of procuring the particular apparatus, supplies, materials, or equipment is the most appropriate acquisition method prior to the issuance of the requests for proposals and shall by formal motion certify that the requirements of this subsection have been followed before approving the contract.

Nothing in this subsection subjects a procurement by competitive proposal under this subsection to G.S. 143-49, 143-52, or 143-53.

RPTAs and RTAs may adopt regulations to implement this subsection.

(i) Procedure for Letting of Public Contracts. – The Department of Transportation ("DOT"), The University of North Carolina and its constituent institutions ("UNC"), and the Department of Administration ("DOA") shall monitor all projects in those agencies and institutions that are let without a performance or payment bond to determine the number of defaults on those projects, the cost to complete each defaulted project, and each project's contract price. Beginning March 1, 2011, and annually thereafter, DOT, UNC, and DOA shall report this information to the Joint Legislative Committee on Governmental Operations.

(j) [Use of E-Verify Required. –] No contract subject to this section may be awarded by any board or governing body of the State, institution of State government, or any political subdivision of the State unless the contractor and the contractor's subcontractors comply with the requirements of Article 2 of Chapter 64 of the General Statutes. (1931, c. 338, s. 1; 1933, c. 50; c. 400, s. 1; 1937, c. 355; 1945, c. 144; 1949, c. 257; 1951, c. 1104, ss. 1, 2; 1953, c. 1268; 1955, c. 1049; 1957, c. 269, s. 3; c. 391; c. 862, ss. 1-4; 1959, c. 392, s. 1; c. 910, s. 1; 1961, c. 1226; 1965, c. 841, s. 2; 1967, c. 860; 1971, c. 847; 1973, c. 1194, s. 2; 1975, c. 879, s. 46; 1977, c. 619, ss. 1, 2; 1979, c. 182, s. 1; 1979, 2nd Sess., c. 1081; 1981, c. 346, s. 1; c. 754, s. 1; 1985, c. 145, ss. 1, 2; 1987, c. 590; 1987 (Reg. Sess., 1988), c. 1108, ss. 7, 8; 1989, c. 350;

1993, c. 539, s. 1007; 1994, Ex. Sess., c. 24, s. 14(c); 1995, c. 367, s. 6; 1997-174, ss. 1-4; 1998-185, s. 1; 1998-217, s. 16; 2001-328, s. 1; 2001-487, s. 88; 2001-496, ss. 4, 5; 2005-227, s. 1; 2006-232, s. 2; 2007-94, s. 1; 2007-322, s. 4; 2007-446, s. 6; 2010-148, s. 1.2; 2011-234, s. 1; 2013-418, s. 2(c).)



Memorandum

To: Justin Merritt; Director of Finance

From: David Hux; Director of Water Resources *DHux*

RE: **First Broad WWTP – Biosolids Improvements Project**
Sole Source – Conveyor

Date: October 9, 2018

Attached you will find support documentation from HDR Engineering for “sole sourcing” conveyor equipment for an upcoming Biosolids Handling Project at the First Broad Wastewater Treatment Plant (WWTP). The project has been designed and is the process of being advertised.

HDR engineers evaluated several layouts for new facilities and came up with a final layout that included a conveyor from a new solids dewatering facility to covered storage pad. Due to the site grades and location of the structures, a new conveyor would have to be designed to operate in order to make up a significant elevation within a short distance. In other words, the conveyor would have to work at a steep angle.

In evaluating equipment, Serpentix conveyor system was the only belt style conveyor that was able to operate at the design incline required and while also met the other design specifications.

The attached documentation from HDR recommends sole sourcing of Serpentix P2 Pathwinder design for the belt conveyor based on being the only design to operate in the conditions described, while offering a variety of other advantages of other manufacturers.

Please review the attached information and determine if the information provided is adequate to sole source this equipment. If so, I would recommend that we move forward with a resolution for sole sourcing of the equipment for the October 15th council meeting.

Please let me know if additional information is needed.



September 27, 2018

Mr. David Hux
City of Shelby
824 W. Grover St.
Shelby, NC 28150

Subject: FBR WWTP – Biosolids Improvements Project
Conveyor System Procurement Recommendation

Dear Mr. Hux,

The purpose of this letter is to satisfy the requirements of NCGS 143-129(e)(6) and serve as documentation of the reasoning behind our conveyor system procurement recommendation.

Background

After conducting a high level evaluation to replace the Compost Facility at the First Broad River Waste Water Treatment Plant (FBR WWTP) it was decided that a new dewatering facility, anaerobic digestion complex, dewatered cake storage pad and associated infrastructure was recommended as a long-term Biosolids management alternative. HDR completed the design for these facilities in 2017.

Design Considerations

During the design phase of the Biosolids Improvements Project, HDR and the City evaluated several layouts for the new facilities. The final layout required a conveyor to transfer dewatered solids from the dewatering facility to the adjacent cake storage pad. In the design process it was decided that an open top belt style conveyor was preferred. Due to the site grades and location of these structures the conveyor needed to be able to make up significant elevation within a short distance; therefore, the angle of incline needed to be very steep while keeping the solids in the conveyor. The Serpentix conveyor system was the only belt style conveyor that was able to achieve the incline required while meeting the other requirements of the specification. The Serpentix conveyor utilizes a modular MPR belt with 1.5" high convolutions and a 20 degree trough at the edges of the belt, which allows them to climb up to a 45-degree angle.

Serpentix's design also offers the following advantages over other belt style conveyor manufacturers:

1. Positive tracking, which prevents the belt from becoming misaligned and therefore decreases operation and maintenance costs.
2. Modular design that allows for easy replacement of one section without replacing the whole belt and therefore decreases operation and maintenance costs.
3. Modular design that allows for expansion of conveyor without replacing the whole belt or splicing an existing belt.

Recommendations

HDR recommends basing the conveyor system design around the Serpentix P2 Pathwinder design and sole-sourcing this system utilizing a pre-negotiated bid allowance as price competition for the proposed conveyance system is not available. This will be the most cost-effective way to ensure that the City will be able to achieve the necessary conveyance layout at their facility.

The pre-negotiated proposal to be included as a bid allowance is attached.

Sincerely,
HDR Engineering, Inc. of the Carolinas



Will Shull, PE
Project Manager



Date Issued: Friday, September 13th, 2018

P2 PATHWINDER CONVEYOR QUOTATION NO. RDN5698-RevA2

for

Shelby, NC

P2 PATHWINDER CONVEYOR CONFIGURATION & APPLICATION DATA

In general accordance with our quotation drawing #Q5698 RevA

Equipment Tag No.:	CON-6401
Centerline Length:	67'-5"
Belt Width:	26 Inches
Belt Speed:	35 ft./min.
Elevation Change:	13'-1 9/16"
Incline Angle:	35°
Material:	Sludge
Density:	65 lbs./ft ³
Capacity:	17 Tons/hr.

SCOPE OF SUPPLY

Components not specifically included below are to be provided by the purchaser.

CONVEYING SURFACE

Modular MPR belt pans, with 1½" high convolutions, and 20 degree trough at edges of the belt – factory pre-assembled in 4'-0" sections (6 pans per section).

CONVEYOR CHAIN

Closed-link, hardened alloy steel chain, 4-inch pitch – 35,000 lbs breaking strength – factory pre-assembled in 401 link strands.

CONVEYOR TRACK SECTIONS

Factory assembled I-beam, 1/8" minimum thickness, **304 stainless steel** with UHMWPE containment channel.

DRIVE STATION

Fully assembled, with a **5HP (with Normally Closed [NC] thermostats)**, 230 / 460Volt, 3 Phase, 60 Hertz, TEFC, standard efficiency motor. Includes a mechanical clutch to prevent over-torque conditions.

TENSION STATION

Fully assembled, with a constant pressure spring chain tensioner, adjustable by a single ratchet.

SUPPORT STRUCTURES

As generally indicated on quotation drawing; **A36 structural steel, hot-dipped galvanized (HDG)**.

SKIRTBOARDS

At material loading area as shown on the quote drawing, 3/8" thick HDPE, **304 stainless steel** back-mounted angles, with **304 stainless steel** mounting brackets.



DRIP PANS

Under the conveyor, open-ended **18 gauge 304 stainless steel**, with **304 stainless steel** mounting brackets.

DUAL BLADE BELT SCRAPER

A dual-blade pre-tensioned bar scraper (1/4" thick) located at discharge to remove most material.

WALL WEATHER SEAL

A 10 gauge **304 stainless steel** weather seal with vinyl finger extensions is to be installed where the conveyor passes through the wall.

HALF-MOON COVERS

18 gauge **304 stainless steel** half-moon covers, with 10 gauge **304 stainless steel** cover bands, with **304 stainless steel** brackets located as shown on the quotation drawing. Covers are shipped flat, to be bowed and fastened into position by the installing contractor. All helical, horizontal and vertical covers must be cut and fit onsite by the installing contractor.

HARDWARE

Nuts and bolts assembly hardware shall be type **304 stainless steel**.

SAFETY STOP SWITCH

NEMA 7 (Explosion Proof), 20 Amp, flag arm safety pull-cord switches on each side of the conveyor with protective coated orange cable running the entire length of the conveyor.

ZERO MOTION SPEED SWITCH

Located on the tension station, the zero speed switch is to be hardwired to the conveyor control circuit. NEMA 7 (Explosion Proof), 120VAC, 5amps, isolated contact, 10-second start delay. It should be an Electro Sensors SCP 1000 pre-settable speed switch in an explosion proof housing with a PVC split collar magnet pulsar wrap.

CONTROL PANEL

Custom control panel for incline conveyor; the proposed control panels would include, at a minimum, the following design features:

- **(1x Main Panel)** NEMA 4X Rated (304SS) Wall-Mount Enclosure, Main Fused Disconnect Switch w/ Door Interlocked Operator, Sprecher & Schuh PCS Series Softstarter Sized for the Following Load: Qty (1) 5HP 480VAC 3PH Incline Conveyor Motor, Conveyor Hand-Off-Auto Selector Switch; Emergency Stop Pushbutton, Conveyor Running Indicator Light; Motor Overload Fault Indicator Light, Conveyor Zero Speed Fault Indicator Light; Emergency Stop Fault Indicator Light, High Motor Temperature Fault Indicator Light; Conveyor Elapsed Run Time Meter, System Fault Reset Pushbutton; Audible Alarm & Alarm Silence Pushbutton, Conveyor Auto Run Timer; Interface Relays & SCADA Status Contacts, Fused 120V Control Transformer; Color Coded Terminal Blocks for Field Connections
- Layout & Schematic Diagrams (.pdf Format), Continuity & Functional Testing Upon Completion of Assembly, UL508A Listed Assembled Control Panel

SPARE PARTS

One set of spare parts consisting of: *5 belt pans w/ hardware, 10 guide blocks, 5 intermediate chain attachments and 2 scraper blade inserts (1/4" thick).*



OPERATION & MAINTANCE (O&M) MANUALS

Standard assembly, operating and maintenance instruction manuals are written in English only.

- Preliminary O&M manual is submitted electronically in only .PDF file format.
- After approval, three (3x) final hard copies are sent for-record.

Any additional hard copy manuals (either for approval or final for-record) are an additional cost of \$75 each

SHOP FINISH

All fabricated mild steel components are hot dipped galvanized to ASTM 123-892 specification. All stainless steel fabrication components shall retain their stock mill finish. All OEM supplied equipment incorporated into the conveyor design, e.g. motor, gear reducer, bearings, will be furnished with their factory-applied finish. Any additional coatings by purchaser.

WARRANTY

One (1x) year limited warranty is provided against defects in materials and workmanship, with the start date beginning at equipment start-up (**NOTE: CONTRACTOR is responsible to provide the additional "warranty gap" if required**) - aside from abuse, negligence, or lack of regular & preventative maintenance as outlined in the O&M Manual. **Warranty excludes the related time & labor required to replace warrantable items.**

FIELD SERVICES - MECHANICAL

One (1x) trip on-site for one (1x) 8-hour day equipment start-up & O&M training for the conveyor (*as per specification section 01 75 00*). **NOTE: Once travel arrangements are confirmed, additional travel cost, if any, incurred due to requested advancement or postponement of agreed upon scheduled trips(s), shall, with the submittal of applicable documentation, be accepted and paid for by the purchaser of the equipment. Unused services will not be credited.**

EXCEPTIONS & CLARIFICATIONS TO THE SPECIFICATIONS

- Serpentix is quoting as the *named equipment manufacturer* (as per the bid form) for specification section 41 12 13 – “Belt Conveyors” [dated September 2018]; **this scope of supply matches the attached MARKED specification REVIEWED by Serpentix (9.13.2018); all other provisions, additions or modifications are subject to pricing change.**
- One (1x) Year Warranty start date begins at equipment start-up (*see WARRANTY on sheet 3 for complete details*), and **excludes** the related time & labor required to replace warrantable items.
- Seismic Calculations are **NOT** included in this quotation.
- Anchor bolts / hardware are **NOT** included in this quotation.
- Special insurance requirements such as being added as an additional insured to our policy is subject to additional costs and is **NOT** included in this quotation.
- See Typical "Purchaser to Furnish" Items in Attachment-A.
- See Typical Terms and Conditions (TC1 & TC2) attached to this quotation.

INSTALLATION/ASSEMBLY MAN HOUR ESTIMATE

- Conveyor(s) are shipped unassembled. Field assembly is required. Minimum estimated installation / assembly time is 2-3 man-hours per linear foot. Actual time will vary with field conditions, equipment used, installation experience and methods used by the installation contractor.
- Field welding (*4" of weld are required per pipe support*) **OR** drilling & bolting (*purchaser supplied 3/8" x 3.5" LG. bolt*) of supports to conveyor pipes is required during installation.

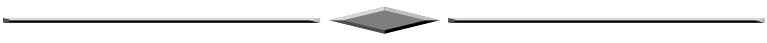


EQUIPMENT APPROVAL & SHIP DATE

- Allow 3 to 4 weeks to submit approval drawings after our receipt of a formal purchase order.
- Allow at least 3 to 4 weeks for purchaser review and the return of the approval drawings.
 - **NOTE:** These approximations of time **DO NOT** include any time increase due to documented layout changes, conveyor revisions, or required resubmittals as needed.
- Upon our receipt of all drawings, submittal data and seismic calculations are approved by the purchaser, this equipment will be shipped in 14 to 16 weeks.
- Total approximate time from received purchase order to ship date: 20 – 24 weeks; (assuming quick turn around on from reviewing purchaser / reviewing engineer); please schedule accordingly

PAYMENT TERMS AND CONDITIONS

- Quoted prices are firm for acceptance up to *Monday, December 31st, 2018* from date of this quotation (see top of sheet 1).
- Ninety percent (90%) net 30 days from the equipment ship date.
- Ten percent (10%) retainage, with final payment due within 180 days of the equipment ship date.
- These payment terms are independent of those the purchaser may have with the owner, and are subject to the purchaser’s credit approval. Other payment terms may apply.
- Enclosed forms TC1, TC2 & Attachment-A are part of this quotation.



TOTAL PRICE..... **\$131,825.⁰⁰**

- Federal, state, local or other taxes are **not** included.
- Freight on board (FOB) Westminster, CO - forward freight agreement (FFA) Jobsite

Please refer all questions concerning this quotation to our representative listed below, or to this office.

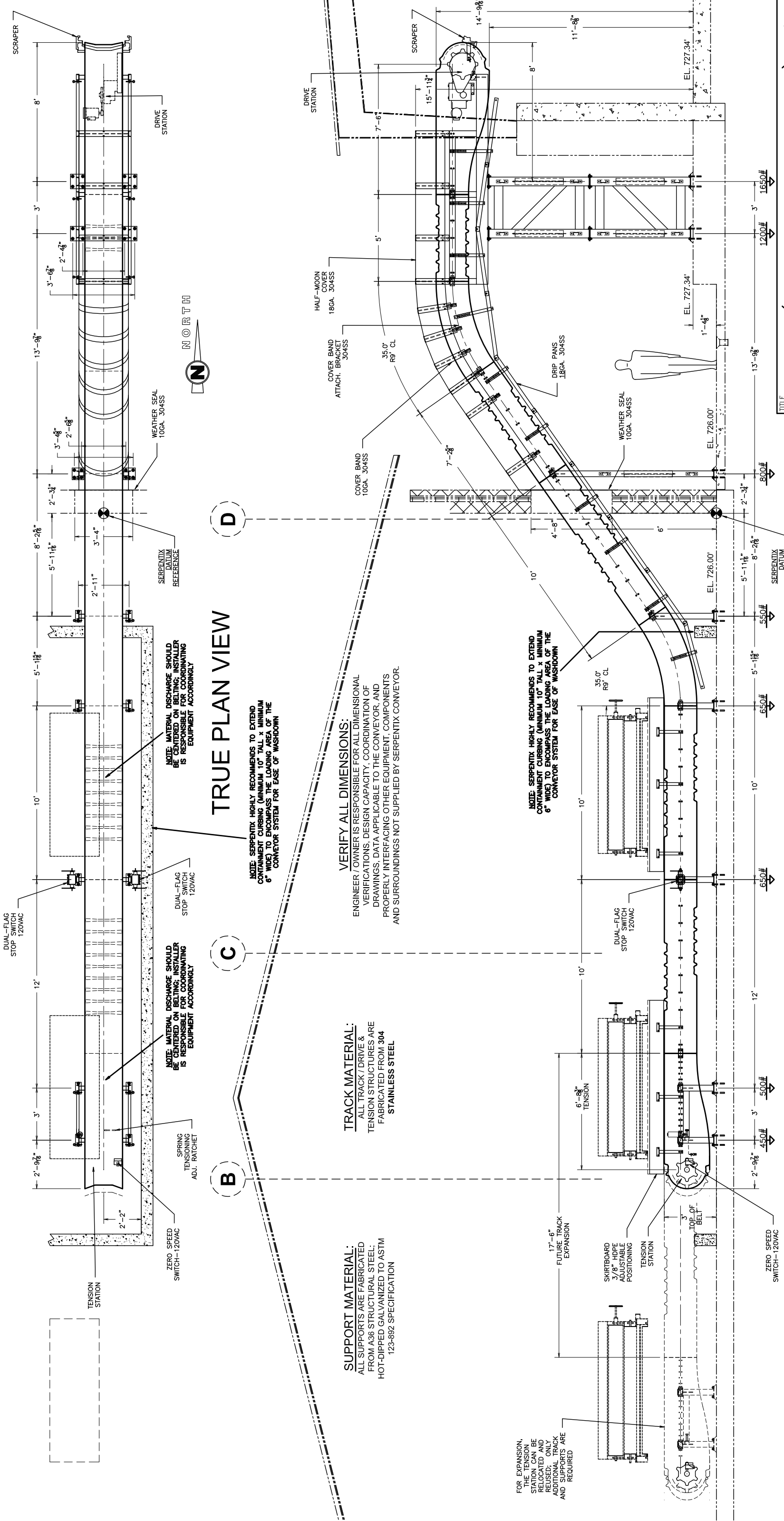
Respectfully,

Erik C. Melander
Senior Design Engineer

REGIONAL REPRESENTATIVE:

James (Jim) Grant, P.E. c/o
EW2 Environmental, Inc.
7245 Pineville-Matthews Road – Suite 100
Charlotte, NC 28226
Phone: 704-542-2444
Fax: 704-542-7003
Mobile: 704-577-9437
jgrant@ew2.net

Enclosures: **Quotation Dwg. #Q5698 RevA**
Attachment A (Standard Purchaser to Furnish Items)
TC1 (Standard Terms & Conditions)
TC2 (Standard Terms & Conditions)



TRUE PLAN VIEW

TRUE ELEVATION VIEW

SUPPORT MATERIAL:
ALL SUPPORTS ARE FABRICATED FROM A36 STRUCTURAL STEEL; HOT-DIPPED GALVANIZED TO ASTM 123-892 SPECIFICATION

TRACK MATERIAL:
ALL TRACK / DRIVE & TENSION STRUCTURES ARE FABRICATED FROM 304 STAINLESS STEEL

VERIFY ALL DIMENSIONS:
ENGINEER / OWNER IS RESPONSIBLE FOR ALL DIMENSIONAL VERIFICATIONS; DESIGN CAPACITY, COORDINATION OF DRAWINGS, DATA APPLICABLE TO THE CONVEYOR, AND PROPERLY INTERFACING OTHER EQUIPMENT, COMPONENTS AND SURROUNDINGS NOT SUPPLIED BY SERPENTIX CONVEYOR.

NOTE: MATERIAL DISCHARGE SHOULD BE CENTERED ON BELTING; INSTALLER IS RESPONSIBLE FOR COORDINATING EQUIPMENT ACCORDINGLY

NOTE: MATERIAL DISCHARGE SHOULD BE CENTERED ON BELTING; INSTALLER IS RESPONSIBLE FOR COORDINATING EQUIPMENT ACCORDINGLY

FOR EXPANSION, THE TENSION STATION CAN BE RELATED AND ADDITIONAL TRACK AND SUPPORTS ARE REQUIRED

NOTE: SERPENTIX HIGHLY RECOMMENDS TO EXTEND CONTAINMENT CURBING (MINIMUM 10" TALL x MINIMUM 6" WIDE) TO ENCOMPASS THE LOADING AREA OF THE CONVEYOR SYSTEM FOR EASE OF WASHDOWN

PROPRIETARY STATEMENT
THE INFORMATION CONTAINED HEREIN IS PROPRIETARY, AND FURNISHED IN CONFIDENTIAL AND NOT TO BE DISCLOSED, COPIED, OR DUPLICATED FOR ANY PURPOSE OTHER THAN INTENDED, WITHOUT THE PRIOR WRITTEN PERMISSION OF SERPENTIX CONVEYOR CORP. THIS LEGEND SHALL BE MARKED ON ANY REPRODUCTION HEREOF. IN WHOLE OR IN PART, RECEIPT OF THIS MATERIAL SHALL BE DEEMED TO BE AN ACCEPTANCE OF THE CONDITIONS SPECIFIED HEREIN.

TRACK DESIGN:	P2	BELT WIDTH:	26"	DESIGNED CAPACITY:	17 T/HR	BELT SPEED:	35 FT/MIN
CL. LENGTH OF CONVEYOR:	67'-5"	DENSITY:	65 #/CUFT	HP:	5	230/460 VAC	3 1750 RPM
ELEVATION CHANGE:	13'-1 9/16"	MAX ANGLE OF INCLINE:	35°	ALL LOADS ARE PER PAIR OF LEGS-TYP.			
MATERIAL HANDLED:	SLUDGE	CU. INCH PER PAN:	286.9				

TITLE
SHELBY (FIRST BROAD RIVER WWTP), NC
DEWATERED SLUDGE CONVEYOR

DRAWN BY
ERIK MELANDER

DRAWN DATE
8/16/2017

CHECKED BY
—

CHECKED DATE
—

SIZE
DWG NO. B

REV.
Q5698

SCALE
3/16" = 1'-0"

SHEET
1 of 2

SERPENTIX
9085 MARSHALL COURT * WESTMINSTER, CO 80031
PHONE (303) 430-8427 FAX (303) 430-7337
conveyor@ix.netcom.com

BY	REV	DATE	DESCRIPTION
ERIK MELANDER	A	10/27/2017	UPDATED MATERIAL SELECTION FOR BID



ATTACHMENT A

SERPENTIX CONVEYOR CORP. - STANDARD “PURCHASER TO FURNISH” ITEMS

This proposal does not include the following items unless specifically listed in the quotation, or for any other items not specifically mentioned within this quotation:

1. Federal, state and local, or other taxes.
2. Cost of performance/supply, or any type, bonds and/or special insurance coverage.
3. Insurance coverage naming others as primary or additional insured.
4. Licenses, fees and/or permits.
5. Import/export fees, taxes or tariffs.
6. Microfilming of drawings and product data sheets/brochures.
7. Drive and tension station personnel guards or railings.
8. Warning and caution signs.
9. Videotapes or videotaping of O&M instructional services.
10. Special finishes on OEM supplied components.
11. Special equipment identification signs.
12. Special O&M manual binders and labels.
13. O&M manuals in any language, other than English.
14. O&M manuals on computer disk or CD format. If the manuals are provided on disk, it will be in a .pdf format only. Other formats are not available.
15. Field assembly, including field erection expendables and required handling equipment (see Terms and Conditions, form TC2).
16. Unloading upon delivery; storage and storage protection.
17. Access facilities: Walkways; stairways and ladders.
18. Electrical: Control panels; local control function, starters; conduit and wiring; alarm systems; instrumentation and lighting.
19. Intermediate or finish painting, when applicable.
20. Lubricants, lubrication line extensions, grease guns, the initial lubrication of the equipment, and all lubricants required during warranty period.
21. Wall opening weather closure or partial sealing curtains, or similar accessories, when applicable.
22. Covers and enclosure material is shipped flat, to be bowed and fastened into position during assembly. Cutting and fitting may be required onsite as part of the equipment assembly.
23. Material discharge chutes or loading hoppers.
24. Storage boxes for spare parts, other than cardboard.
25. Foundations, foundation design, anchor bolts; seismic analysis.



TC1

SERPENTIX CONVEYOR CORP. - STANDARD TERMS AND CONDITIONS OF SALE

1. **Definitions** - Seller is Serpentix Conveyor Corporation (also called Serpentix®), incorporated under the laws of the State of Colorado, USA. Buyer shall be the individual, partnership, corporation, or government agency with whom a contract of sale for one or more of Seller's products or services is in force. Sales Representative is an individual, partnership, or corporation representing Seller in order to supply Seller's information to potential Buyers and solicit order on behalf of Seller. Engineer or Architect-Engineer is an engineer or architect, either individual, partnership, or corporation, representing Buyer or ultimate owner of the equipment being purchased from Seller.
2. **Authority** - All contracts and agreements require approval and acceptance by Seller. Acceptance and/or agreements by Sales Representatives shall not be binding upon Seller.
3. **Shipment** - Unless specifically agreed between Buyer and Seller shipment will be made F.O.B. point of manufacture or Seller's plant in Westminster, Colorado, whichever is closer to destination. In the absence of specific shipping instructions, the method of shipment will be determined by Seller.
4. **Shipping Schedule and Delivery** - Seller shall not be responsible for delays in delivery resulting from causes beyond its control, or the control of its suppliers, including, but not limited to, any casualty, acts of Buyer, strikes or other labor difficulties, shortage of labor, supplies, and transportation facilities. In the event a binding delivery date is agreed upon between Seller and Buyer, Buyer's exclusive remedy for any and all losses or damages (whether direct, indirect, special or consequential) stemming from Seller's failure to meet such binding delivery date shall be a claim for actual damages, but not consequential damages, not to exceed the purchase price of the products delivered subsequent to such delivery date.
5. **Quotations** - All quotations, offers and/or bids expire sixty (60) days from the date of the quotation, offer, or bid, unless withdrawn sooner or specifically stipulated otherwise.
6. **Warranty** - Seller warrants that the products manufactured by seller conform to applicable drawings and specifications accepted in writing by Seller, will be free from defects in material and workmanship, will be merchantable and will perform in accordance with the detailed specifications and design/operating requirement established by the customer and accepted in writing by Seller. These warranties extend from a period of **twelve months** from the date when the equipment is put into service, provides beneficial use, upon owner acceptance, or upon substantial project completion, whichever occurs first. Buyers exclusive remedy and Sellers sole duty under these warranties is to repair or replace the product. Normal wear and tear on Seller's product shall not constitute a warranty defect. **There are no other warranties, express or implied, which extend beyond those set forth above. The warranty of merchantability is limited to the time period above.** These warranties are contingent upon the product being stored, installed, maintained and operated in accordance with the detailed specifications, good engineering practices and the instructions contained in the Operating and Maintenance Manual supplied by Seller. These warranties shall apply to the original customer/owner only.
7. **Patent Indemnity** - Seller agrees to indemnify Buyer for all damages or costs resulting from any suit or demand alleging infringement of any United States Patent which claims the structure of the apparatus or any part thereof manufactured by the Seller under this proposal, if the Seller is notified promptly in writing of such a suit of demand and given adequate authority, information and assistance for the defense of same. Provided, however, that Seller at its own option and expense shall have the right to settle such suit or demand either by procuring for the Buyer the right to continue using the apparatus or part thereof furnished by Seller; or by replacing same with noninfringing apparatus; or by modifying same so that it becomes noninfringing; or by removing the alleged infringing apparatus and refunding the contract price. This indemnification clause does not apply on any apparatus or part thereof made to the Buyer's design or the design of which has been modified by the Buyer. Seller's sole responsibility and the Buyer's exclusive remedy for any such suit or demand shall be as set forth in this paragraph.
8. **Payment** - All overdue invoices will bear a 1 1/2% per month interest penalty until paid. If legal action becomes necessary to force collection, the total amount due Seller shall be the amount originally invoiced, all subsequent interest and penalties, and all court costs and attorney fees incurred by Seller for collection.
9. **Taxes** - Seller's price does not include any applicable sales, use, excise or similar taxes. If, under any law or regulation in effect, the Seller is required to pay or collect any tax upon the products, whether directly or indirectly, the contract price shall be increased by the amount of any such tax.
10. **Limitation Of Liability** - Seller's total responsibility of damages, whether arising out of or relating to its performance of this contract or the products covered hereunder, shall be limited to the contract price for the product. In no event shall Seller be liable for any incidental or consequential damages such as lost profits, loss of use of productive facilities or equipment, expenses or damages incurred in reliance on Seller's performance hereunder or lost production whether suffered by Buyer or any third party.
11. **Default** - If Buyer fails to fulfill the terms of payment of the contract, Seller may defer further shipments, if any, until such payments are made, or may, at its option, cancel, rescind, or terminate this agreement. The Seller reserves the right to require, at any time, from the Buyer, satisfactory security for performance of the Buyer's obligations; failure to furnish such security will entitle the Seller to suspend shipment until such security is furnished, or to cancel, rescind, or terminate this agreement, in which event all unpaid invoices immediately become due and payable, and Seller shall have the right to repossess such of the materials remaining in Buyer's possession and apply the then value thereof as a payment upon any balance due from the Buyer to the Seller. Should the Seller fail to exercise any right accruing from any default of the Buyer, such action shall not impair or affect the Seller's rights, in case such default continues or in case of any subsequent default of the Buyer.
12. **Entire Agreement** - An agreement shall become binding and effective upon Buyer's acceptance of Seller's proposal. The proposal and these conditions of sale constitute the entire agreement between the parties relative to the sale and purchase of the products covered, and the Seller shall not be bound by, or liable to, the Buyer for any affirmation of fact, promise, representation or inducement made by any representative, agent or person in Seller's employ which is not embodied in the agreement or a written supplemental agreement executed by a duly authorized representative of Seller. Modification of these terms and conditions shall not be affected by the use of any purchase order or similar form by Buyer unless such modification is contained in the agreement or supplemental agreement as stated above.
13. **Terms To Govern** - The provisions of the agreement and these terms and conditions shall constitute the entire agreement and understanding of the parties and shall supersede all prior communication agreements and understandings from or between the parties. By acceptance of any offer or acknowledgment containing these terms or by failure of Buyer to reject these terms within ten (10) days after notification thereof, or by acceptance of the products or service described in the agreement, Buyer shall be deemed to have accepted these terms without reservation or condition. All stenographic or clerical errors or omissions are subject to correction and will not alter any of the terms and/or conditions stated herein. Any contract or sale made hereunder shall be governed by the laws of the State of Colorado.
14. **Ownership of Proposal** - Proposals submitted by Serpentix® remain the property of Serpentix® and are subject to return at Serpentix's® request. Proposals contain confidential information. Anyone accepting custody of a proposal agrees that such information will not be disclosed to anyone not engaged in evaluation of proposal or reproduced in whole or in part.
15. **Indices Of Ownership** - Risk of loss transfers to Buyer upon shipment by Seller. Seller, however, retains title and right to possession until the purchase price has been paid in full. Purchaser agrees to comply with local requirements for maintaining Seller's security interest in the equipment and will carry sufficient insurance to protect same. Should Buyer breach any of the terms of this Agreement or file or allow to be filed against it, a petition in bankruptcy or any assignment for the benefit of creditors, Seller may declare the entire balance due and at its option, repossess the equipment. Should Seller resell any repossessed equipment the outstanding balance will be credited by the amount realized on the sale less any expenses reasonably incurred in repossessing and selling the equipment and collecting the remaining balance.
16. **Delay, Suspension Or Cancellation** - Delay, suspension or cancellation may only be accomplished by a written request from the Buyer and Seller's written acceptance. Seller will estimate the value of its services already performed based on percentage of job completion for purposes of invoicing cancellation charges. In addition, in cases of suspension, cancellation, delays occasioned by Buyer's failure to forward engineering or manufacturing approvals, or delays of over thirty (30) days in forwarding shipping instructions from date of notification of readiness to ship, Seller may set new delivery dates, or when applicable, place equipment in public or private storage at Buyer's expense. If Seller stores the equipment on its premises, the storage fee will be one per cent (1%) of the contract price per month. In cases of suspension and/or cancellation, Buyer will pay twenty-five per cent (25%) of the contract price or Seller's estimate of value of its services, whichever is greater, plus storage charges, if any.
17. **Repair Parts** - Seller shall not be responsible for failure of parts to fit properly due to deterioration of, or modification by other than Seller to Buyer's existing equipment (or structure) for which such parts are furnished. Seller makes no warranty or guarantee that the equipment or parts supplied hereunder will comply with any existing performance of Buyer's equipment. Seller reserves the right to furnish substitutes as Seller determines for material not available or whose use is restricted, provided substitute material is of equal quality and performance.



18. **Design Changes** - Seller reserves the right to implement design and component changes in its products without notification to Buyer. These changes will utilize component and material improvements to increase equipment performance. These changes will not affect previously agreed to operation or installation provisions. Seller to make retrofit at Seller's option only.
19. **OSHA And Safety** - The Occupational Safety and Health Act and other regulations require that employers provide their employees with a safe place to work. Seller offers options designed to assist the Buyer in those areas for which Buyer is responsible, by reason of the regulations and the Buyer's knowledge of the actual circumstances, namely operation, control, maintenance, and service of the Seller's equipment by the Buyer and his employees in the Buyer's plant. Seller observes those specific OSHA standards which are published as of the date of this proposal on the equipment which it manufactures. Standards such as "noise levels" which depend on the construction and contour of the Buyer's plant and the proximity of working areas to equipment are not the Seller's responsibility. Modifications to the Seller's equipment necessitated by the imposition or interpretation of a specific OSHA standard, published after the date of this proposal, or a state or local standard are not included in this proposal. A supplemental proposal on such items will be submitted on request. In the event Buyer refuses to accept a modification which in Seller's judgment is required for safety, Seller reserves the right to cancel the entire agreement between the parties, pursuant to the cancellation provision of these terms and conditions. Unless expressly specified in the agreement and/or Seller's offer, Seller is not obligated to furnish safety devices for the equipment.
20. **Drawings & Manuals** - General arrangement drawings showing Seller's equipment in relation to Buyer's equipment and building will be furnished to Buyer for approval and dimensional check. Seller is not responsible for incorrect or, exact dimensions regarding building and equipment layout after approval of general arrangement drawings. Buyer is solely responsible for submitting correct data to Seller for the proper engineering and fitting of Seller's equipment in Buyer's facility. Proprietary drawings dealing with the equipment and schematics of Seller's fabrication and assembly are termed "shop drawings." Shop drawings will not be furnished to Buyer for approval. Buyer's drawing check is also required so Buyer will be acquainted with the equipment prior to Seller's fabrication and Buyer's installation.
21. **Buyer's Act Voiding Warranties and Guarantees** - The mechanical and performance warranties furnished by Seller herein will be rendered void by: unauthorized alterations or modifications; damage to the equipment caused by improper storage, deterioration or wear resulting from chemical, abrasive or corrosive actions; and improper operation beyond contracted operating conditions.
22. **Use By Third Party** - If Buyer intends that the equipment under this agreement will ultimately be used by a third party, Buyer represents that the third party has or will be made aware of this agreement and all of its terms and conditions, that the third party has or will agree to be bound by this agreement and its terms and conditions and to be bound by the knowledge, representations, and agreements of Buyer with respect to this agreement and the services, equipment, and information relating to it, and that Buyer will protect, defend, and hold harmless Seller from all claims of ultimate users or others in excess of those allowed under this agreement.
23. **Back Charge Policy** - The conditions here in, Warranties, stipulate remedies available to Buyer, period and scope of warranty coverage. Implicit in said conditions is that Buyer may have occasion to accomplish in behalf of Seller repairs, replacements, modifications, corrections which may qualify as warranty work, the cost of which is subject to reimbursement of Buyer by Seller. The cost of alleged warranty work will be considered for reimbursement if/when the following conditions are met:
 - A. Buyer notifies Seller within twenty-four (24) hours after discovery of the condition allegedly requiring correction and his intent to undertake the work at Seller's expense. All Verbal notifications shall be confirmed in writing.
 - B. Buyer submits cost, adequately documented, for alleged warranty work by the end of the month following the month during which the work was accomplished.
 - C. The cause of the condition requiring warranty work is determined to be defects in design, materials or workmanship. Allowable costs under these conditions shall be direct out-of-pocket cost only, which are defined as follows:
 - (1) Materials and components at invoiced cost.
 - (2) Subcontracted work at invoiced cost.
 - (3) Buyer's direct labor cost including the cost of fringe benefits strictly applicable to direct labor.
 - (4) Specifically excluded are allocation of fixed overhead, sales, general and administrative expense, and profit.
24. **Installation** - The following items and assembly work are not included in the sale price of a Serpentix® conveyor (unless specifically stated within proposal; please also refer to Attachment A in the proposal for a listing of "Purchaser To Furnish" items).
 - A. Assembly and erection of the conveyor, including limited field track fitting, drilling, necessary track and support welding, anchor bolt supply and installation, and dressing of field welds.
 - B. Installation and assembly of chain, roller carriages, belt pans, and any chain or belt pan attachments and hardware.
 - C. Installation and adjustment of **any** accessories (typically including, but not limited to, drip pans, covers, skirt boards, and belt scrapers.
 - D. Electrical hookup; wiring and conduit; controls or switches; motor starters; alarm systems; instrumentation; and lighting.
 - E. Field alignment of take-up and drive terminals, or any final adjustment of limit switches, chain tension devices, or motor drive components or belts.
 - F. Necessary priming and painting of field welds, and the repair to the hot-dipped galvanized finish, if provided.
25. **Controls** - Unless specifically included in the contract, Serpentix Conveyor Corporation accepts no responsibility for designing or providing components for any control schemes, circuitry, starters, relays, switches, etc.
26. **Access** - Unless specifically included in the contract, Serpentix® is not responsible for providing or installing necessary walkways and platforms for maintenance of the conveyor. Also not included are any necessary heaters or warming equipment necessary for cold-weather exposure installations.
27. **Flood Damage** - Serpentix® will not be responsible for damage to the conveyor or components caused by flooding or filling of any pit or similarly confined area into which the conveyor is installed. Buyer shall be responsible for adequate level alarms, drainage of liquids or sludges, or removal of solids from any pit or similarly confined areas.
28. **Loading Conditions** - Serpentix® will not be responsible for damage caused by sudden imposition of loads to the conveyor or loads dropped from heights not disclosed to Serpentix® before design of the conveyor. Loads and capacities stated in terms of weights per time period are assumed to be evenly loaded within the time periods, within plus or minus ten per cent (10%) of stated loading.
29. **Load Bypass** - Buyer shall be responsible for providing appropriate load bypasses or load stopping means to provide adequate downtime of the conveyor for inspection and maintenance. Buyer shall be responsible for providing appropriate bypasses or load stopping means for conditions where load material characteristics change in a manner detrimental to conveyor loading or maintenance procedures.
30. **O&M Schedule** - Buyer shall be responsible for developing and executing an adequate inspection and maintenance plan, including full inspection of the conveyor and checking of adjustments for chain tension and belt scraping; all in accordance with recommended procedures and schedules states with the Operation and Maintenance Manual.
31. **Field Services** - Included in each contract is a provision for Seller's personnel to travel one or more times to a field site to perform requested services for Buyer. Seller shall charge for any additional services at the following rates:
 - A. **Field Service Repairman** - \$1,500.00 per eight (8) hour day or part thereof, overtime rate \$150.00 per hour.
 - B. **Field Engineer** - \$2,500.00 per day or part thereof, overtime rate \$200.00 per hour.
 - C. **Service Supervisory Personnel** - \$1,500.00 per day.
 - D. **Specific Personnel** - including Service Manager, Chief Design Engineer, Design Consultants - \$2,750.00 per day - travel time included.
 - E. The cost of air and ground travel from Seller's plant to the point of installation and return, together with all reasonable living expenses during the period of service.
 - F. The above charges, including service and engineering time, shall be made for time involved and any delays, including those from causes beyond the Seller's control.
32. **Design Tolerances** - Serpentix® conveyors are designed to tolerances normally necessary for machinery that must be field assembled and welded in position within and/or upon other structures. If Seller is responsible for supplying supports, they will be built to tolerances required. Seller **does not** accept any liability or responsibility where building conditions and dimensions of the Buyer are not suitable for the proper and safe fitting and installation of the conveyor and its supports.
33. **Operation** - Seller shall not be liable for damage or expenses caused by: sudden stops, jamming of the conveyor; passage of foreign material between chain and sprocket or between chain and slide surface; the conveyor being rubbed against other stationary equipment; or, for problems of loading onto or discharging from the conveyor.



TC2

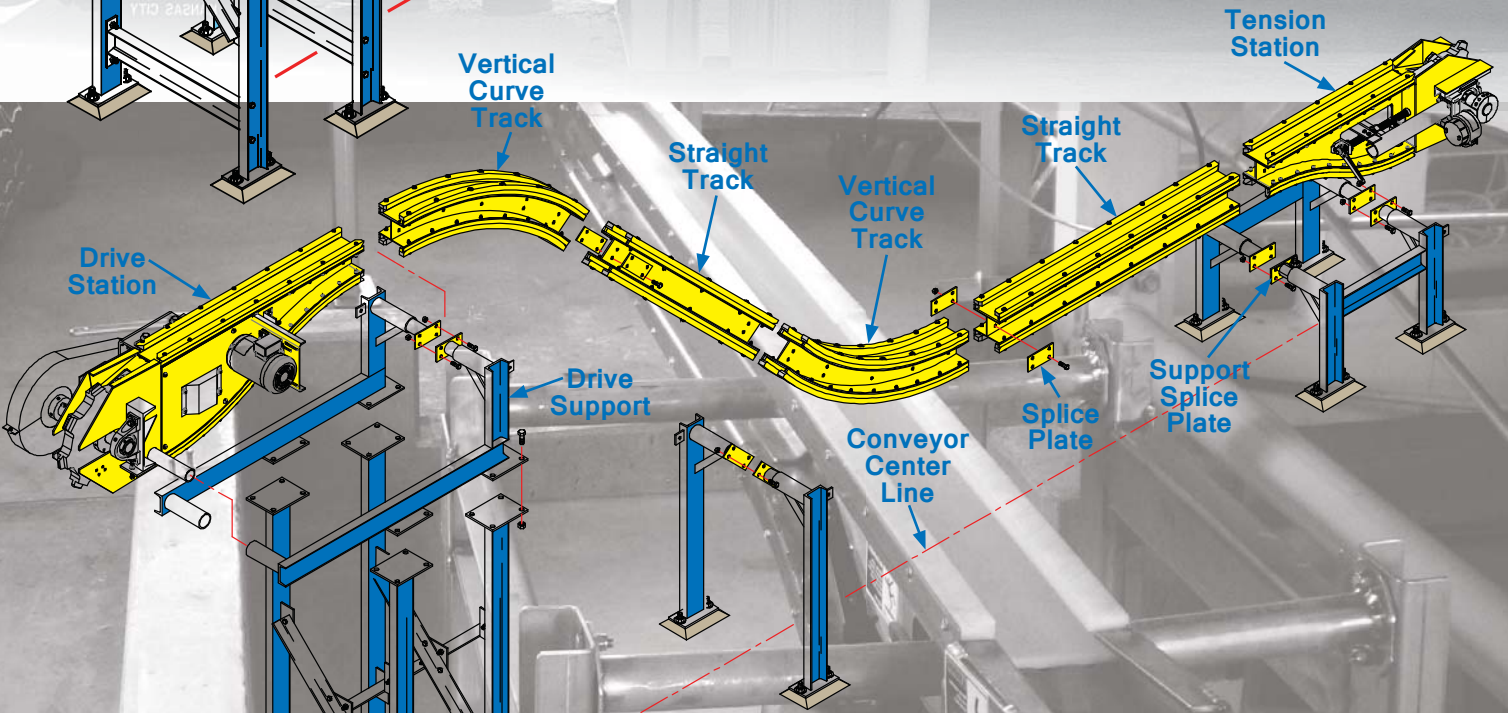
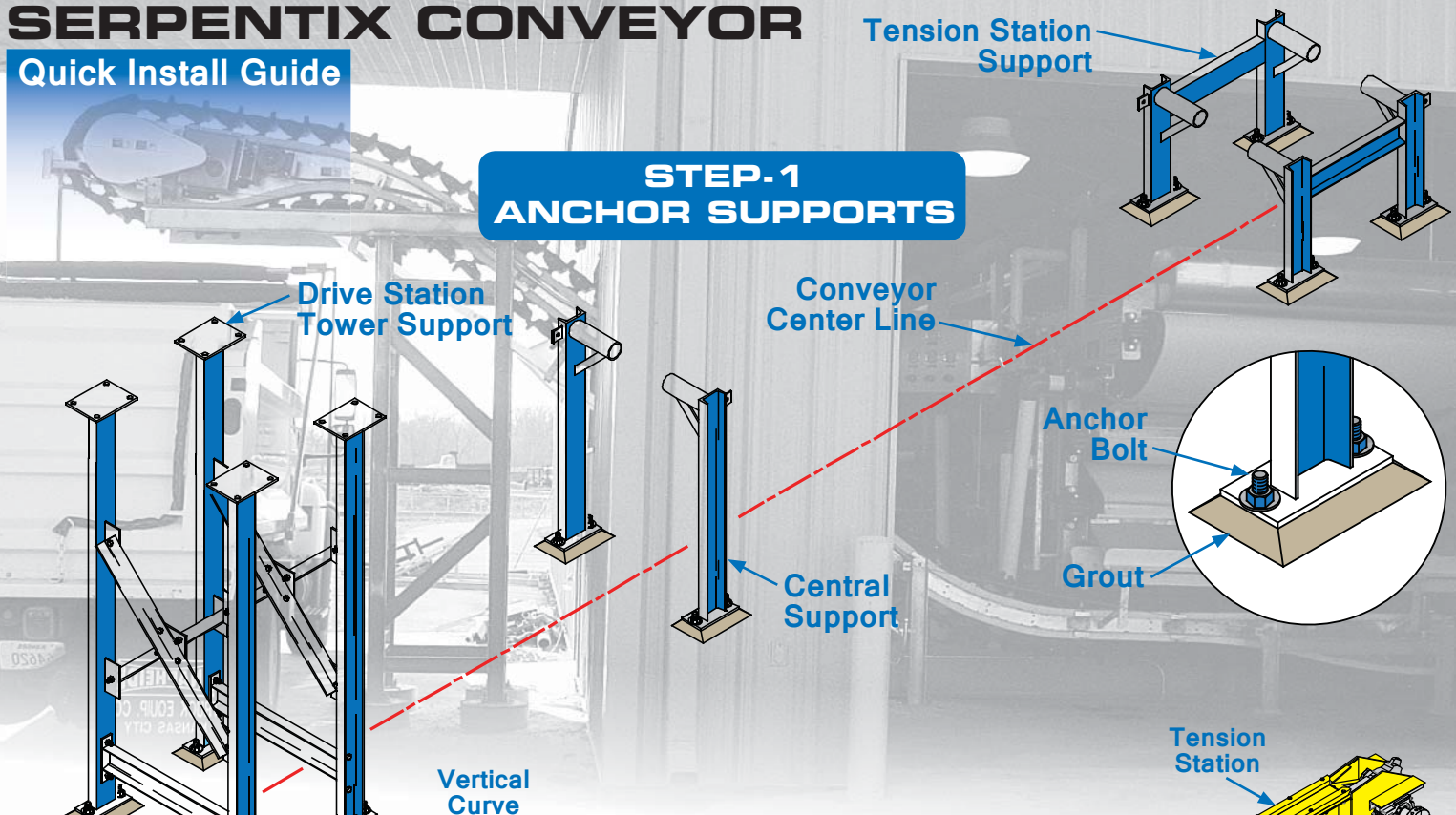
SERPENTIX CONVEYOR CORP. - STANDARD TERMS AND CONDITIONS OF QUOTATION

- Field Services** - Unless otherwise noted, equipment inspection, start-up and/or operational instruction, is included within the price. A minimum two-week notice prior to any visit is required for scheduling purposes. This service will be provided, when required, following initial payment of the contracted terms of payment by the Buyer (also refer to "Payment Terms and Conditions" within the quotation). Once travel arrangements are confirmed, additional travel cost, if any, incurred due to requested advancement or postponement of agreed upon scheduled trips(s), shall, with the submittal of applicable documentation, be accepted and paid for by the purchaser of the equipment.
- Fabrication and Installation** - All equipment furnished shall be fabricated, assembled, erected, and placed in proper operating condition in full conformity with detailed drawings, specifications, engineering data, instructions, and recommendations furnished by Serpentix. Final assembly of the entire conveyor unit may require the cutting and redrilling of some of the track sections, drip pans, covers, etc. in order to conform with any site and/or installation deviations (this work shall be performed by the contractor on site). Note that, except for the fully assembled drive station and tension station sections, the conveyor to be furnished is shipped in a knocked-down condition (i.e. the modular track sections, supports, belt pans, drip pans, belt scraper, etc. are typically shipped as components) and not as a fully assembled conveyor. Components such as drip pans and covers may require some field modification, by installing contractor, due to conveyor configuration and varying site conditions. Field assembly and erection of the conveyor is the responsibility of the installing contractor (also refer to "Installation" in TC1, Standard Terms and Conditions of Sale).
- Freight and Transportation** - Equipment is typically shipped via common carrier, in an enclosed truck. The purchaser is responsible for providing the necessary equipment to remove the freight from the truck. The purchaser is responsible for counting the individual pieces of freight, and insuring the quantity delivered matches the bill of lading. The purchaser is responsible for noting any damage or shortages on the bill of lading. All equipment is shipped FOB our dock, unless otherwise noted in the quotation.
- Operation and Maintenance Manuals** - This equipment will be provided with detailed operation and maintenance manuals that fully describe the assembly and maintenance procedures. The manuals also include detailed drawings, bills of material, OEM literature and a spare parts list. Any special data sheets or other items not typically supplied within the manual shall be provided by the purchaser. Manuals are provided with standard Serpentix Conveyor Corporation three-ring binders and labels. If special binders or labels are required, they shall be provided by the purchaser.
- Special Paint Finishes** - When special paint finishes are applicable, in lieu of the standard finish, any remaining paint will be packed and shipped with the conveyor(s).
- Electrical** - Furnished components do not include coordination or design for switch functions and electrical hook-up, with or without interconnections to other electrical components. This is the responsibility of the purchaser or installing electrical contractor (also refer to "Purchaser to Furnish" Items in Attachment A).
- Pricing Adjustments** - The firm price is contingent upon acceptance of the equipment at jobsite within twelve (12) months from date of this quotation. Thereafter, the price is subject to an escalation rate of one per cent (1%) of the quoted price for each succeeding calendar month. In the event the Buyer defaults on any of the contracted terms of payments, the full amount then remaining unpaid shall, at the option of the Seller, immediately become due and payable including actual cost of collection, attorneys fees and interest of twelve per cent (12%) per annum on all unpaid and past due monies.
- Notice of Serpentix Patent Rights**- This conveyor is manufactured under United States Patent Nos. 4,205,745; 4,438,842; 4,461,378; and 4,927,006; other United States, Canadian and foreign patents existing or pending.

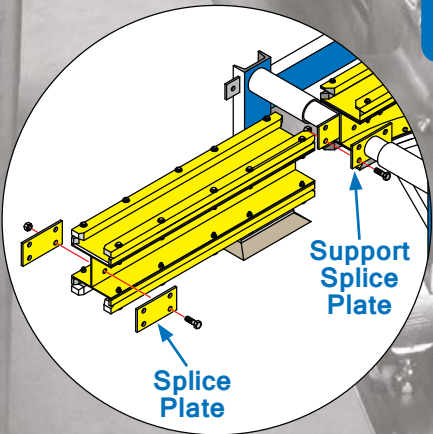
SERPENTIX CONVEYOR

Quick Install Guide

STEP-1 ANCHOR SUPPORTS



STEP-2 INSERT TRACK



SERPENTIX CONVEYOR

Quick Install Guide

STEP-3 FEED CHAIN

Guide Blocks and Chain Attachments are Pre-Assembled to the Chain and Shipped in 33 Foot Sections

Connecting Master Link



SERPENTIX CONVEYOR

Quick Install Guide

Pre-Assembled Belt Pans Shipped in 4'-0" Sections

STEP-4 INSTALL BELT PANS



RESOLUTION NO. 56-2018

A RESOLUTION AUTHORIZING THE ASSIGNMENT OF
A SOLE SOURCE VENDOR FOR THE PURCHASE OF
A DEWATERED SOLIDS CONVEYOR SYSTEM FOR THE CITY OF SHELBY'S
WASTE WATER TREATMENT PLANT COMPOST FACILITY UPGRADE PROJECT

WHEREAS, The City of Shelby has identified a need to make significant upgrades to its current waste water treatment compost facility, including the dewatered solids conveyor system component; and,

WHEREAS, it has been determined that the brand of Serpentix P2 Pathwinder conveyor system provides for positive tracking which prevents misalignment of the conveyor; and,

WHEREAS, the Serpentix P2 Pathwinder conveyor system is designed to allow for the 45-degree climb angle needed due to site grades and structure location; and,

WHEREAS, Serpentix P2 Pathwinder offers a modular design that allows for sectional replacement of belts and conveyor system without need to replace the entire system; and,

WHEREAS, no other vendor or manufacturer of a conveyor system meets the above referenced requirements.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA HEREBY DESIGNATES SERPENTIX P2 PATHWINDER AS THE SOLE SOURCE VENDOR FOR THE CONVEYOR SYSTEM WITH REGARD TO THE CITY'S WASTEWATER TREATMENT PLANT COMPOST FACILITY UPGRADE PROJECT.

Adopted and approved this the 15th day of October 2018.

O. Stanhope Anthony III
Mayor

ATTEST:

Bernadette A. Parduski, NC-CMC, IIMC-MMC
City Clerk

APPROVED AS TO FORM:

Robert W. Yelton
City Attorney

City of Shelby
Agenda Item Summary
October 15, 2018
City Hall Council Chamber

Agenda Item: G

New Business

None

Agenda Item: H

City Manager's Report

A copy of my report was distributed at each Council seat prior to the meeting. I will briefly review some of them but am glad to answer your questions about any item.

Agenda Item: I

Council Announcements and Remarks

J. Adjournment:

To adjourn a meeting of City Council, a majority of the Council members must vote for a motion to adjourn.

Motion to adjourn