

**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 Presentation:**

- 1) Uptown Shelby Association (USA) update – Audrey Whetten,  
Executive Director

1

**C. Public Comment:**

2

*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 proposed ordinance amending the Unified Development Ordinance (UDO) of the City of Shelby, North Carolina: Ordinance No. 64-2018

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**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.*

- 1) Approval of the Minutes of the Regular Meeting of November 5, 2018

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2) Consideration of a resolution of award for the T-Hangar and Taxilane Development Project at the Shelby-Cleveland County Regional Airport to Anson Contractors: Resolution No. 66-2018	105
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<i>To adjourn a meeting of City Council, a majority of the Council members must vote for a motion to adjourn.</i>	
1) Motion to adjourn	144

City of Shelby  
Agenda Item Summary  
November 19, 2018  
City Hall Council Chamber

Agenda Item: B-1

*Special Presentations*

- 1) Uptown Shelby Association (USA) update – Audrey Whetten, Executive Director

**(Comments: Stan Anthony, Mayor)**

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Summary of Available Information:

- No documentation provided

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City Manager's Recommendation / Comments

This time is scheduled on your agenda to allow Audrey Whetten, Executive Director of Uptown Shelby Association, to update the City Council. I've asked Ms. Whetten to update us on a quarterly basis.

City of Shelby  
Agenda Item Summary  
November 19, 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  
November 19, 2018  
City Hall Council Chamber

D. Public Hearing

**Agenda Item: D-1**

- 1) Consideration of a proposed ordinance amending the Unified Development Ordinance of the City of Shelby, North Carolina: Ordinance No. 64-2018

***(Presenting: Mr. Walter Scharer, Planning Director, will introduce this amendment)***

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Summary of Available Information:

- Memorandum dated November 12, 2018 from Walter Scharer, Planning Director to Rick Howell, City Manager
- Memorandum dated September 28, 2018 from Layne Owen, Civil Engineer, to Ben Yarboro, Director of Engineering Services
- Planning and Zoning Board Minutes
- Certified Recommendation
- Notice of Public Hearing
- Ordinance No. 64-2018

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City Manager's Recommendation / Comments

This time on your agenda is scheduled for Council to conduct a legislative hearing on a proposed text amendment to the UDO. This amendment involves changes to the stormwater regulations. Mr. Scharer has provided the necessary background information for your consideration. This is a legislative hearing. The purpose of a legislative hearing is to secure public comment on the proposed action. Following the hearing City Council may take action either in favor or opposition to Ordinance No. 64-2018. Consideration should be given by City Council to the following section from the Unified Development Ordinance of the City Code when making decisions concerning amendments to the UDO whether they be text or map changes. The certified recommendation from the Planning and Zoning Board Chairperson is included in the agenda packet for your consideration.

***Sec. 8-6. Ultimate issue before city council on amendments.***

***In deciding whether to adopt a proposed amendment to this ordinance, the central issue before the city council is whether the proposed amendment advances the public health, safety or welfare. All other issues are irrelevant, and all information related to other issues at the public hearing may be declared irrelevant by the chairman and excluded. When considering proposed map amendments:***

***(A) Except for rezoning requests submitted in accordance with section 8-7, the city council shall not consider any representations made by the petitioner that, if the change is granted, the rezoned property will be used for only one of the possible range of uses permitted in the requested classification. Rather, the city council shall consider whether the entire range of permitted uses in the requested classification is more appropriate than the range of uses in the existing classification.***

***(B) The city council shall not regard as controlling any advantages or disadvantages to the individual requesting the change, but shall consider the impact of the proposed change on the public at large.***

**After the conclusion of the public hearing City Council may act upon Ordinance No. 64-2018**



**Memorandum**

**To:** Rick Howell - City Manager  
**From:** Walter Scharer – Planning Director  
**Date:** November 12, 2018  
**Subject:** Textual Amendment to the UDO to the Stormwater Regulations

**Executive Summary of Issue – Background:**

In 2013 the City of Shelby adopted stormwater regulations in accordance with its stormwater permit issued by NCDEQ in 2012. That permit renewed in 2018 and requires some changes to the City of Shelby stormwater regulations.

**Review and Comments:**

A summary of the changes to the stormwater regulations can be found in Mr. Owens memo attached.

The Planning and Zoning Board has reviewed this proposal and recommend the attached ordinance. The proposed amendment is consistent with the Comprehensive Land Use Plan.

**Recommendation:** Please schedule a public hearing for this proposed zoning text amendment at the next City Council meeting on November 19, 2018.

**Attachments: Memo from Stormwater Staff Engineer, Notice of Public Hearing, Planning and Zoning Board Minutes October 18, 2018, Certified Recommendation, and Ordinance**



## *Memorandum*

**To: Ben Yarboro, Engineering Services Manager**

**From: Layne Owen, PE, Civil Engineer/Stormwater Manager**

**RE: City of Shelby Phase II Stormwater Ordinance**

**Date: September 28, 2018**

### **Background**

The City of Shelby was issued a permit by the North Carolina Department of Environmental Quality (NCDEQ) to discharge stormwater to surface waters effective December 1, 2012. As part of this permit, the Shelby City Council adopted Ordinance 21-2013 on November 18, 2013 outlining the requirements of the Phase II Stormwater Permit. In addition, it specified that developments disturbing more than 1 acre must be designed in accordance with the NCDEQ Stormwater Design Manual that was developed in 2009. This permit was a 5-year permit. In 2017, the permit was renewed effective February 1, 2018, which included new requirements as well as updated definitions. On January 1, 2017, the NCDEQ Stormwater Design Manual was also updated with new requirements and definitions. These changes have resulted in the necessity to update the City of Shelby Phase II Stormwater Ordinance.

### **Summary**

The following is a summary of the changes made to the City of Shelby Phase II Stormwater Ordinance:

- All references to “BMP” (best management practices) was changed to “SCM” (stormwater control measures) when referencing structural stormwater control devices. This terminology was changed in the January 1, 2017 edition of the Stormwater Design Manual.
- The statement “Minimum Design Criteria” (MDC) was added when referencing the design of SCMs. These criteria were established for each SCM and published in the January 1, 2017 edition of the Stormwater Design Manual.
- The development standards for both low and high-density projects were updated to reflect the new rules in 15A NCAC 02H.1003.
- The requirement “measures shall discharge the storage volume at a rate equal to or less than the pre-development discharge rate for the 1-year, 24-



hour storm” to the development standards for high-density projects. This requirement was listed in the previous rule 15A NCAC 02H.0154(a)(1)(B) that the original ordinance was based on but was not included in the previous ordinance. This requirement is not included in the new rules; however, staff recommends including this statement in this ordinance revision as it provides some guarantee that discharge rates are not unreasonably excessive. Other municipalities include this statement in their Stormwater Ordinance such as Hickory and Gastonia.

- The new rules allow two options for high-density developments to achieve compliance: runoff treatment and runoff volume match. This language was changed in the ordinance and the options defined.
- The requirements for separation from seasonal high water table were removed from the ordinance with the adoption of MDCs for each individual SCM, which has requirements for separation from seasonally high water table.
- The following definitions were updated or added to the ordinance based on the definitions included in the January 1, 2017 Stormwater Design Manual.
  - Built Upon Area
  - Minimum design criteria
  - Primary SCM
  - Runoff treatment
  - Runoff volume
  - Secondary SCM
  - Stormwater Control Measure (SCM)
- The list of allowable discharges was updated based on the City of Shelby’s new permit effective February 1, 2018.
- Under the illicit connections section of the ordinance, the property owner was previously allowed one year from the adoption of the ordinance to correct an illicit connection. This allowance was eliminated as it was only intended to allow a grace period for connections that were permissible under law or practices applicable or prevailing at the time of connection.

**Recommendation**

City Staff recommends that the City of Shelby Phase II Stormwater Ordinance be adopted as presented in this revision.



**CITY OF SHELBY PLANNING AND ZONING BOARD MINUTES**

**October 17, 2018**

**City of Shelby/Cleveland County Airport  
830 College Avenue, Shelby, NC**

**Item 1. Call to Order/Roll Call**

Chairman Peeler called the meeting to order at 12:15 PM and noted that a quorum was present.

**Board Present:** Rick Washburn, Charles Hamrick, Marlene Peeler, Jim Martin, Bob Cabiness and Mike Royster.

**Staff Present:** Walt Scharer (Planning Director), Darin Hallman (Planner), and Layne Owen (Stormwater Manager)

**Item 2. Approval of the Minutes for the September 20, 2018 meeting**

Chairman Peeler asked if there were any questions or comments about the September 20, 2018 minutes. The minutes were approved as submitted.

**Item 3. Proposed Zoning Map Amendment 108 Plato Lee Road**

Mr. Scharer presented this proposed zoning map amendment. This 1.78 acre property is located at 108 Plato Lee Road. Currently, this property is vacant. Land uses in the area include vacant land, single family dwellings, manufactured homes, and various business uses.

The R20 Residential District is primarily intended to accommodate very low density single-family detached dwellings, modular homes, two-family dwellings, and manufactured homes on individual lots in areas that generally do not have access to public water supplies and are dependent upon septic tanks for sewage disposal. Maximum densities within the R20 District are approximately 2 dwelling units per gross acre for single-family and two-family dwellings. Manufactured home parks are permitted within the R20 District by conditional use permit. Nonresidential uses permitted within this district include customary accessory, recreational, educational, and institutional land uses that are compatible with the low density residential character of the R20 District.

The GB2 General Business District is established as a district in which the permitted uses are identical to the GB District except that billboards (outdoor advertising signs) are not permitted in the GB2 District.

The GB Business District is established as a district in which to accommodate a wide range of retail; business, professional, and personal services; office; and limited wholesale and warehousing uses. Areas zoned as GB are generally located on the fringe of the central business district and along major highway corridors. Residential uses are permitted at the same density and according to the same dimensional requirements as the R6 Residential District.

The proposed zoning map amendment is inconsistent with the Comprehensive Land Use Plan.

**Motion:** Mr. Royster made the motion to recommend to City Council approval of this proposed zoning map amendment from RO to GB(2).

**Second:** Mr. Washburn.

**Action:** This motion passed unanimously.

**Item 4. Stormwater Regulations – Text Amendment.**

Mr. Scharer introduces Mr. Owen, Stormwater Manager, to present the proposed Text Amendment that would amend the current Stormwater Regulations in order to comply with the City’s current permit with NCDEQ. Mr. Owen presented a power point presentation and followed by answering various questions.

**Motion:** Mr. Cabiness made the motion to recommend to City Council approval of this proposed text amendment for the Stormwater Regulations.

**Second:** Mr. Martin.

**Action:** This motion passed unanimously.

**Item 5.**        **Food Trucks – Text Amendment.**

Mr. Scharer reviewed the proposed Food Truck amendment to the UDO. The proposed amendment permits Food Trucks as primary uses in the CB, GB, GB2, and NB zoning districts. It permits Food Trucks as a temporary use in all commercial districts with permission of the property owner and permits Food Trucks as an accessory use in all commercial zoning district with development standards.

**Motion:** Mr. Cabiness made the motion to recommend to City Council approval of this proposed text amendment for the Food Truck Use Regulations.

**Second:** Mr. Martin.

**Action:** This motion passed unanimously.

**Item 6.**        **Motion to adjourn.**

Due to time, Chairman Peeler adjourned the meeting at 1:37 pm. The Open Storage amendment will be reviewed at the next regular meeting on November 15, 2018.



## Certified Recommendation

### City of Shelby Planning & Zoning Board

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**Case File:** 1092

**Amendment:** A Text Amendment updating the City of Shelby Stormwater Regulations in accordance with it's renewed Stormwater Permit with NCDEQ

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**Recommendation:** **The Planning and Zoning Board recommends approval of the proposed text amendment.**

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**Findings & Reasons:** 1. The proposed text amendment is consistent with the Comprehensive Land Use Plan

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**Motion:** Mr. Cabiness made the motion to recommend to City Council approval of this proposed text amendment.

**Second:** Mr. Martin

**Action:** This motion passed unanimously.

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**Signatures:** Walter Scharer  
Planning and Development Director

Marlene Peeler  
Planning and Zoning Board Chair

A handwritten signature in black ink that reads "Walter Scharer".

\_\_\_\_\_  
Date: 10/19/2018

A handwritten signature in black ink that reads "Marlene Peeler".

\_\_\_\_\_  
Date: 10/19/2018

**NOTICE OF PUBLIC HEARING  
APPLICATION #: 1092-2018  
ZONING TEXT  
AMENDMENT**

The City Council of Shelby, North Carolina will conduct a public hearing during its regular meeting at 6:00 p.m., Monday, November 19, 2018 in the City Council Chambers, City Hall located at 300 South Washington Street, Shelby, North Carolina. City Council will consider a proposed text amendment to the Stormwater Regulations found in Article 10 of the City of Shelby Unified Development Ordinance.

A more detailed description of this amendment is available for public inspection in the Planning and Development Services Department located at 315 South Lafayette Street, Shelby, North Carolina, during regular business hours, 8:00 AM until 5:00 PM. Also, you can call (704) 484-6829 for more information.

The City Council may change the text covered by the petition or any part thereof, without the withdrawal or modification of the petition or further publication of notice.

Persons interested in being heard on this matter are invited to comment on the proposed rezoning at the hearing, whether for or against. Comments may be presented orally at the hearing, in writing prior to the hearing, or both.

Members of the public with special needs wishing to attend this meeting should call the City Clerk (704 484-6800) at least 24 hours prior to the meeting to request assistance.

\_\_\_\_\_  
Bernadette A. Parduski, NC-CMC, IMC-MMC  
City Clerk

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**The Shelby Star:**

**Please publish this notice as a legal line ad on WEDNESDAY, November 13, 2018.**

**Mail invoices with affidavits to Walter Scharer, City of Shelby, PO Box 207, Shelby, NC 28151. Thank you.**

**ORDINANCE NO. 64-2018**

**A PROPOSED ORDINANCE AMENDING THE  
UNIFIED DEVELOPMENT ORDINANCE OF  
THE CITY OF SHELBY, NORTH CAROLINA**

**WHEREAS**, the City of Shelby was issued a permit by the North Carolina Department of Environmental Quality (NCDEQ) to discharge stormwater to surface waters effective December 1, 2012; and,

**WHEREAS**, the City of Shelby adopted Ordinance 21-2013 on November 18, 2013 outlining the requirements of the Phase II Stormwater Permit; and,

**WHEREAS**, the Original Permit was renewed effective February 1, 2018, which included new requirements as well as updated definitions; and,

**WHEREAS**, on January 1, 2017, the NCDEQ Stormwater Design Manual was also updated with new requirements and definitions; and,

**WHEREAS**, the City of Shelby intends to adopt the new requirements and definitions; and,

**WHEREAS**, the Shelby Planning and Zoning Board has reviewed the proposed changes to the Phase II Stormwater Management regulations; and,

**WHEREAS**, the Shelby Planning and Zoning Board found that the proposed changes are consistent with the Comprehensive Land Use Plan; and,

**WHEREAS**, in accordance with GS 160A-364, a public hearing on this proposed amendment was held by City Council on November 19, 2018 after due publication of said hearing as required by law; and,

**WHEREAS**, after hearing all who wished to be heard on this matter and upon review of the findings and recommendations of the Planning and Zoning Board, City Council now desires to act on this matter.

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

**Section 1.** This zoning text amendment is consistent with the City of Shelby Comprehensive Land Use Plan.

**Section 2.** In accordance with Chapter 160A, Article 19 of the North Carolina General Statutes, as amended, the Shelby Unified Development Ordinance, is hereby amended by deleting the current Stormwater references found in section 10-1.1 and 10-3 of the Unified Development

Ordinance No. 64-2018

November 19, 2018

Page 2

Ordinance and adding the attached Exhibit A as the replacement for 10-3 of the Unified Development Ordinance.

**Section 3.** The City Clerk of the City of Shelby is hereby authorized and directed to cause the provisions of Section 2 of this ordinance to be properly codified, and the City Clerk is further authorized and directed to cause her official records and the Official Zoning Map of the City of Shelby to be properly amended to reflect the approved zoning changes.

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

**ADOPTED AND APPROVED** this the 19th day of November 2018.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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

APPROVED AS TO FORM:

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Robert W. Yelton  
City Attorney

City of Shelby  
Agenda Item Summary  
November 19, 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 November 5, 2018

**Consent Agenda Item: (Bernadette Parduski, City Clerk)**

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Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Regular Meeting of November 5, 2018.

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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

November 5, 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 Finance Justin S. Merritt, MPA, Director of Energy Services Julie R. McMurry, Police Chief Jeffrey H. (Jeff) Ledford, Fire Chief William P. Hunt, MPA, EFO, Director of Parks and Recreation Charlie Holtzclaw, 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 members of Boy Scout Troop 104 chartered by Central Methodist United Church led the *Pledge of Allegiance*.

**A. Approval of agenda:**

- 1) Motion to adopt the proposed agenda

At the request of Mr. Howell, Mr. Amaya added the following items:

- Under Special Presentations, Item B-3: A video entitled, “The Energy behind Public Power”, produced by ElectriCities of North Carolina, Inc.
- Under Unfinished Business, Item D-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 First Broad River Wastewater Treatment Plant Solids Handling Upgrades.

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

**B. Special Presentations:**

- 1) A Proclamation declaring November 10-18, 2018 as Hunger and Homelessness Awareness Week in Shelby, North Carolina

Mayor Anthony formally read and presented this proclamation to Sonja Bristol, Housing Choice Voucher Program Director with the Isothermal Planning and Development Commission, who was present along with her colleagues, Bre Griffin and Stephen Crane, all representatives of the Gaston-Lincoln-Cleveland Continuum of Care.

Miss Griffin stated the Gaston-Lincoln-Cleveland Continuum of Care (CoC) is a regional tri-county collaboration of local government, non-profit, and community organizations designed to promote community-wide commitment to identify and address issues related to homelessness. The fundamental mission is to aid homeless individuals and families by providing access to available services and resources that lead to long-term permanent housing and self-sufficiency.

Miss Griffin added the CoC goal is to bring awareness to homelessness and requested assistance to be involved in planning and solutions for the future with the City of Shelby.

2) Cleveland County Tourism update – Jackie Sibley-Newton, BS, TMP, Vice President of Tourism, Cleveland County Chamber

Mrs. Sibley-Newton began her presentation by providing the 2017 Year in Review. According to research conducted by the North Carolina Department of Commerce, she submitted the following statistical information:

- Domestic tourism in Cleveland County generated an economic impact of \$110.11 million, noting a 2.89 percent change from 2016
- Cleveland County ranked 40<sup>th</sup> in travel impact among North Carolina's 100 counties
- More than 730 jobs in Cleveland County were directly attributable to travel and tourism with more than 900 jobs indirectly related to travel
- Travel generated a \$17.09 million payroll
- State tax revenues from travel to Cleveland County were \$6.53 million
- Local tax revenues from travel to Cleveland County amounted to \$1.96 million, representing a \$86.10 tax savings to each Cleveland County resident

Mrs. Sibley-Newton mentioned with an increased marketing budget, promotions and advertising can be made through major media outlets including "The Chronical of the Horse", "2018 Federation for Equestrian Sports World Equestrian Games Official Souvenir Program", "USA Today", and others. Social media continues to be widely utilized.

With regard to sporting events, Mrs. Sibley-Newton was pleased the American Legion World Series contract has been renewed. She also assists the Shelby Parks and Recreation Department with the hosting of various tournaments at Shelby City Park. She noted the economic impact of youth and amateur sports in Cleveland County is over \$20 million regionally and \$10.5 million locally.

Mrs. Sibley-Newton described and gave the details as to her main responsibilities as follows:

- Promote Cleveland County as a desirable destination through all media resources
- Work with existing organizations to help organize and create events, work cooperatively and cross promote attractions
- Report to the County Commissioners on progress of tourism attractions, events, and cooperative efforts
- Represent Cleveland County on a statewide level through Visit NC

Specifically, for the City of Shelby, Mrs. Sibley-Newton works with attractions, events, organizations, and businesses to:

- Create desirable tourism packages
- Learn the details that need to be promoted
- Offer assistance in marketing, promotion, or organization
- Create partnership opportunities
- Represent the City of Shelby on a State level through Visit NC
- Represent the City of Shelby to the Cleveland County Board of Commissioners
- Advertise the City of Shelby through various media outlets
- Organize and direct the Official Liver Mush Festival of North Carolina in Uptown Shelby

Mrs. Sibley-Newton concluded by sharing the success stories from the past year:

- The Official Liver Mush Festival of North Carolina hosted over 16,000 people in 2017 and due to rainy weather conditions over 6,000 people attended in 2018
- The American Legion World Series contract renewal every five years in perpetuity
- Shelby was represented at the World Equestrian Games with a huge backdrop and information booth showcasing the area attractions

- Four journalist visits in 2018 resulted in articles or blogs in Australia, Pennsylvania, Canada, and North Carolina
- Shelby has entertained two travel writers following the NC Media Mission and promoted Cleveland County Tourism
- The local tax income from overnight stays in Shelby has increased 46.19 percent over this same quarter last year

Council received the information and took no action.

- 3) The video entitled, “The Energy behind Public Power”, produced by ElectriCities of North Carolina, Inc., was played for the viewing pleasure of Council and the audience.

#### C. Consent Agenda:

**ACTION TAKEN:** Mayor Anthony presented the consent agenda. Mr. White made a motion to approve the consent agenda. The consent agenda and following items were unanimously approved:

- 1) Approval of the Minutes of the Regular Meeting of October 15, 2018
- 2) Approval of a Special Event Permit Application:
  - a. Community Thanksgiving Meal, requested date: November 17, 2018
- 3) Approval of a resolution directing the City Clerk to determine sufficiency of a voluntary annexation petition from the Broadway Group, LLC: Resolution No. 57-2018
- 4) Adoption of Fiscal Year (FY) 2018-2019 Budget Ordinance Amendment No. 4: Ordinance No. 60-2018
- 5) Adoption of Fiscal Year (FY) 2018-2019 Budget Ordinance Amendment No. 5: Ordinance No. 61-2018
- 6) Adoption of an ordinance concurring with the North Carolina Department of Transportation for speed limit revisions on portions of SR 1950 (Wyke Road) inside the corporate limits of Shelby, North Carolina: Ordinance No. 62-2018
- 7) Adoption of an ordinance authorizing demolition of a dwelling: Ordinance No. 63-2018

- 8) Approval of a resolution requesting the North Carolina Department of Transportation (NCDOT) to abandon the right-of-way and transfer the ownership of a portion of County Home Road, SR 2049: Resolution No. 58-2018

**END CONSENT AGENDA**

**D. 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 First Broad River Wastewater Treatment Plant Solids Handling Upgrades: Resolution No. 59-2018

Mr. Howell introduced Resolution No. 59-2018 for Council’s consideration. He stated the City of Shelby previously applied for and accepted a loan from the State of North Carolina Clean Water State Revolving Fund in the amount of \$10,500,000 for the design and construction of the Solids Handling Upgrades. Subsequently, the City of Shelby designed, value engineered to reduce costs, and bid the project entitled the First Broad River Wastewater Treatment Plant Solids Handling Upgrades. A competitive public bid opening was held on November 1, 2018 consistent with the applicable North Carolina General Statutes for bidding of public construction contracts. The City of Shelby received bids from three qualified contractors for the completion of the upgrades. The City’s consulting engineer, HDR Engineering of the Carolinas, and the City have reviewed the bids with the lowest responsive bid being in amount of \$18,007,000. Mr. Howell further stated the North Carolina Clean Water Loan from the State Revolving Fund is not enough to cover the applicable costs associated with the design and construction and the City of Shelby intends to request a loan modification from the North Carolina Clean Water State Revolving Fund.

Mr. Howell requested Council’s approval for the City of Shelby to arrange additional financing by requesting a modification of the current \$10,500,000, zero interest loan from the Clean Water State Revolving Fund.

**ACTION TAKEN:** Upon a motion made by Mr. Amaya, City Council voted unanimously to approve and adopt Resolution No. 59-2018 entitled, “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 FIRST BROAD RIVER WASTEWATER TREATMENT PLANT SOLIDS HANDLING UPGRADES”.

**E. New Business: None**

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

**1) Mr. Howell provided the following information:**

- **With regard to the future Shell Building No. 3 at the Foothills Commerce Center, Mr. Howell informed Council of the tentative construction schedule beginning in December 2018 and a projected completion in September 2019.**
- **With regard to sanitary sewer overflows, Mr. Howell reported a Notice of Violation and Intent to Issue a Civil Penalty was received from the North Carolina Department of Environmental Quality in October 2018. The notice involves a sanitary sewer overflow (SSO) that occurred in August 2018 just off the end of West Sumter Street. The notice informs the City of the violation and notes a civil fine is probable. It is important for Council to be aware when the City experiences these events especially when they rise to the level of a potential fine.**
- **Mr. Howell reported vandalism issues at Optimist Park that have become an issue of concern and are under investigation. He reminded Council Optimist Park is a facility that has been leased by the City for many years.**
- **Mr. Howell said the Shelby Fire and Rescue Department's new Fire Heavy Rescue Truck has been delivered. Once it is fully equipped, he will have it parked outside Council Chamber prior to the next meeting for viewing.**
- **With regard to the Uptown Streetscape Project, Mr. Howell informed Council of the proposed schedule showing key dates beginning with the bid opening in December 2018 and a projected completion date of November 2019. This project will be much less disruptive for Uptown businesses than the Water and Sewer Infrastructure Project but will require some street intersection and sidewalk closures on a temporary basis.**

**2) Mr. Howell made the following announcements:**

- **The City of Shelby Veterans Day Luncheon will be held on November 7, 2018 beginning at 12 Noon, Don Gibson Theatre**

- The Salvation Army kick-off event will be held at the Cleveland County Chamber on November 8, 2018 at 12 Noon

**G. Council Announcements and Remarks:**

- 1) Mayor Anthony invited Council members to attend the Wreaths Across America Wreath Passing Ceremony on December 15, 2018 at 9:00 a.m., LeGrand Center.
- 2) The Mayor commended City staff and attendees for their good work on Planting Day, November 3, 2018, at the First Broad River Trail which was hosted by the Keep Shelby Beautiful Commission with support from the North Carolina Urban Forestry Council and the City of Shelby.

**H. Adjournment:**

- 1) Motion to adjourn

**ACTION TAKEN:** Upon a motion made by Mr. White, City Council voted unanimously to adjourn the meeting at 6:30 p.m.

Respectfully submitted,

Bernadette A. Parduski, NCCMC, MMC  
City Clerk

O. Stanhope Anthony III  
Mayor

Minutes of November 5, 2018

City of Shelby  
Agenda Item Summary  
November 19, 2018  
City Hall Council Chamber

**Agenda Item: E-2**

2) Approval of Special Event Permit Applications:

- a. Friday Night Carriage Rides, requested dates: November 23 and 30; December 7 and 14, 2018
- b. Shelby Christmas Parade, requested date: December 16, 2018

**Consent Agenda Item: (Staff Resource, Bernadette Parduski, City Clerk)**

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Summary of Available Information:

- Memorandum dated November 13, 2018 from Bernadette A. Parduski, City Clerk to Rick Howell, City Manager
- Memorandums from Bernadette A. Parduski, City Clerk to Police Chief Jeff Ledford, Fire Chief William Hunt, Assistant Fire Chief Todd McMurry, Parks and Recreation Director Charlie Holtzclaw, Public Works Director Danny Darst, Assistant Director Public Works Scott Black, Director of Water Resources David Hux, Director of Engineering Services Ben Yarboro, Director of Energy Services Julie McMurry, Electric Superintendent Jeff Freeman, and Planning Director Walter Scharer
- Special Event Permit Applications

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City Manager's Recommendation / Comments

***These events are in keeping with special event practices of the City. It is my recommendation that this item be approved by City Council at this time via the Consent Agenda.***



# Memo

**To:** Rick Howell, City Manager  
**From:** Bernadette A. Parduski, City Clerk  
**Date:** November 13, 2018  
**Re:** Special Event Permit Applications

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## BACKGROUND:

Special Event Permit Applications have been submitted for the following:

- ✓ Friday Night Carriage Rides, requested dates: November 23 and 30, 2018;  
December 7 and 14, 2018
- ✓ Shelby Christmas Parade, requested date: December 16, 2018

## REVIEW:

All responding City departments have received, reviewed, and approved the referenced applications.

## RECOMMENDATION:

Please place the attached Special Event Permit Applications on the Consent Agenda of November 19, 2018 for Council's review and approval.

## ATTACHMENTS:

- A. Special Event Permit Application packets received October 31, 2018

# Memo

**To:** Police Chief Jeff Ledford, Fire Chief William Hunt, Assistant Fire Chief Todd McMurry, Parks & Recreation Director Charlie Holtzclaw, Public Works Director Danny Darst, Assistant Director of Public Works Scott Black, Director of Engineering Services Ben Yarboro, Director of Water Resources David Hux, Director of Energy Services Julie McMurry, Electric Superintendent Jeff Freeman, and Planning and Development Services Director Walt Scharer

**From:** Bernadette A. Parduski, City Clerk

**CC:** Rick Howell, City Manager

**Date:** November 2, 2018

**Re:** Special Event Permit Application

All:

Attached you will find a Special Event Permit Application submitted by Tricia Woodland of Uptown Shelby Association as follows:

- ✓ Friday Night Carriage Rides, requested dates: November 23 and 30; December 7 and 14, 2018

Please carefully review the details of this application as it pertains to your department, and let me know of any anticipated problems/objections that you would like to bring to the attention of the City Council. If there are none, please let me know that as well. The event will be considered by City Council at the November 19, 2018 meeting and recommended for approval unless you advise otherwise. If I do not hear from you by November 9, 2018, it will be assumed that you are in agreement with the application as presented.

As always, thanks for your attention and consideration.

Attachment

- b. This section shall have no application to any ordinance, which may allow criminal sanctions for its violation. All violations of this Code, which are criminal in nature, shall be subject to the maximum penalty authorized by G.S. 14-4, as amended.

**CITY OF SHELBY  
SPECIAL EVENT PERMIT APPLICATION**



Each question must be legible and answered clearly and completely. Applications must be filed with the City Clerk not less than thirty (30) days before the date on which the event is to take place. A fee of \$20.00 will be due upon submission of the application form.

1. **EVENT NAME: Uptown Shelby Carriage Rides**

2. **PURPOSE AND BRIEF DESCRIPTION OF EVENT:**

**Friday Night Carriage rides for families thru the holidays**

3. **LOCATION OF EVENT (ATTACH MAP):**

4. **PLEASE INDICATE:**

Approximately how many people will attend the event: 150 per night

Approximately how many vehicles will be present: 2 carriages 4 horses

Approximately how many animals will be present: 4

If the event is a parade, please indicate the amount of street that will be needed: **N/A**

Single lane

All lanes in travel direction

Whole street

5. **PLEASE LIST THE FOLLOWING PARTY (IES) RESPONSIBLE FOR THE EVENT:**

Name: **Tricia Woodland**

Address: **211 South Trade Street**

Phones: \_\_\_\_\_  
704- 484-3100 \_\_\_\_\_ 704-351-2632 \_\_\_\_\_  
twoodland@uptownshelby.com  
(e-mail address)

Name: **Audrey Whetten**  
Address: : **211 South Trade Street**  
Phones: 704- 484-3100  
(Daytime) (Evening)  
\_\_\_\_\_ awhetten@uptownshelby.com \_\_\_\_\_  
(e-mail address)

6. **PLEASE LIST THE FOLLOWING:**

Requested day(s) and date(s) 11/23, 11/30, 12/7, 12/14 \_\_\_\_\_  
Alternate day(s) and date(s) 12/21(rain date)  
Requested hours of operation, from 5:30 PM to 8:30 PM

7. **SANITATION:** Please attach your “Plan for Clean-Up.” Please check Application Instruction sheet for details.

8. **AVAILABILITY OF FOOD, BEVERAGES, AND/OR ENTERTAINMENT;**

If there will be music, sound amplification, or any other noise impact, please describe on attached sheet, including the intended hours of the music, sound, or noise. **We will have a small portable PA system to play Christmas music on.**

Will alcoholic beverages be served? no \_\_\_\_\_

If yes, attach to the application a copy of your permit from the Cleveland County Alcoholic beverage Control Board. Alcohol may not be served without a permit.

Will food and/or no-alcoholic beverages be served? No \_\_\_\_\_

If yes, attach to the application a copy of your permit from the Cleveland County Department of Health Services.

9. **SECURITY AND SAFETY PROCEDURES:**

Attach to this application a copy of your building permit(s) if you are installing

any electrical wiring on a temporary or permanent basis and/or if you are building any temporary or permanent structures such as bleachers, scaffolding, a grandstand, viewing stands, stages, or platforms.

Attach a copy of your Shelby Fire & Rescue Department Permit or permits to this application if you will use parade floats; an open flame; fireworks; or pyrotechnics; vehicle fuel; cooking facilities; enclosures (and tables within those enclosures); tents; air-supported structures; and/or any fabric shelter.

Give name, address, and phone numbers of the agency or agencies, which will provide first aid staff and equipment. Attach additional sheets if necessary.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phones: \_\_\_\_\_

Indicate medical services that will be provided for the event.

AMBULANCE: \_\_911\_\_

DOCTOR (S): \_\_\_\_911\_\_

PARAMEDICS: \_\_\_\_911\_\_

10. **CITY SERVICES/EQUIPMENT REQUESTED FOR THIS EVENT:**  
**Barricades to block south bound lane of Washington street during event for safety of horses and riders. One Road Closed Sign. Cones to block parking on Washington in front of ESC.**

11. **ANY ADDITIONAL COMMENTS:**



## 2018 Carriage Rides

The tradition of carriage rides in Uptown Shelby continues. Families interested in the carriage rides will meet on the Washington Street side of the Court Square where they can purchase tickets and climb aboard a horse drawn carriage. The carriages drop off and pick up riders in the north bound lane of Washington Street near the ESC visitor center. That block of Washington Street is closed to vehicular traffic from 5:15-8:30 for 4 Friday nights following Thanksgiving. The route for the carriages is Washington with right on Graham, a right on Lafayette, a right on Marion and a right on Washington. The carriages obey all traffic laws.







# Memo

**To:** Police Chief Jeff Ledford, Fire Chief William Hunt, Assistant Fire Chief Todd McMurry, Parks & Recreation Director Charlie Holtzclaw, Public Works Director Danny Darst, Assistant Director of Public Works Scott Black, Director of Engineering Services Ben Yarboro, Director of Water Resources David Hux, Director of Energy Services Julie McMurry, Electric Superintendent Jeff Freeman, and Planning and Development Services Director Walt Scharer

**From:** Bernadette A. Parduski, City Clerk

**CC:** Rick Howell, City Manager

**Date:** November 2, 2018

**Re:** Special Event Permit Application

All:

Attached you will find a Special Event Permit Application submitted by Tricia Woodland of Uptown Shelby Association as follows:

- ✓ Shelby Christmas Parade, requested date: December 16, 2018

Please carefully review the details of this application as it pertains to your department, and let me know of any anticipated problems/objections that you would like to bring to the attention of the City Council. If there are none, please let me know that as well. The event will be considered by City Council at the November 19, 2018 meeting and recommended for approval unless you advise otherwise. If I do not hear from you by November 9, 2018, it will be assumed that you are in agreement with the application as presented.

As always, thanks for your attention and consideration.

Attachment

- b. This section shall have no application to any ordinance, which may allow criminal sanctions for its violation. All violations of this Code, which are criminal in nature, shall be subject to the maximum penalty authorized by G.S. 14-4, as amended.

**CITY OF SHELBY  
SPECIAL EVENT PERMIT APPLICATION**



Each question must be legible and answered clearly and completely. Applications must be filed with the City Clerk not less than thirty (30) days before the date on which the event is to take place. A fee of \$20.00 will be due upon submission of the application form.

1. **EVENT NAME: Shelby Christmas Parade**
2. **PURPOSE AND BRIEF DESCRIPTION OF EVENT:  
Shelby Christmas Parade thru Uptown to spread holiday cheer throughout the community!**
3. **LOCATION OF EVENT (ATTACH MAP):**
4. **PLEASE INDICATE:**  
Approximately how many people will attend the event: 1000  
Approximately how many vehicles will be present: 100+  
Approximately how many animals will be present: 15 horses  
  
If the event is a parade, please indicate the amount of street that will be needed:  
Single lane  
All lanes in travel direction  
Whole street **Yes!**
5. **PLEASE LIST THE FOLLOWING PARTY (IES) RESPONSIBLE FOR THE EVENT:**  
Name: **Tricia Woodland**  
Address: **211 South Trade Street**

Phones: \_\_\_\_\_  
704- 484-3100 \_\_\_\_\_ 704-351-2632 \_\_\_\_\_  
twoodland@uptownshelby.com  
(e-mail address)

Name: **Audrey Whetten**  
Address: : **211 South Trade Street**  
Phones: **704- 484-3100**  
(Daytime) \_\_\_\_\_ (Evening) \_\_\_\_\_  
\_\_\_\_\_ **awhetten@uptownshelby.com** \_\_\_\_\_  
(e-mail address)

6. **PLEASE LIST THE FOLLOWING:**

Requested day(s) and date(s) 12/16/18  
Alternate day(s) and date(s)  
Requested hours of operation, from 1:30 PM to 6 PM  
**Parade 3pm**

7. **SANITATION:** Please attach your "Plan for Clean-Up." Please check Application Instruction sheet for details.

8. **AVAILABILITY OF FOOD, BEVERAGES, AND/OR ENTERTAINMENT;**

If there will be music, sound amplification, or any other noise impact, please describe on attached sheet, including the intended hours of the music, sound, or noise. **Music played on floats, by band, etc. during parade.**

Will alcoholic beverages be served? no

If yes, attach to the application a copy of your permit from the Cleveland County Alcoholic beverage Control Board. Alcohol may not be served without a permit.

Will food and/or no-alcoholic beverages be served? No

If yes, attach to the application a copy of your permit from the Cleveland County Department of Health Services.

9. **SECURITY AND SAFETY PROCEDURES:**

Attach to this application a copy of your building permit(s) if you are installing any electrical wiring on a temporary or permanent basis and/or if you are

building any temporary or permanent structures such as bleachers, scaffolding, a grandstand, viewing stands, stages, or platforms.

Attach a copy of your Shelby Fire & Rescue Department Permit or permits to this application if you will use parade floats; an open flame; fireworks; or pyrotechnics; vehicle fuel; cooking facilities; enclosures (and tables within those enclosures); tents; air-supported structures; and/or any fabric shelter.

Give name, address, and phone numbers of the agency or agencies, which will provide first aid staff and equipment. Attach additional sheets if necessary.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phones: \_\_\_\_\_

Indicate medical services that will be provided for the event.

AMBULANCE: \_\_911\_\_

DOCTOR (S): \_\_\_\_911\_\_

PARAMEDICS: \_\_\_\_911\_\_

10. **CITY SERVICES/EQUIPMENT REQUESTED FOR THIS EVENT:**  
**Barricades to block parade route and line up route and roads accessing all involved roads. City Police support, trash cans emptied on Lafayette prior to event.**
  
11. **ANY ADDITIONAL COMMENTS:**

**THE CITY OF SHELBY IS NOT A CO-SPONSOR OF THE EVENT.**

It is understood and agreed that any permit issued pursuant to this application is issued on the condition that the answers herein given are true and correct to the best of the knowledge, information, and belief of the applicant.

  
\_\_\_\_\_  
(SIGNATURE) 704-484-3100

*Tricia Woodland - Uptown Shelby Association*  
\_\_\_\_\_  
(APPLICANT) (PHONE)

*211 S. Trade Street, Shelby, NC 28150*  
\_\_\_\_\_  
(ADDRESS)

*10/31/18*  
\_\_\_\_\_  
(DATE)



## **Shelby Christmas Parade to Be Held in Uptown on December 16<sup>th</sup>, 3p.m.**

It's that time of year again. It's time to bundle up and come to Uptown for the Shelby Christmas Parade. This holiday tradition will bring the festive spirit to the streets of Uptown Shelby. Come see your friends, neighbors and family as they represent organizations, clubs and businesses in the Parade. Of course Santa will be the grand finale of the parade! The parade begins at 3 p.m. and will be held rain or shine. The parade will begin on North Lafayette Street at E. Sumter Street and finish on South Lafayette at Gardner Street.

For more parade information please contact Uptown Shelby Association at 704-484-3100, [www.uptownshelby.com](http://www.uptownshelby.com).



## Shelby Christmas Parade 2018

Thank you for registering for the 2017 Uptown Shelby Christmas Parade. The parade is scheduled for Sunday, December 17<sup>th</sup> at 3:00pm and is a rain or shine event. To facilitate a smooth line up this year please note the following guidelines:

- Please make sure that all group members know their lineup number and are in position no later than 2:45pm on the day of the parade.
- Line your parade vehicle on the right side of the road. The north bound lane is to remain open at all times, in the event an emergency vehicle needs access.
- Surrounding roads close at 1:30pm and at that time only parade vehicles will be allowed on the parade route. Please remind your participants that they will be required to walk to the lineup number and will need to allow ample time to walk to the designated area.
- Lineup numbers will be staked on Lafayette, East, Seaboard and Washington Street by Saturday afternoon.
- All floats rented through Uptown Shelby Association will be lined up on Lafayette Street next to The Crossfit parking lot at 1:30pm. All passengers should be in place by 2:45pm.

Do's and Don'ts (or risk being escorted from the parade):

- **Do not rev engines or "burn rubber".**
- **DO NOT THROW CANDY! We want all children to be safe!**  
You may have walkers on either side handing out candy; however, for children's safety and to keep them from running out into the street, please do not throw candy.
- Do keep moving at all times if possible.
- You may play Christmas music, gospel music or acoustic carols; however, if a parade official asks you to turn down the volume; you must comply immediately.

End of Parade:

- The parade ends at Mill St and Lafayette St. As in years past, the unloading zone will be in the parking lot of the old movie theatre. For safety reasons, non parade vehicles will not be allowed in this area. Parents can park in the gravel lot on the corner of Morgan and Graham Street where they will have 30 minutes to walk to the unloading zone to meet their child.

See attached map for line up and pick up locations.

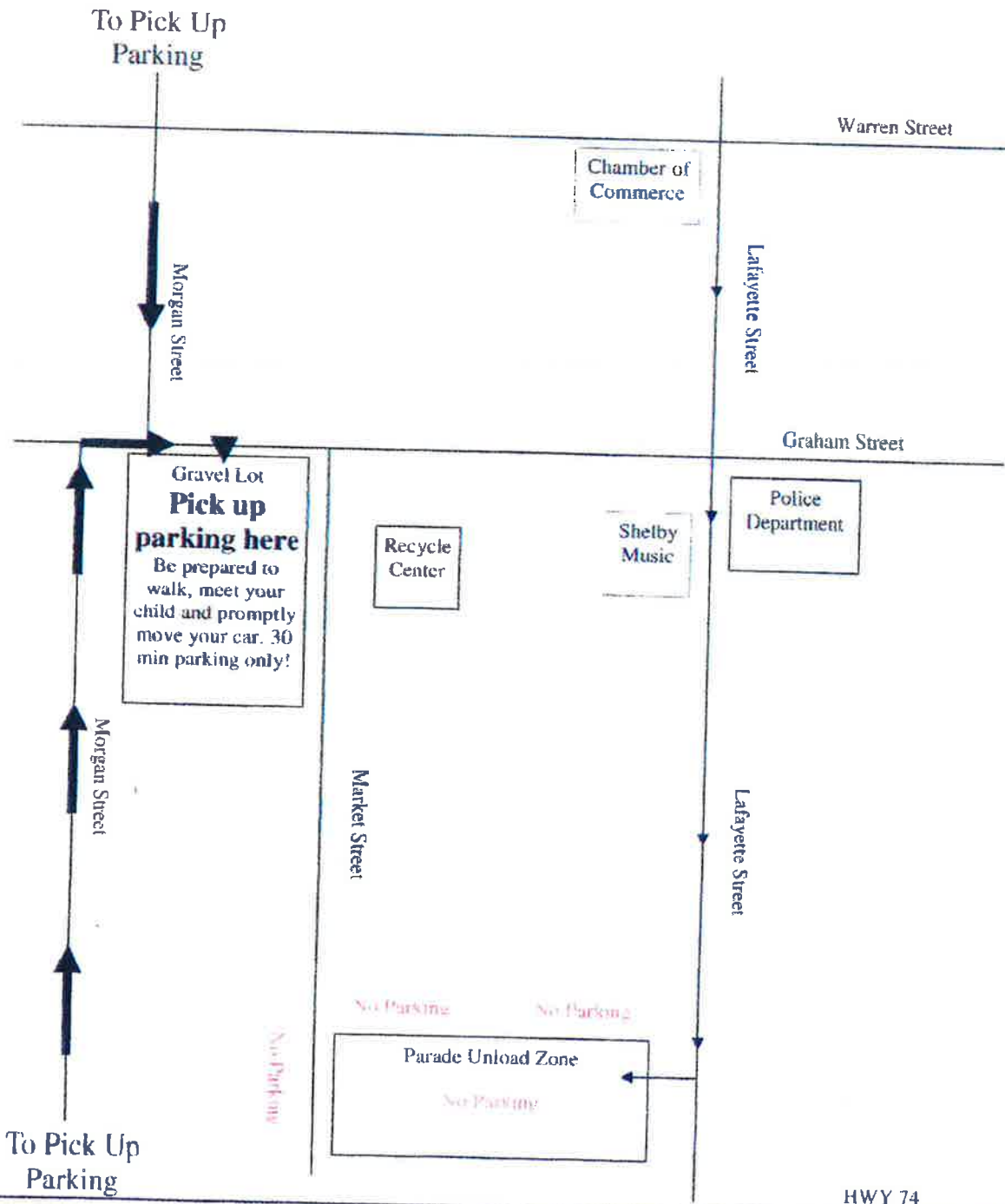
Thank you for your cooperation and willingness to be in our parade this year.

Sincerely,  
Tricia Woodland  
Marketing and Events Manager-Uptown Shelby Association

# Participant Pick Up Location

The 2012 Shelby Christmas Parade will travel south on Lafayette Street. At the end of the parade, entries will be routed behind the old movie theatre. At that point, participants will unload floats and vehicles. Parents who wish to meet their children in the old movie theatre parking lot, can park in the gravel lot on the corner of Market Street and Graham. See map below (not to scale).

There will be a lot of traffic and congestion. Please be prepared to park, walk to meet your child and promptly move your vehicle so that other parents may do the same.







City of Shelby  
Agenda Item Summary  
November 19, 2018  
City Hall Council Chamber

Agenda Item: E-3

- 3) Adoption of a budget ordinance amendment for the City of Shelby's Joe's Lake Road Electric Line Relocation Project: Ordinance No. 65-2018

**Consent Agenda Item: (Justin Merritt, Finance Director)**

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Summary of Available Information:

- Memorandum dated November 13, 2018 from Justin Merritt, Finance Director, to Rick Howell, City Manager
- Ordinance No. 65-2018

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City Manager's Recommendation / Comments

Ordinance No. 65-2018 is presented for City Council consideration via the Consent Agenda. If approved this ordinance will adjust the existing project budget ordinance to correspond with new guidance given by NCDOT. We had previously been advised that the relocation costs would be addressed through a 75/25 cost share, and were budgeted accordingly. However, now we have been given additional guidance that the electric relocation costs will be born 100% by the City of Shelby. The amended NC General Statute only covers municipal water and sewer facilities. It should be noted that in situations where City owned utilities (of any type) are located within the NCDOT right of way the City is responsible for relocation costs. (For example: Water and Sewer is a 75% State and 25% City share) Electric and Natural Gas are 100% City share. Only in situations where the City has previously acquired a private easement outside the NCDOT right of way are they required to bear 100% of the cost. This was the case for the natural gas line on Washburn Switch Road.

***It is my recommendation Ordinance No. 65-2018 be adopted and approved by City Council at this time via the Consent Agenda.***



To: Rick Howell, City Manager  
From: Justin Merritt, Finance Director  
Date: November 13, 2018  
Subject: Joes Lake Road Electric Line Relocation Project

Background:

As you know, NCDOT is making certain improvements at the intersection of Joes Lake Road and Highway 180. The City has various utilities within this corridor and has been advised by NCDOT that they must be relocated as a result of their planned improvements.

Initially, the City was advised that these relocation costs would be addressed through a 75/25 cost share and, therefore, budgets were set accordingly. We have now been given additional guidance that the electric relocation costs will be born 100% by the City of Shelby. The attached project budget amendment seeks to adjust the existing project budget ordinance to correspond with this new guidance.

Recommendation:

The recommendation from staff is to approve the attached budget amendment.

ORDINANCE NO. 65-2018

A BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S  
JOE'S LAKE ROAD ELECTRIC LINE RELOCATION 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 Joe's Lake Road Electric Line Relocation 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. 73-2017, the City's Joe's Lake Road Electric Line Relocation Project, is hereby amended as follows to provide for Budget Amendment No. 1 for said project:

**Joe's Lake Road Electric Line Relocation Project**

(1) Appropriating Fund Balance:

Fund Balance Appropriated	63006000-39900	\$100,720
Transfer to Electric Capital Projects	630731-49631	\$100,720

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

Increase:		
Transferred from Electric Fund	63106000-39630-63871	\$100,720
Decrease:		
DOT Reimbursement	63106000-35102-63871	\$100,720

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

	<u>Current Budget</u>	<u>Amendment No. 1</u>
<b><u>Joe's Lake Road Electric Line Relocation Project</u></b>		
<b>Revenues</b>		
DOT Reimbursement	\$ 100,720	\$ -0-
Transferred from Electric Fund	\$ 33,574	\$ 134,294
<b>Expenditures</b>		
Engineering	\$ 30,299	\$ 30,299
Construction	\$ 103,995	\$ 103,995

Ordinance No. 65-2018  
November 19, 2018  
Page 2

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 19th day of November 2018.

---

O. Stanhope Anthony III  
Mayor

ATTEST:

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

APPROVED AS TO FORM:

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Robert W. Yelton  
City Attorney

City of Shelby  
Agenda Item Summary  
November 19, 2018  
City Hall Council Chamber

Agenda Item: E-4

- 4) Adoption of a budget ordinance amendment for the City of Shelby's Joe's Lake Road Gas Line Relocation Project: Ordinance No. 66-2018

**Consent Agenda Item: (Julie McMurry, Energy Services Director)**

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Summary of Available Information:

- Memorandum dated October 30, 2018 from Julie McMurry, Energy Services Director to Rick Howell, City Manager
- Ordinance No. 66-2018

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City Manager's Recommendation / Comments

Ordinance No. 66-2018 is presented for City Council consideration at this time via the Consent Agenda. This ordinance requests an amendment for the labor and materials to relocate the natural gas lines in the Joe's Lake area for the NCDOT project in the amount of \$27,126.00. The cost of this relocation must be covered in its entirety by the City.

***It is my recommendation Ordinance No. 66-2018 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:** Julie McMurry, Energy Services Director *JEM*

**RE:** **Joe's Lake Road Gas Line Relocation  
PBO Amendment Request**

**Date:** October 30, 2018

**Background:**

On December 18 , 2017 City Council approved a Project Budget Ordinance for the Joe's lake Road gas line relocation. The total project amount approved was \$225,000, based on project estimates.

Labor & Material Estimate	\$195,500
Engineering	\$ 30,000
Total	\$225,000

The project was bid and awarded to Classic City Mechanical, Inc. of Winterville, Georgia.

The gas department utilized Heath & Associates, Inc. for the design, and bidding of this project. They will also be managing the construction phase. The construction was delayed due to NCDOT right of way acquisition that has now been resolved. Construction is planned to begin in the next few weeks.

**Review:**

Materials have been ordered and we have the construction contract amount. Both were slightly over the project estimate:

	Estimate	Actual	Difference
<b>Materials</b>	\$47,426.00	\$51,119.30	\$3,693.30
<b>Labor</b>	\$147,969.00	\$171,401.00	\$23,432.00
		<b>TOTAL</b>	<b>\$27,125.30</b>

**Recommendation:**

We are requesting a Project Budget Ordinance amendment for the labor and materials to relocate the natural gas lines in the Joe's Lake area for the NCDOT project in the amount of \$\$27,126.00

Please let me know if you need additional information.



ORDINANCE NO. 66-2018

A BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S  
JOE'S LAKE ROAD GAS LINE RELOCATION 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 Joe's Lake Road Gas Line Relocation 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. 71-2017, the City's Joe's Lake Road Gas Line Relocation Project, is hereby amended as follows to provide for Budget Amendment No. 1 for said project:

**Joe's Lake Road Gas Line Relocation Project**

- (1) Appropriating Fund Balance:

Fund Balance Appropriated	64006000-39900	\$195,876
Transfer to Gas Capital Projects	640741-49641	\$195,876

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

Increase:		
Transferred from Gas Fund	64106000-39640-64884	\$195,876
Decrease:		
DOT Reimbursement	64106000-35102-64884	\$168,750

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

Construction	641746-53000-64884	\$ 27,126
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Section 2. That the revenues, expenditures and amendments set forth in Section 1 of this ordinance are hereby summarized as follows:

	<u>Current Budget</u>	<u>Amendment No. 1</u>
<b><u>Joe's Lake Road Gas Line Relocation Project</u></b>		
<b>Revenues</b>		
DOT Reimbursement	\$ 168,750	\$ -0-
Transferred from Gas Fund	\$ 56,250	\$ 252,126
<b>Expenditures</b>		
Construction	\$ 225,000	\$ 252,126

Ordinance No. 66-2018  
November 19, 2018  
Page 2

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 19th day of November 2018.

---

O. Stanhope Anthony III  
Mayor

ATTEST:

---

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

APPROVED AS TO FORM:

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Robert W. Yelton  
City Attorney

City of Shelby  
Agenda Item Summary  
November 19, 2018  
City Hall Council Chamber

Agenda Item: E-5

- 5) Approval of a resolution revising the City of Shelby Customer Services Policy Manual: Resolution No. 60-2018

**Consent Agenda Item: (Justin Merritt, Finance Director)**

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Summary of Available Information:

- Memorandum dated November 13, 2018 from Justin Merritt, Finance Director to Rick Howell, City Manager
- Customer Services Policy Manual with proposed revisions
- Resolution No. 60-2018

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City Manager's Recommendation / Comments

Resolution No. 60-2018 is presented for City Council consideration via the Consent Agenda. If approved this resolution would allow customers one (1) utility payment extension within a 3 month period instead of the one (1) utility payment extension in a 6 month period. Extensions are and would only be allowed if the customer fully complies with the agreement. The current policy does not give the Customer Service Manager the flexibility to allow extensions except as noted above when customers have difficulty meeting a payment due date because of a delayed regular monthly check (such as a paycheck or a benefits check). In that situation a customer often cannot "dig out" after they have incurred the customary late penalties. I would note that staff does an excellent job monitoring these situations and does not allow customers to get too far behind.

***It is my recommendation Resolution No. 60-2018 be adopted and approved by City Council at this time via the Consent Agenda.***



To: Rick Howell, City Manager  
From: Justin S. Merritt, Finance Director  
Date: November 13, 2018  
Subject: Customer Service Policy Update

Background:

As you know, we continually review and evaluate the City's Customer Service policies and procedures in order to ensure that the best interests of the City and our Customers are being served. As a result of a recent review and feedback from Customers, we have identified an area where we feel revision of current policy would be appropriate and beneficial to our Customers.

As you know, we currently allow one payment extension in a 6-month period. This is an agreement entered into by the City and the Customer to allow additional time to pay an outstanding balance. This agreement will not extend the balance past the next regular bill due date and must be adhered to by the Customer or they will not be granted another extension for a 12-month period. After careful review of this policy and discussion with our customers, we feel that allowing one extension in a 3-month period will be beneficial to our customers without increasing risk to the City. These agreements are closely monitored by City staff and, as it is currently, if an agreement is not adhered to, the Customer will not be eligible for an extension for a 12-month period.

Additionally, we have had several instances where a customer accrues a credit balance on their account and request that balance be distributed to them as a cash refund. This generally occurs when a customer is receiving a housing utility subsidy or other form of assistance. Our current policy does not address this and we feel that it should. After researching how other NC municipal utilities handle this issue, we feel that refunds should only be issued when the account is closed voluntarily by the customer or involuntarily by the City and after all final charges have been applied to the account. This is how a majority of other utilities treat such credit balances.

Recommendation:

That City Council approve the revisions to the Customer Service policy as recommended by staff.

RESOLUTION NO. 60-2018

A RESOLUTION REVISING THE CITY OF SHELBY  
CUSTOMER SERVICES POLICY MANUAL

WHEREAS, the City of Shelby has heretofore enacted a variety of policies, procedures, and practices governing the utility customer services system of the City; and,

WHEREAS, the purpose of the Customer Services Policy Manual is to inform customers of the manner in which the City will provide service to them, and to outline the City's responsibilities in providing these services; and,

WHEREAS, the Policy Manual is not meant to be all-inclusive, but is intended to offer direction and guidance to the City and its customers as well as outline the responsibilities and duties of the customer; and

WHEREAS, the Policy Manual may be revised, amended, supplemented, updated, or otherwise changed from time to time by action of the City Council.

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

Section 1. The revised City of Shelby Customer Services Policy Manual is attached hereto as **ATTACHMENT A** and made a part of this resolution.

Section 2. That the City Manager is hereby authorized and directed to implement and administer the Policy Manual set forth in Section 1 of this resolution.

Section 3. This resolution shall become effective November 20, 2018.

Adopted and approved this the 19th day of November 2018.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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

City of Shelby  
Agenda Item Summary  
November 19, 2018  
City Hall Council Chamber

Agenda Item: E-6

- 6) Approval of a resolution revising and amending the personnel policies of the City of Shelby to provide for an updated Personnel Policy and Procedure Manual:  
Resolution No. 61-2018

**Consent Agenda Item: (Deborah Jolly, Director of Human Resources)**

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Summary of Available Information:

- Memorandum dated November 13, 2018 from Deborah Jolly, Director of Human Resources to Rick Howell, City Manager
- Revised Personnel Policies
- Resolution No. 61-2018

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City Manager's Recommendation / Comments

Resolution No. 61-2018 is presented for City Council consideration via the Consent Agenda. If approved this resolution would authorize amendments to 8 sections of the personnel policy manual that I am recommending to Council. These amendments were vetted by staff and Human Resources. Policies are being amended in the following areas: Appearance, Disciplinary Grid, Drug and Alcohol Testing, New Employee Processing, Overtime and Emergency Overtime, Probationary Period, Stand By Call and Call Back Duty, and Transfer, Promotions, Demotions, and Reclassifications. These are all considered routine changes.

***It is my recommendation Resolution No. 61-2018 be adopted and approved by City Council at this time via the Consent Agenda.***

# Memorandum

**TO:** Rick Howell, City Manager  
**FROM:** Deborah Jolly, Director of Human Resources  
**RE:** Personnel Policy Manual Revisions  
**DATE:** November 13, 2018



**BACKGROUND:**

The Personnel Policy Manual was first written in August 1998. Major revisions were made in 2009. The current Personnel Policy Manual contains 51 separate policies that govern the City of Shelby workforce while complying with local, State and Federal Laws.

**REVIEW:**

It is very important to maintain well-structured and updated guidelines to ensure compliance with applicable laws and allow for consistency in handling employee situations. Department Directors have reviewed and are in agreement with the revisions made to the following policies: APPEARANCE POLICY; DISCIPLINARY POLICY GRID; DRUG AND ALCOHOL TESTING POLICY; NEW EMPLOYEE PROCESSING; OVERTIME AND EMERGENCY OVERTIME; PROBATIONARY PERIOD; STAND-BY CALL AND CALL-BACK DUTY; and TRANSFERS, PROMOTIONS, DEMOTIONS AND RECLASSIFICATIONS.

**RECOMMENDATION:**

In order to keep the City of Shelby's Personnel Policy Manual updated, I recommend that the revised policies listed above be approved effective November 19, 2018. Thank you for your consideration. Please let me know if you have questions.



Effective Date: Nov. 16, 2009  
Revision Date: Nov. 21, 2016  
Revision Date: Nov. 19, 2018

## Personnel Policy and Procedure Manual

# Appearance Policy

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### ***I. POLICY***

All employees are to be clothed in a manner that will present a neat, clean, and appropriate appearance.

Uniforms are required for many of the City personnel because they provide for standardization, identification, and promotion of a positive appearance. Each employee required to wear a uniform will be in complete uniform at all times, and the uniforms must always be kept fresh and clean.

### ***II. RESPONSIBILITY***

It is the responsibility of each department director to establish and define dress and/or uniform requirements for their respective areas. These requirements must be approved by the Director of Human Resources. It is also the responsibility of each department director to monitor practices in their areas on a continuing basis so that ongoing compliance with requirements may be assured.

### ***III. STANDARDS***

Clothing style, fit, color coordination, and cleanliness are essential to provide a safe, pleasant, and professional environment.

Personal Hygiene – Clean, neat, and well-groomed hair adds to the overall appearance. Extreme unnatural hair color (ex. green, pink, etc.) and/or hairstyles are unacceptable. Beards, sideburns, and mustaches are to be neatly trimmed and project a professional image. Nail color and length should be appropriate and not interfere with the performance of an employee's job. Regular bathing, shampooing, oral care and the use



of deodorant products to prevent odor are required. Makeup, cologne, perfumes and aftershaves are to be worn modestly.

#### **IV. NON-UNIFORMED EMPLOYEES**

Matching, clean & coordinated clothes that convey a professional image should be worn at all times. Pants, skirts and dresses should be professional of moderate length and suitable for the job duties. The color of undergarments should not be visible. Clothes are to be well fitted, but not tight. Slacks should be appropriate to convey a professional image.

Shoes are to be worn to complement the clothing and to provide comfort, support, and safety. The type of shoe worn by the employee will be determined by the type of work the employee is required to do.

Jewelry frequently adds to the appearance of clothing and should be worn in moderation. Safety is to be considered in their use when employees operate equipment and/or machinery.

#### **V. UNIFORMED EMPLOYEES**

For departments that are issued uniforms it shall be the responsibility of each department director to determine and secure uniforms for their employees within fiscal limits. It is the employee's responsibility for the proper care and handling of these uniforms. In addition, employees shall utilize these uniforms for their intended purpose in accordance with City procedures. Each employee shall be responsible for maintaining his or her uniforms in good order by turning rental items in regularly for cleaning as well as self-maintenance on those items that are not rented. Employees that are issued safety shoes must wear them.

#### **VI. BODY ART, ORNAMENTATION, TATTOOS, BRANDING and/or INTENTIONAL SCARRING**

No City employee will display any body art, ornamentation, tattoos, branding and/or intentional scarring that will bring discredit to the City or distract from the appropriate conservative, professional image of the City. Examples include, but are not limited to objects that are drug-related, gang-related, extremist, supremacist, obscene, indecent, sexist, or racist in nature, nor will they depict intolerance or discrimination against any race, religion, gender, national origin, sexual orientation or gender identification. Employees are required to divulge the possession of any body art, ornamentation, tattoos, branding and/or intentional scarring as outlined in this policy to their Department Director. Employees shall not have body art, ornamentation, tattoos, branding, and/or intentional scarring visible on the head, face, chest, or neck area unless specifically approved by the City Manager. Body art, ornamentation, tattoos, branding and/or intentional scarring that are questionable as outlined in this policy, must be approved by the City Manager, Department Director and Director of Human Resources. Employees

who have any body art, ornamentation, tattoos, branding and/or intentional scarring that is determined to be in violation of this policy will be required to have them removed at their own expense or keep them covered through the use of clothing.

## ***VII. UNACCEPTABLE APPEARANCE***

- Transparent, see-through, low-cut, or revealing clothing.
- Shirts must be worn at all times.
- Tight-fitting apparel.
- Reporting for work in stained, spotted, unclean or wrinkled clothing.
- Tank tops and/or sundresses must be worn with a shirt, blouse or jacket.
- No facial jewelry other than modest earrings is allowed.
- No visible body piercing (other than earrings worn on ears).



## Personnel Policy and Procedure Manual

This list includes some of the more common violations. It is not intended to be all-inclusive and serves only as a guide. The Director of Human Resources is available for consultation concerning disciplinary action. Discipline up to, and including discharge may be determined appropriate for these and other violations regardless of recommended actions.

The City of Shelby or an employee may terminate employment at any time and/or for any reason.

*Possible Action (A range of actions. Depending on circumstances.)	
OW- Oral Warning	S - Suspension
WW - Written Warning	D - Discharge

<b>Disciplinary Policy Grid</b>	<b>*Poss.</b>	<b>*Poss.</b>	<b>*Poss.</b>	<b>*Poss.</b>
<b>Infraction</b>	<b>Action</b>	<b>Action</b>	<b>Action</b>	<b>Action</b>
1. Insubordination.	D			
2. Theft (City of Shelby or Personal Property).	D			
3. Unauthorized possession of contraband includes (but not limited too) razor blades, knives, guns, explosives, clubs and chains on the City of Shelby properties.	D			
4. Provoking a fight.	D			
5. Willful destruction of property.	D			
6. Falsification of employment application, timecard or other records.	D			
7. Walking off the job.	D			
8. Impairment on the job.	D			
9. Possession/use of narcotics (illegal) or alcohol on the premises.	D			
10. Negligence of duties.	WW	S	D	
11. Gambling.	S	D		

12. Sleeping on the job.	S	D		
13. Inappropriate customer service.	OW	WW	S	D
14. Violation of dress code.	OW	WW	S	D
15. Causing friction on the job.	OW	WW	S	D
16. Willful work slowdown.	WW	S	D	
17. Unsatisfactory work performance.	OW	WW	S	D
18. Disregard for safety.	OW	WW	S	D
19. Misuse of public or City of Shelby property.	WW	S	D	
20. Harassment.	S or D	D		
21. Dishonesty.	S or D	D		
22. Immoral or indecent act.	S or D	D		
23. Horseplay or disorderly conduct.	WW	S	D	
24. Failure to report incident or on-the-job injury	WW	S	D	
25. Leaving work area without permission	OW	WW	S	D
26. Failure to take physical exam.	OW	WW	S	D
27. Using profanity.	WW	S	D	
28. Deliberately not being cooperative.	OW	WW	S	D
29. Excessive or inappropriate use of meal and/or work breaks.	WW	S	D	
30. Failure to report conduct by another employee that a "reasonable" person should know is criminal or that violates City of Shelby policies.	WW	S	D	
31. Willfully providing incorrect information to the City of Shelby and/or a third party regarding an investigation.	S	D		
32. Retaliation against an individual reporting a violation of the City of Shelby rules & regulations.	S	D		
33. Any abuse or habitual misuse of the City of Shelby Information Systems (including email & internet).	WW	S	D	
34. Acts during or outside of duty hours which are incompatible with responsible public	OW	WW	S	D

service.				
35. Disregard for safety and misuse of public or City of Shelby property.	WW	S -24 hours	D	
36. Multiple violations.	D			



Effective Date: December 1, 2009  
Revision Date: November 21, 2016  
Revision Date: November 19, 2018

Personnel Policy and Procedure Manual

## Drug and Alcohol Testing Policy

### Under the North Carolina Drug-Free Workplace Acts & the City of Shelby Policy

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#### **I. PURPOSE**

The intent of this policy is to prevent the influence and abuse of alcohol and legal drugs and to prevent the influence and use of illegal drugs in all areas of the City of Shelby government through education, employee assistance, pre-placement screening, post accident testing, random testing and testing of current employees upon a reasonable suspicion basis.

**This Policy is applicable to all employees working for the City of Shelby, except those employees in the Natural Gas Department who are covered under the Anti-Drug and Alcohol Misuse Prevention Policy, including those employees covered by the Department of Transportation (DOT) Federal Motor Carrier Safety Administration (FMSCA) Regulations. This policy supplements and does not conflict with other Pipeline and Hazardous Material Safety Administration (PHMSA) Regulations or DOT Policies or Regulations.**

*The City's Designated Employer Representative (DER) is Deborah Jolly, Director of Human Resources. The Alternative DER is Aaron Archibald, Safety and Risk Management Coordinator. Dr. Jack Tarr is the Medical Review Officer (MRO).*

#### **II. POLICY**

The City of Shelby is dedicated to providing safe, reliable and professional services to our citizens. The City of Shelby employees are our most valuable resource and it is our goal to provide a healthy, satisfying working environment. In meeting these goals, it is our policy to (1) assure that employees are not impaired in their ability to perform assigned duties in a safe, productive, and healthy manner; (2) create a workplace environment free from the adverse effects of drug & alcohol abuse; (3) prohibit the

unlawful manufacture, distribution, dispensation, possession, and use of controlled substances; and (4) encourage employees to seek professional assistance anytime personal problems, including alcohol or drug dependency, adversely affect their ability to perform their assigned duties.

While we do not wish to intrude into the private life of employees, a personal problem like drug or alcohol abuse will affect work performance, workplace safety, and public safety. All testing information is considered confidential information by the City, laboratories, MROs, insurers, and rehabilitation programs and will be maintained separate from personnel files and only released under circumstances as provided by law. Our drug-free workplace environment does not tolerate the abuse of drugs or alcohol in the workplace. This policy prohibits illegal drug use on or off the job. We encourage any employee suffering from a substance abuse problem to seek help. If help is needed, we have an Employee Assistance Program (EAP) for a confidential evaluation and referral for substance abuse treatment if necessary.

Our program can help improve your health and help you avoid trouble with the law. Even if you do not use drugs or alcohol, this program will make your workplace safer and more productive, the City safer, and will help your friends and co-workers get the help they need. Compliance with this policy is a condition of your hire or continued employment. The City has developed its drug-free workplace environment in compliance with North Carolina Drug Testing Acts N.C. Gen. Stat. §§ 95-230 to 95-235; N.C. Admin Code tit.13, r. 20.0100 to 20.0602. and the Fourth Amendment to the United States Constitution as it covers employees of governmental entities. Applicant testing will begin immediately. Sixty (60) days after the effective date of December 1, 2009, all employees are subject to testing as outlined below, except for reasonable suspicion and post-accident testing which shall be implemented immediately.

### **WHO DO WE TEST?**

All employees performing safety-sensitive functions, all final applicants for pre-placement screenings, and all other employees where a reasonable suspicion exists.

Safety-sensitive employees are those who perform duties so fraught with risks of injury to themselves or others that even a momentary lapse of concentration can have disastrous consequences. Such risk mandates that steps be taken to ensure that the people in these positions are not under the influence of drugs or alcohol at work. Any job classification which has been evaluated by the City Manager and Human Resources Director and determined to be of such critical nature in terms of public services or public safety that random drug testing has been determined to be a necessary public policy. Using the above criteria, the following positions have been classified by the City as safety-sensitive: (**Attachment A**)

**POLICE DEPARTMENT** - All Police Department positions with the exception of the Chaplain, Administrative Assistant and Custodian positions.

**FIRE DEPARTMENT** - All Fire Department positions except the Chaplain position.

**FINANCE DEPARTMENT** – Senior Warehouse Clerk, Warehouse Clerk, Meter Service Technician, and Meter Services Supervisor positions are the only positions within the Finance Department.

**PARKS AND RECREATION** - All Parks & Recreation positions with the exception of the Administrative Assistant, Special Needs Coordinator and Senior Citizen Program Coordinator.

**PUBLIC WORKS** - All Public Works positions with the exception of the Department Director, Administrative Assistant and Custodian positions.

**UTILITIES** - All Utility positions with the exception of the Administrative Assistant, Custodian, Utility Marketing Specialist, Utility Support Supervisor, Business Manager and Director positions. All employees of the Natural Gas Department are tested under the Anti-Drug and Alcohol Misuse Prevention Policy.

### **HOW DO WE TEST?**

Drug and alcohol testing is done through chemical analysis which determines without question if a person has drugs or alcohol in his or her system. Specimens subject to testing include urine, breath, hair, oral fluids, or blood. Specimen collections, chain of custody and drug and alcohol tests will be in substantial compliance with DOT procedures. To ensure accuracy, lab test procedures shall include a preliminary drug screening, two highly sophisticated scientific tests including adulterant detection, and a review of non-negative results by an independent Medical Review Officer. All positive initial tests are confirmed by GC/MS at cut off levels established by the DOT under SAMHSA. An Alcohol Content of 0.04 or higher is classified as a positive test. A second confirmatory breath test will be administered within 30 minutes. The drugs tested for may include all or some of the following: (1) Amphetamines; (2) Cannabinoids; (3) Cocaine; (4) Phencyclidine (PCP); (5) Opiates or a metabolite of any of the above substances; and (6) Alcohol. The City may also use FDA approved onsite screening devices for applicants confirmed by GC/MS if not negative.

### **WHAT IF YOU TEST POSITIVE?**

The City will provide the employee/applicant notice within 24 hours of receiving the positive test result. The Medical Review Officer, following DOT procedures, will contact the employee/applicant to give opportunity to discuss results before reporting them to the City as a verified positive. Any applicant or employee may request that their split specimen be tested at a second laboratory and if positive, they will be responsible for



that expense. A positive specimen will be preserved by the lab for at least 90 days. An employee or applicant who receives a positive confirmed test result may contest or explain in confidence the result with the MRO within seventy-two (72) hours after written notification of a positive result and ask questions of the MRO about prescription and non-prescription medications. Testing positive on a drug or alcohol test is a serious violation of the City's Policy. Any employee who tests positive, or refuses to be tested, may be subject to appropriate disciplinary action, up to and including immediate termination, as well as disqualification from receiving unemployment compensation benefits (N.C. Gen. Stat. § 96-14) and/or forfeit eligibility for worker's compensation benefits (N.C. Gen. Stat. § 97-12) if the positive test is post-accident. Any applicant who tests positive, or refuses to be tested, will have their offer withdrawn. The cost of any retest requested by an applicant must be pre-paid, but will be refunded if a negative test result is received on the retest.

### **WHAT IF YOU FAIL TO FOLLOW SAFETY GUIDELINES?**

Often times, impairment from drugs or alcohol will cause an employee to fail to adhere to safety guidelines and other common sense safe working practices. Failure to wear a seatbelt, failure to use the City provided or required safety equipment; failure to follow safety guidelines, or removal (or disabling) of a safety guard will be considered serious misconduct and may disqualify you from receiving worker's compensation benefits.

### **WHAT ABOUT IMPAIRING EFFECT MEDICATIONS?**

You are required as a safety rule pre-duty disclosure of ANY prescription or over the counter medication that may have an impairing effect on performance of safety-sensitive duties. If medication which has an impairing effect is not disclosed pre-duty by a safety sensitive employee, and the employee tests positive for any impairing effect medication, that employee will be subject to discipline, up to and including termination for violation of this safety rule. If disclosure is made, the City reserves the right to send employee for a Fitness for Duty evaluation to evaluate the medication and its impact on safety-sensitive duties.

It is a violation for any safety sensitive employee to use on the job any impairing effective medication, except by doctor's prescription, and then only if the doctor or pharmacist has advised the employee that the medication will not adversely affect the employee's ability to safely perform his/her job. Employees taking legally prescribed or over-the-counter medications that could affect their job functions should report this to their supervisor or department director. The employee may be temporarily removed from performing some or all functions of his/her job if deemed appropriate. This decision will be made by the Department Director and the Director of Human Resources. The employee may be required to present a written note from a health care provider which describes the effects such medications may have on the employee's ability to safely perform his/her job.

### **WHAT IF AN ADULTERANT IS FOUND?**

The use of an adulterant (something added to a specimen to attempt to hide drug use) is considered a refusal to test and a violation of the Policy. The same would be true if you attempted to substitute a specimen. Any employee who is found to have violated this Policy by attempting to defraud a drug or alcohol test may be subject to appropriate disciplinary action, up to and including termination, or withdrawal of a conditional job offer. In North Carolina it is unlawful for a person to: (1) sell, give away, distribute, market, or transport urine with the intent of using the urine to defraud a drug or alcohol screening test; (2) attempt to defraud a drug or alcohol test by substituting or adulterating urine samples, or by advertising substitute samples or adulterants; (3) adulterate a test sample with the intent to defraud a drug or alcohol test; or (4) possess or sell adulterants which are intended to be used to adulterate a test sample for the purpose of defrauding a drug or alcohol screening test. Individuals convicted under this law are guilty of a class misdemeanor for the first offense, and a class 1 felony for the second and subsequent offences .N.C. Gen. Stat. § 14-401.20.

### **WHAT IF AN EMPLOYEE/APPLICANT REFUSES?**

A refusal to provide a specimen for testing, unless the MRO agrees a medically valid reason exists for your inability, will be considered gross misconduct. Such gross misconduct will cause an applicant's offer to be withdrawn and will subject an employee to immediate termination for cause. Under North Carolina law, no unemployment compensation benefits are available in such a circumstance. Failure to report for specimen collection within two (2) hours of being directed to do so is also classified as a refusal. Refusal to provide a specimen following an on the job accident may also subject you to worker's compensation disqualification.

### **WHAT ABOUT SEARCHES & INVESTIGATIONS?**

To ensure that alcohol and illegal drugs do not enter or affect the workplace, the City reserves the right to search all City property, including City vehicles and lockers, or other items on City property in furtherance to this policy. Searches will only be conducted under this policy when the City has reasonable suspicion. Approval must be given by the Director of Human Resources and the City reserves the right to enlist the services of proper law enforcement authorities to coordinate such a search.

### **DRUG EDUCATIONAL INFORMATION**

The City will conduct employee education of substance abuse education and awareness and supervisor training on how to recognize signs of abuse, how to document and collaborate signs of employee substance abuse, and how to refer substance abusing employees to the EAP.

The Human Resources Department will ensure that employees are trained on this Alcohol & Drug Testing Policy upon employment. Copies of this policy and the list of resources will be available in Human Resources. A summary of the policy will be included in the

Employee Handbook as well as covered in New Employee Orientation. All applicants will be informed of the testing procedures outlined in this policy on the Employment Application. Employee training and awareness programs will be provided as needed.

### **WHAT IF YOU HAVE A SUBSTANCE ABUSE PROBLEM?**

Our Policy encourages any employee with a drug or alcohol problem to voluntarily and confidentially seek help through our EAP program. Coming forward after you have been notified to report for testing is not considered a voluntary report. For confidential help with a substance abuse problem, contact your department director, Human Resources or the EAP.

Counseling and rehabilitation for alcohol or substance abuse is available through the benefit package for employees. The City will assume no direct financial responsibility for counseling or rehabilitation costs of an employee, not covered by the benefits package. Any costs in addition to or in excess of any available health benefits are the employee's responsibility.

### **WHY AND WHEN DO WE TEST?**

- **Pre-Placement Testing:** Substance screening or testing will be performed on all final applicants during the pre-placement process with the City. Offers of employment are made contingent upon the successful completion of a drug screen. Under no circumstances may an employee work until a confirmed negative result is received. A drug screen will also be required before any existing employee in a non Safety Sensitive Position is assigned or transfers to a Safety Sensitive Position. Job applicants who are denied employment because of a positive test will be notified by the Medical Review Officer or representative and the Director of Human Resources. These applicants may only be considered for future employment after a year from a positive pre-employment drug screen. Documentation of successfully completing a certified rehabilitation program may be required.
- **Random:** For employees in safety-sensitive positions, drug and/or alcohol testing is done without prior notice with equal probability of selection. The supervisor will be notified by the Safety & Risk Management Coordinator when an employee is selected for random testing. The employee should be escorted by the supervisor or his/her designee to the testing site immediately. Once the employee has been told he/she should be kept in sight at all times. An individual who unnecessarily delays reporting to the test site may be subject to immediate termination.
- **Reasonable Suspicion:** All employees will be asked to submit to a drug and/or alcohol test if reasonable suspicion exists indicating that the employee is under the influence of drugs or alcohol, or exhibits behavior reflecting abuse. Reasonable suspicion means a basis for forming a belief based on specific facts and rational inferences drawn from those facts. The Director of Human Resources

should be contacted timely and prior to Reasonable Suspicion Testing being conducted. The conduct constituting reasonable suspicion normally should, but need not always be witnessed by at least two employees, including a supervisor. These findings and observations will be documented on the “Reasonable Suspicion” Form and signed by the witnesses within twelve hours of the observed behavior. A covered employee who is required to take a reasonable suspicion test will be suspended from his/her job, pending the results of his/her test. The employee will be escorted by the supervisor or his/her designee to the testing site immediately. Once the employee has been told he/she should be kept in site at all times. An individual who unnecessarily delays reporting to the test site may be subject to immediate termination. Once testing is complete, the supervisor will make necessary arrangements to have the employee taken home. Under no circumstances will the employee be permitted to drive alone. If the employee rejects the City’s efforts in this regard and insists on driving his/her own personal vehicle, the City reserves the right to take whatever means are appropriate to prevent this, including contacting appropriate law enforcement personnel.

- **Post-Accident Testing for Safety Sensitive Employees:** Employees will be tested for drugs **immediately** following an accident that involves one or more of the following covered events:
  - Fatality or an injury requiring medical treatment to an employee or citizen.
  - Substantial damage to vehicles and/or other property (\$1,000 or more).
  - One or more motor vehicles incur disabling damage as a result of the accident requiring the motor vehicle to be transported away from the scene or as otherwise defined as an accident under the DOT FMCSA Policy.
  - Any employee who is the cause of an accident or whose job performance may have contributed to an accident meeting or not meeting the above criteria.

The City also reserves the right to test employees for alcohol following any covered event listed above. Any employee who is required to take a post-accident test shall not consume alcohol following an accident or until he/she undergoes such testing. Employees who consume alcohol prior to testing may be deemed to have refused to submit to testing. Nothing in this policy should delay necessary medical treatment. Any employee who is seriously injured and cannot provide a specimen at the time of the accident shall provide the necessary authorization for obtaining hospital records and other documents that would indicate whether there was alcohol or drugs in the employee’s system.

If an employee is required to take a post-accident test, alcohol testing should be administered within two hours following the accident and testing for controlled substances should take place within 32 hours of the accident.

Failure to report an accident which meets the post-accident testing criteria is in violation of this policy and will be subject to disciplinary actions, up to and including termination. Testing of non-safety-sensitive employees will be based on decisions made after completion of a Confidential Work-Related Accident Report.

- **Post-Rehabilitation/Follow-up:** An employee who has voluntarily requested rehabilitation prior to a positive drug test may be subject to unannounced drug and/or alcohol testing to determine whether he or she is under the influence of alcohol or drugs after successful completion of the rehabilitation program. The testing will be conducted at least once a year on a random, unannounced basis, and continue for at least twenty-four (24) months from the return-to-work date.

### **III. POLICY PROHIBITIONS**

Employees and applicants are strictly prohibited from engaging in the following conduct:

1. With respect to illegal drugs, employees and applicants violate this Policy by engaging in the following conduct, whether or not during work time or on City premises or property and are subject to discipline up to and including discharge, or rejection of the application for employment:
  - a. Testing positive in a confirmed drug or alcohol test, or refusing to be tested.
  - b. Bringing and/or storing (including in a desk, locker, automobile, or other repository) illegal drugs or drug paraphernalia on City premises or property, including City-owned or leased vehicles, or vehicles used for City purposes.
  - c. Having possession of, being under the influence of, testing positive for, and being in close proximity to persons using illegal drugs, or otherwise having in one's system, illegal drugs.
  - d. Using, consuming, transporting, distributing or attempting to distribute, manufacturing, selling, or dispensing illegal drugs.
  - e. A charge, conviction or plea of guilty relative to any criminal drug offense. All employees must notify the City of any criminal drug charge, conviction or plea of guilt no later than two calendar days after such charge, conviction or plea of guilt.
  - f. Abuse of prescription drugs which includes exceeding the recommended prescribed dosage or using others' prescribed medications. Such prescriptions brought to work should remain in the original labeled container and show both the prescribing doctor's name and the prescription's expiration date.
  - g. Switching, tampering with, diluting, or adulterating any specimen or sample collected under this Policy, or attempting to do so.

- h. Refusing to cooperate with the terms of this Policy which includes submitting to questioning, drug testing, medical or physical tests or examinations, when requested or conducted by the City or its designee, is a violation of City Policy and may result in disciplinary action up to and including termination. A refusal to test includes conduct obstructing testing such as failure to sign necessary paperwork or failing to report to the collection site at the appointed time.
- i. Failure to advise a supervisor or manager of the use of a prescription or over-the-counter drug which may alter the employee's ability to perform the essential functions of his/her job.
- j. Failure of an employee to notify his/her supervisor before reporting to work if he/she believes that he/she is under the influence of drugs.
  
- k. Where lawful, we strictly prohibit employees from using hemp products, which some within the medical community have indicated may cause a positive marijuana test result. We will not generally consider use of hemp products a valid medical explanation for a positive marijuana test result.
  
- 2. With respect to alcohol, employees violate this Policy by engaging in the following conduct during work time or on City premises or property:
  - a. Bringing and/or storing (including in a desk, locker, automobile, or other repository) alcohol on City premises or property, including City-owned or leased vehicles, or vehicles used for City purposes.
  - b. Having possession of, being under the influence of, testing positive for or having in one's system, alcohol.
  - c. Using, consuming, transporting, distributing or attempting to distribute, manufacturing, selling, or dispensing alcohol.
  - d. A conviction or plea of guilty relative to any criminal alcohol offense. All employees must notify the City in writing of any criminal alcohol conviction not later than three calendar days after such conviction.
  - e. Switching, tampering with, or adulterating any specimen or sample collected under this Policy, or attempting to do so.
  - f. Refusing to cooperate with the terms of this Policy which includes submitting to questioning, alcohol testing, medical or physical tests or examinations, when requested or conducted by the City or its designee, is a violation of City Policy and may result in disciplinary action, up to and including termination. A refusal to test includes conduct obstructing testing such as failure to sign necessary paperwork or failing to report to the collection site at the appointed time.
  
  - g. Failure of employee to notify his/her supervisor before reporting to work if he/she believes that he/she is under the influence of alcohol.

#### **IV. HOW CAN YOU HELP?**

- I. If you are doing drugs – STOP!
- II. If you need help – ASK!
- III. If you know someone at work who is doing drugs – TAKE ACTION!
- IV. Don't let someone else's drug or alcohol problem be the cause of an ON THE JOB INJURY!

Only with your help can we truly have a safe, pleasant, and productive environment at the City of Shelby.

## **Attachment A**

### **SAFETY SENSITIVE POSITIONS SUBJECT TO RANDOM DRUG TESTING:**

**POLICE DEPARTMENT** - All Police Department positions with the exception of the Chaplain, Administrative Assistant and Custodian positions.

**FIRE DEPARTMENT** - All Fire Department positions except the Chaplain position.

**FINANCE DEPARTMENT** – Senior Warehouse Clerk, Warehouse Clerk, Meter Service Technician, and Meter Services Supervisor positions are the only positions within the Finance Department.

**PARKS AND RECREATION** - All Parks & Recreation positions with the exception of the Administrative Assistant, Special Needs Coordinator and Senior Citizen Program Coordinator.

**PUBLIC WORKS** - All Public Works positions with the exception of the Department Director, Administrative Assistant and Custodian positions.

**UTILITIES** - All Utility positions with the exception of the Administrative Assistant, Custodian, Utility Marketing Specialist, Utility Support Supervisor, Business Manager and Director positions. All employees of the Natural Gas Department are tested under the Anti-Drug and Alcohol Misuse Prevention Policy.





Effective Date: July 20, 2009

Revision Date: Nov. 19, 2018

Personnel Policy and Procedure Manual

## **New Employee Processing**

---

### ***I. Policy***

Job offers are made by the Director of Human Resources and are made contingent upon the successful completion of a pre-placement screening which includes a drug screen and criminal background checks. Human Resources will arrange the pre-employment screening process.

### ***II. Procedure***

The Human Resources will:

1. Check to see if employee was previously employed at the City of Shelby. If so, ensure employee is eligible for rehire and pull old file.
2. Coordinate a time with the City of Shelby sponsored provider and the new employee for a pre-placement drug screening. The City of Shelby sponsored provider must do the pre-placement drug screening. After the job offer is made, Human Resources will get the new employee's social security number and date of birth for pre-placement drug screening.
3. Mail offer letter and pre-placement package which includes:
  - A. Federal Withholding Form W-4.
  - B. NC Withholding Form NC-4.
  - C. Employee Personal Information Data Sheet.
  - D. Employee Handbook and Statement.
  - E. I-9 Form.
  - F. Criminal Background Check Release Form.
  - G. Compensatory Time or Overtime Statement of Understanding Form.
  - H. Direct Deposit Form
  - I. Health insurance enrollment form (if applicable).
  - J. Dental insurance enrollment form (if applicable).

- K. Life insurance enrollment form (if applicable).
  - L. NC retirement form (if applicable).
  - M. Prudential NC 401 K form (if applicable).
4. The new employee reports to the Human Resources 1 hour prior to their pre-placement drug screening appointment to turn in completed forms. During this meeting, the following will be done:
- A. Collect all completed forms
  - B. Complete I-9 form with required identification.
  - C. Complete and process Criminal Background Check Release form.
  - D. Explain first day of employment (where to report, who to ask for and what to wear).
  - E. Tell about new employee orientation (provide a reminder of date, time and location).
5. **New Employee Orientation will be held on the first Wednesday of every other month in the City Hall Conference Room. All new employees must attend. Any uncompleted forms will be completed at this time.**



Effective Date: March 21, 2011

Revision Date: Nov. 21, 2016

Revision Date: Nov. 19, 2018

## Personnel Policy and Procedure Manual

# Overtime & Emergency Overtime

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### ***I. POLICY***

Occasionally situations will arise that require employees to work outside their normal work schedule. Under the provisions of the Federal Fair Labor Standards Act, the City of Shelby will pay nonexempt employees overtime at a rate of one and one-half per hour actually worked. Full-time nonexempt employees will have the option of taking overtime payment in salary or compensatory time. Emergency overtime payment will always be in salary without the choice of compensatory time. The Human Resource Department shall maintain an employee statement indicating the choice of payment for all full-time nonexempt employees. Part-time employees working overtime will receive payment in the form of salary.

### ***II. RESPONSIBILITY***

Overtime cannot be worked at the discretion of the employee but should be regulated by the supervisor and/or department director. Work schedules should be arranged as to accomplish the required work within the normal work day. Department Directors are responsible for managing overtime in such a manner as to minimize its use.

It is the expectation of City Management that overtime and emergency overtime be used judiciously by Department Directors and responsible supervisors to ensure that the resources allocated to a particular department are managed in accordance to meeting the needs of our customers and citizens.

### ***III. PROCEDURE***

Payment or compensatory time for overtime will be given for hours worked in excess of forty (40) hours in a work week for most full-time nonexempt positions; however, FLSA laws will be followed for public safety. Nonexempt employees in the Fire & Rescue Department will receive overtime payment or compensatory time for any hours over 204 per 27-day cycle. Nonexempt sworn Police Officers will receive overtime payment or compensatory time for any hours over 171 in a 28-day cycle.

**Compensatory Time** – If this option is selected, employees can earn up to 240 hours (480 for public safety) of compensatory time. Compensatory time shall be taken at a mutually agreed upon time between the department director or supervisor and the employee; **however, for Leaves of Absence, compensatory time will be used before sick and vacation time.**

**Emergency Overtime** – Occasionally situations will arise that require employees to work outside their normal work schedule. In order to attract employees to assist with special needs and events and/or not punish them for prior approved vacation time, emergency overtime can be used for **full-time non-exempt employees**. This pay option can be used as an exception to regular overtime pay and should be coded on the time sheet as “EOT” **with an explanation for the approved EOT**. When emergency overtime is utilized, overtime pay will be reflected for the hours worked during the event regardless of the number of hours the employee works during the **week**. The use of emergency overtime should be the exception and used very infrequently. Listed below are examples of when Emergency Overtime can be used. Use outside of the examples listed below must be approved by the City Manager. **Examples for each are on the following page.**

1. Facility Rentals **required to be staffed by City employees.**
2. Special events requiring coverage by multiple departments.
3. Public Safety **emergency events.**
4. Shelby Police Department – K9 maintenance and care.
5. Inclement Weather.
6. **Standby/Call-back Duty when an employee is not scheduled but called back to perform emergency work (ie...loss of services or endangerment) as defined by his/her supervisor.**
7. Standby/Call-back Duty when work is performed **during the week of a City recognized holiday and/or the actual holiday.**

**1.) Facility rentals required to be staffed by City employees:**

Facility rentals including City Park gym, Holly Oak Park gym, Hanna Park large shelter, City Pavilion, Aquatic Center, and Train & Carrousel. This also covers police officers working pool duty and park sponsored ball games.

**2.) Special events requiring coverage by multiple departments:**

Merry Go Round Festival, Shelby Alive, American Legion World Series, sports tournaments, swim meets, parades, and Uptown festivals (Seventh Inning Stretch & Mush, Music & Mutts).

**3.) Public Safety emergency events:**

Active shooter, multi-day crime scene, riots, protests, acts of domestic terrorism, multi-department fires or incidents, hazardous material exposures, aircraft vehicle accidents, railroad derailments, missing person searches, specialized rescues, swift water deployments, major accidents or scenes that require additional staffing be called in or held over, and any large scale event that would pose a risk of safety for the general public. May include mutual aid assistance.

**4.) Shelby Police Department – K9 maintenance and care.**

**5.) Inclement Weather:**

Natural disasters, snow storms, ice storms, tornados, floods, hurricanes or any weather event that causes mass destruction or creates a situation that the public would be in jeopardy. May include mutual aid assistance.

**6.) Standby/Call-back Duty when an employee is not scheduled but called back to perform emergency work (ie...loss of services or endangerment) as defined by his/her supervisor:**

Main failure (water, sewer, force, aerial crossing), major sanitary sewer overflow, high flow/rain event, mechanical failure (pump station, treatment plant) and back-up equipment is not available, electric lines down, utility pole hit/damaged that needs immediate attention, work on voltage over 600 volts, gas leak, farm tap/regulator station damage, pressure drop/increase on section of system, security alarms, irrigation leaks, and significant issues with the swimming pool, train or carrousel.

**7.) Standby/Call-back Duty when work is performed during the week of a City recognized holiday and/or the actual holiday.**



Effective Date: July 20, 2009

Revision Date: Nov. 21, 2016

Revision Date: Nov. 19, 2018

## Personnel Policy and Procedure Manual

# Probationary Period

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### *I. Policy*

All new hired employees or promoted employees (full-time & part-time positions) shall serve a probationary period of six (6) months. Department directors will initially serve a probationary period of twelve (12) months. During this period, the employee may end his /her employment or the City of Shelby may dismiss the employee with or without cause without further obligation from either party. Time taken off during a newly hired employee's probationary period will be without pay unless it is for the death of an employee's family member which shall include spouse, children, stepchildren, siblings, parents, parent in-laws, and grandparents. In the event of such a death, sick time may be used for pay. Vacation time and compensatory time cannot be used for pay during the new hire probationary period. Also, employees terminated during their probationary period do not have right to an appeal.

Probationary performance review conferences with new or promoted employees who are serving a six (6) month probationary period will be conducted at the end of three (3) months and before the end of the probationary period. For department directors serving a twelve (12) months probationary period, probationary review conferences will be conducted at six (6) months as an interim measure, and again at the end of twelve (12) months to make final determination for performance.

This probationary period is considered a continuation of the selection process and gives the new employee (or promoted employee) time to adjust to their new job and gives the department director a chance to make a fair appraisal of the employee's ability and progress. At the end of six (6) months if both the new employee (or promoted employee) and the department director are satisfied with the employee's progress, employment will be continued. The new hire probationary period for part-time employees who have a sporadic work schedule with the City may be six (6) months or 1,000 hours whichever occurs first. This will be agreed upon on by the department director in conjunction with the Director of Human Resources. A performance evaluation is to be completed and

reviewed with the employee if he/she is successfully completing his/her probationary period.

Employees who are promoted into a new position may have a Probationary Performance Review at the end of their 6 (six) month probation in their new job. If an Annual Performance Review and Probationary Performance Review occur within 30 days of each other then only one Performance Review needs to be completed.

A department director with concurrence of the Human Resources Director may extend the probationary period for an additional period of time not to exceed three (3) months. During an extended probationary period, employees are allowed to use accrued vacation and sick time as approved by their supervisor and/or department director.

If at any time during the probationary period unsatisfactory performance continues to occur after expectations have been clarified and coaching has taken place, it should be documented and the department director can make a recommendation to the Human Resources Director for termination.



Effective Date: March 21, 2011

Revision Date: Nov. 19, 2018

## Personnel Policy and Procedure Manual

# Stand-by Call and Call-back Duty

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## I. **POLICY**

The City of Shelby provides continuous twenty-four hours a day, seven days a week service to its citizens and customers, therefore, it is necessary for certain employees to respond to any reasonable request for duty at any hour of the day or night. One of the conditions of employment with the City is acceptance of a share of the responsibility for continuous service, in accordance with the nature of each job position. If an employee fails to respond to reasonable calls for emergency service, either special or routine, the employee shall be subject to disciplinary actions up to and including discharge.

## II. **DEFINITIONS**

**Call-back Duty** - Non-exempt employees (full-time and part-time) will be guaranteed a minimum payment of two hours wages for being called back to work outside of their normal work schedule. **This Call-back provision will be for duties related to primary job responsibilities and not for City sponsored health screenings, health coaching, safety training and/or wellness events and activities.** Call-back provisions do not apply to previously scheduled overtime work or employees who are called to work while serving in a Stand-by capacity. When multiple call backs are made during the same 8 or 12 hour period, a maximum payment of four hours wages (two call backs) will be given.

**Stand-by Duty** - Non-exempt employees (full time and part-time) required to be on “stand-by” duty will be paid for eight hours of work for each week (approximately 128 hours, excluding work time) of stand-by time served. Hours actually worked while on stand-by are calculated beginning when the employee reports to the work site and are added to the regular total of hours worked for that week. “Stand-by time” is defined as that time an employee must be available by phone and able to come to work within 1 hour. Stand-by Duty status does not apply to Public Safety employees.





Effective Date: March 21, 2011

Revision Date: Nov. 19, 2018

Personnel Policy and Procedure Manual

## **Transfers, Promotions, Demotions and Reclassifications**

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### ***I. POLICY***

The City of Shelby will always strive to select the most qualified applicants to fill vacant positions. The City will make every effort to “promote from within” among any qualified interested employees that are available when job vacancies occur, however transfers and promotions are approved only when they are in the best interest of the City of Shelby. If an employee has superior or equal qualifications, he/she will be given priority over outside applicants and will be granted the transfer or promotion.

Employees applying for a transfer or promotion shall be chosen based on job related experience, skill, knowledge, ability and quality of their work record without regard to age, race, sex, religion, color, national origin or disability. Performance appraisals and work records for all employees applying for a promotion or transfer shall be carefully examined.

An employee must have worked in his/her present position for a minimum of six (6) months before applying for a transfer/promotion unless he/she is seeking a status change. Employees are not eligible to apply for a transfer/promotion if he/she has any final written warning or disciplinary suspensions within the last six (6) months.

### ***II. PROCEDURE***

Any employee wishing to apply for another position will complete an Internal Application Form and turn it into Human Resources. Human Resources will review his/her qualifications and encourage the employee to discuss their interest with their

current supervisor or department director and if necessary obtain permission to be away from their work site for an interview. If an employee is selected for a transfer or promotion to another department, the transfer date should be between two and four weeks as decided by the two department directors. All transfers or promotions are subject to final review by the Director of Human Resources and the City Manager.

Employees promoting into another position will typically have a new probationary period. Probationary periods for employees transferring, promoting or demoting will depend upon the job. Any disciplinary action will remain in the employee's personnel file and will be recognized as progressive steps for future disciplinary action.

### **Salary Changes – Transfers, Promotions & Demotions**

The Director of Human Resources will discuss salary with employees transferring, promoting or demoting into a new position. The following guidelines will typically apply:

- **Transfer** is defined as a movement of an employee from the present position to another position in the same salary grade in the same or another department. It may also occur when an employee is changing status but remaining in the same position and/or salary grade. (ie. changing from part-time to full-time). An employee who transfers will not have a change in pay.
- **Promotion** is defined as the movement of an employee from the present position to another position in a higher salary grade in the same or another department. An employee who is promoted will typically receive a 5% (1 pay grade difference) or **10% (2 pay grade differences) pay increase in base salary** or an increase to the minimum of the new pay range, whichever is higher. This may vary depending on the level of promotion and internal equity. With any promotion an employee will be considered in probationary status following the probationary period guidelines.
- **Demotion** is defined as the movement of an employee from the present position to another position in a lower salary grade in the same or another department. An employee who receives a voluntary demotion will typically receive a 5% (1 pay grade difference) or **10% (2 pay grade differences) pay decrease in base salary**. This may vary depending on the level of demotion and internal equity.

Deviations from these guidelines may occur when it is in the best interest of the City with approval from the Director of Human Resources and the City Manager. The Director of Human Resources will review all wages and adjustments to ensure internal equity.

**Employee Reclassifications** - Occasionally an employee's job duties may be altered by the department director due to changes needed in the work environment. When these changes are significant, the department director will contact the Director of Human Resources who will make any necessary recommendations to the City Manager for the

job analysis. Salary changes resulting from an Employee Reclassification will follow the guidelines above.

**Interim Appointments** – An employee who is formally designated to perform the duties of a job that is assigned to a higher salary grade than that of the employee’s regular job shall receive an increase for the duration of the interim or “acting” assignment. The employee shall receive a salary adjustment to the entry level of the job in which the employee is serving or an increase of 10% whichever is greater. The salary increase shall be temporary and the employee shall go back to the salary he/she would have had at the completion of the interim assignment.

RESOLUTION NO. 61-2018

A RESOLUTION REVISING AND AMENDING THE PERSONNEL POLICIES  
OF THE CITY OF SHELBY TO PROVIDE FOR  
AN UPDATED PERSONNEL POLICY AND PROCEDURE MANUAL

WHEREAS, the City of Shelby has heretofore enacted a variety of policies, procedures and policy statements governing the personnel system of the City; and,

WHEREAS, to keep in compliance with Federal and State Laws these policies will be utilized by City management consistently in handling employee issues and grievances.

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

Section 1. The City's Personnel Policy dated July 1998 and adopted in August 1998 is hereby amended to include the addition or revision of the following: "APPEARANCE POLICY; DISCIPLINARY POLICY GRID; DRUG AND ALCOHOL TESTING POLICY; NEW EMPLOYEE PROCESSING; OVERTIME AND EMERGENCY OVERTIME; PROBATIONARY PERIOD; STAND-BY CALL AND CALL-BACK DUTY; and TRANSFERS, PROMOTIONS, DEMOTIONS, AND RECLASSIFICATIONS", copies of which are attached hereto as ATTACHMENT A and made a part of this resolution.

Section 2. The City Manager is hereby authorized and directed to implement and administer the policies set forth in Section I of this resolution. The City Clerk is likewise authorized and directed to cause the provisions of this policy to be properly recorded into the Personnel Policy document, as may be applicable.

Resolution No. 61-2018  
November 19, 2018  
Page 2

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

Adopted and approved this the 19<sup>th</sup> day of November 2018.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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

City of Shelby  
Agenda Item Summary  
November 19, 2018  
City Hall Council Chamber

Agenda Item: E-7

- 7) Approval of a resolution approving an update of the City's Power Supply Contract with the Southeastern Power Administration: Resolution No. 62-2018

**Consent Agenda Item: (Julie McMurry, Energy Services Director)**

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Summary of Available Information:

- Memorandum dated November 13, 2018 from Julie McMurry, Energy Services Director to Rick Howell, City Manager
- Supplemental Contract
- Resolution No. 62-2018

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City Manager's Recommendation / Comments

Resolution No. 62-2018 is presented for City Council consideration via the Consent Agenda. If approved this resolution would authorize the City Manager to expand the current power purchase from SEPA from 6.582 kW to 696.582 kW via a contract amendment with SEPA. This is very inexpensive hydro-electric power generated by facilities that are part of federally owned dams. This is a very small percentage (<1%) of our overall purchase power portfolio.

***It is my recommendation Resolution No. 61-2018 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:** Julie McMurry, Energy Services Director

**RE:** **SEPA Supplemental Agreement #4**

**Date:** November 13, 2018

### **Background:**

The City currently receives a portion of its power supply from Southeastern Power Administration (SEPA) as a piece of its power portfolio. The current agreement is for 6.582 kW. SEPA has offered additional participation in this contract and determined that the City of Shelby is eligible for an additional 690 kW.

### **Review:**

City staff has discussed this offer with staff at Electricities, Kathy Moyer and Kevin Josupait. They added to our current power portfolio for analysis. In their opinion it is recommended that we request and accept the addition 690 kW into our power portfolio.

### **Recommendation:**

We recommend that we enter into supplemental agreement #4 with SEPA and accept the additional 690 kW.

Please let me know if you need additional information.

Supplemental Agreement No. 4  
To Contract No. 89-00-1501-1120  
11/5/18

SUPPLEMENTAL CONTRACT

executed by

THE UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

acting by and through the

SOUTHEASTERN POWER ADMINISTRATION

and

CITY OF SHELBY, NORTH CAROLINA

THIS SUPPLEMENTAL CONTRACT, executed as of \_\_\_\_\_, 2018, by and between the UNITED STATES OF AMERICA, (hereinafter called the Government), Department of Energy, acting by and through the Administrator of the Southeastern Power Administration (hereinafter called the Administrator), and the CITY OF SHELBY, NORTH CAROLINA (hereinafter called the Purchaser), a municipal corporation organized and existing under the laws of the State of North Carolina;

WITNESSETH; That,

WHEREAS, the Administrator and the Purchaser (hereinafter called the Parties) executed a contract as of May 2, 1997, (designated as Contract No. 89-00-1501-1120), which



provides for the sale and purchase of power from projects on the Etowah, Savannah, Alabama, Coosawattee, and Chattahoochee Rivers, known respectively as Allatoona, Buford, Carters, J. Strom Thurmond, Hartwell, West Point, Millers Ferry, Robert F. Henry, Walter F. George, and Richard B. Russell (the ten projects hereinafter collectively called the Projects); and

WHEREAS, Section 2 of said contract set forth the capacity and energy the Government will make available and sell to the Purchaser during the term of this contract; and

WHEREAS, the Government has capacity available and has offered the preference customers listed in the Georgia-Alabama-South Carolina System Power Marketing Policy, published in the Federal Register on December 28, 1994 (Vol.59, No. 248) a supplemental allocation of power; and

WHEREAS, it is the desire of the Parties to modify this section.

NOW, THEREFORE, the Parties mutually covenant and agree that said Contract No. 89-00-1501-1120, shall be amended in the following respect:

1. Section 2.1 shall be deleted and the following section shall be inserted in lieu thereof:

"2.1 The Government will make available and sell to the Purchaser during the term of this Contract, and the Purchaser will purchase from the Government 690 kilowatts of additional capacity and associated energy. The total combined new capacity allocation will be 6,582 kilowatts which shall be the Purchaser's contract demand under this Contract. The delivery of the additional supplemental allocation is contingent upon the Government securing the necessary arrangements to facilitate such increase in deliveries. All allocated power made available hereunder shall be delivered to delivery points of the Purchaser located within 150 miles of the power station at any of the Hartwell, J. Strom Thurmond, or Richard B. Russell projects (hereinafter called the Savannah River Projects)."

2. This Supplemental Contract shall become effective as of midnight, December 31, 2018.

IN WITNESS WHEREOF, the Parties hereto have caused this Supplemental Contract to be executed as of the day of the year first above written.

UNITED STATES OF AMERICA  
Department of Energy

By \_\_\_\_\_  
Administrator  
Southeastern Power Administration  
1166 Athens Tech Road  
Elberton, GA 30635-6711

CITY OF SHELBY,  
NORTH CAROLINA

By \_\_\_\_\_  
City Manager  
City of Shelby  
P.O. Box 207  
Shelby, NC 28151-0207

(SEAL)

ATTEST:

\_\_\_\_\_

RESOLUTION NO. 62-2018

A RESOLUTION APPROVING AN UPDATE OF THE CITY'S POWER SUPPLY CONTRACT  
WITH THE SOUTHEASTERN POWER ADMINISTRATION

WHEREAS, the City of Shelby currently is a party to a power supply contract with the Southeastern Power Administration (SEPA) of the United States Department of Energy pursuant to applicable provisions of federal law and actions of the Federal Energy Regulatory Commission (FERC); and,

WHEREAS, SEPA has revised and updated the provisions of this power supply contract to which the City is a party and has offered to the City its continued participation in said power supply arrangements; and,

WHEREAS, the City of Shelby is interested in continuing its power supply contract with SEPA, and City Council now desires to accept same and move to approval of the contract required by the Department of Energy for said purpose.

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

Section 1. SEPA Contract No. 89-00-1501-1120 between the United States of America and the City of Shelby providing for a revised and updated power supply contract for the City to receive power from the Southeastern Power Administration is hereby accepted and approved.

Section 2. The Mayor and City Clerk of the City of Shelby are hereby authorized and directed to execute the power supply contract referenced in Section 1 of this resolution.

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

Adopted and approved this 19<sup>th</sup> day of November 2018.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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

City of Shelby  
Agenda Item Summary  
November 19, 2018  
City Hall Council Chamber

Agenda Item: E-8

- 8) Approval of a resolution to change the name of Hallelujah Acres Boulevard at Kings View Subdivision to Pinnacle Crossing: Resolution No. 63-2018

**Consent Agenda Item: (Walter Scharer, Planning Director)**

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Summary of Available Information:

- Memorandum dated November 12, 2018 from Walter Scharer, Planning Director to Rick Howell, City Manager
- Letter and email from North Point Custom Builders
- Location Map
- Copy of Resolution No. 68-2009
- Resolution No. 63-2018

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City Manager's Recommendation / Comments

Resolution No. 63-2018 is presented for City Council consideration via the Consent Agenda. If approved this resolution would in accordance with City Policy officially change the name of Hallelujah Boulevard to Pinnacle Crossing. It is my understanding that all but one of the current property owners signed the petition requesting the change. City policy requires that at least 75% of property owners sign a petition.

***It is my recommendation Resolution No. 63-2018 be adopted and approved by City Council at this time via the Consent Agenda.***



**Memorandum**

**To:** Rick Howell - City Manager  
**From:** Walter Scharer – Planning Director  
**Date:** November 12, 2018  
**Subject:** Proposed Street Naming – Pinnacle Crossing

**Executive Summary of issue – Background**

Staff recently received a request to change the name of “Hallelujah Acres Boulevard” to “Kings View Court”. This name was rejected by staff due to a duplication of the name in Cleveland County. The petitioner submitted an alternate name of “Pinnacle Crossing”.

**Review and Comments**

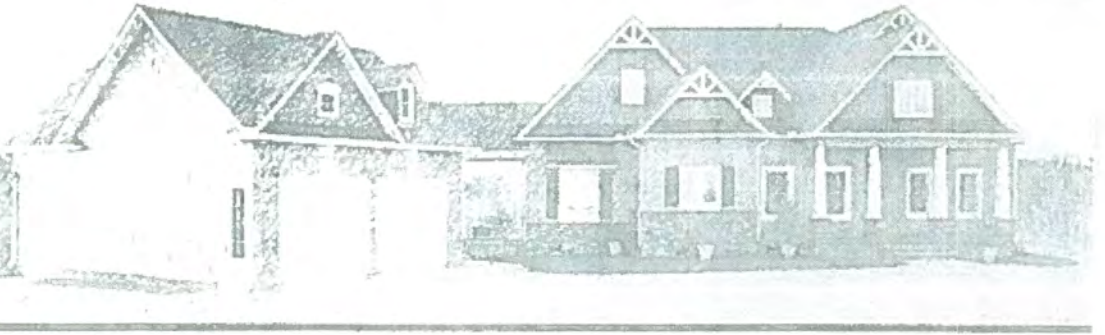
Hallelujah Acres Boulevard was the primary street in the former Hallelujah Acres Subdivision which has recently been renamed to Kings View Subdivision. A petition from the subdivision owner and other property owners on the street is attached.

Staff has no objections to the proposed name. If City Council approves the name, the Planning Staff will send notification to all property owners, the US Postal Service, city, county, and state departments of the renamed street. The developer and other property owners will be responsible for notification to cable, telephone, and other businesses.

**Recommendation**

Please place this proposal on the consent agenda for the November 19, 2018 City Council meeting.

**Attachments: Petition, Location Map, Street Naming Policy, Resolution**



City Of Shelby Planning and Zoning  
315 South Lafayette Street  
Shelby, NC 28150

Dear City Of Shelby Planning and Zoning

On behalf of Pensco Trust Company LLC -Custodian Randy Zinck IRA we hereby petition that the Subdivision Named Hallelujah Acres Be Changed to Kings View. We also petition that the main street Hallelujah Boulevard be changed to Kings View Court. Please see signatures below from all parties making this request. Please let us know if you need anything further or have any questions.

Sincerely,

  
\_\_\_\_\_

Jason Lowery-Property Manager

  
\_\_\_\_\_

Randy Zinck

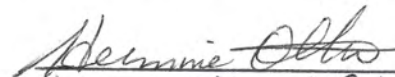
  
\_\_\_\_\_

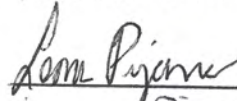
Pensco Trust LLC-Custodian

**PENSCO Trust Company**  
**By: Chris Rains**  
**Its: Authorized Signatory**

01-23-18

\_\_\_\_\_  
Dustin Smith - 245 Hallelujah Blvd.

  
\_\_\_\_\_  
Hermine Otto - 249 Hallelujah Blvd.

  
\_\_\_\_\_  
Leonor Pizarro - 251 Hallelujah Blvd.

Read & approved  
Randy Zinck

**From:** [Walt Scharer](mailto:Walt.Scharer@cityofshelby.com)  
**To:** [Walt Scharer](mailto:Walt.Scharer@cityofshelby.com)  
**Subject:** Street Name-Pinnacle Crossing  
**Date:** Wednesday, November 14, 2018 11:53:50 AM

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-----Original Message-----

From: Walt Scharer [<mailto:walt.scharer@cityofshelby.com>]  
Sent: Thursday, October 4, 2018 4:19 PM  
To: Jason Lowery <[jason@northpointcustombuilders.com](mailto:jason@northpointcustombuilders.com)>  
Subject: Re: [jason@northpointcustombuilders.com](mailto:jason@northpointcustombuilders.com)

I'll check. May not be Monday til I have answer.

Walter Scharer  
Planning Director  
704-484-6829

On Oct 4, 2018, at 3:08 PM, City of Shelby  
<[webmaster@cityofshelby.com](mailto:webmaster@cityofshelby.com)<<mailto:webmaster@cityofshelby.com>>> wrote:

Message submitted from the <City of Shelby> website.

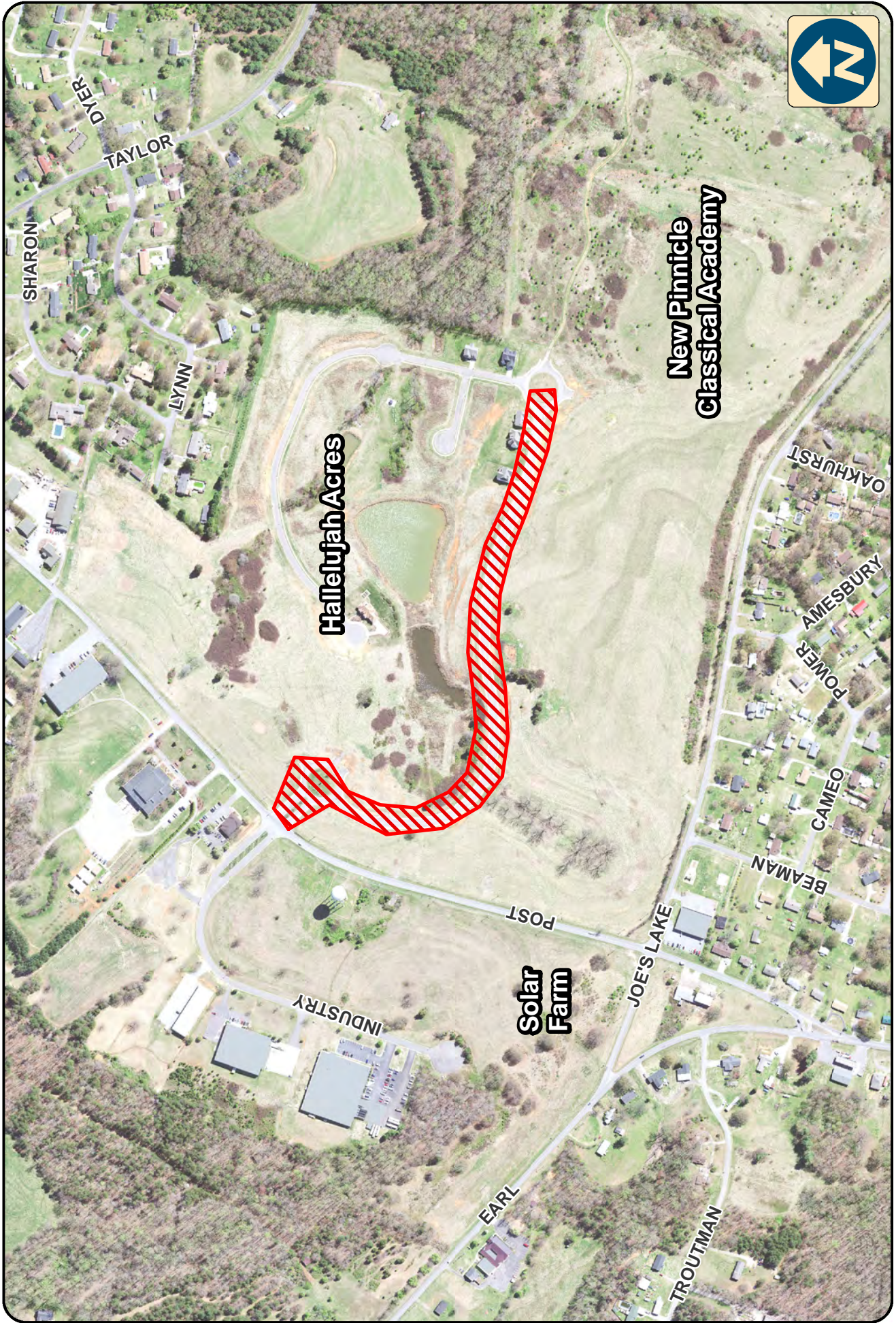
Site Visitor Name: Jason Lowery  
Site Visitor Email: [jason@northpointcustombuilders.com](mailto:jason@northpointcustombuilders.com)<<mailto:jason@northpointcustombuilders.com>>

Can we change Hallelujah Blvd to Pinnacle Crossing?



# Location Map Hallelujah Boulevard

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



1,000 Feet

500

250

0

1 inch = 500 feet

Scale 1:6,000

Date: 5/1/2018



**COPY**

**RESOLUTION NO. 68-2009**

**A RESOLUTION ADOPTING A POLICY IN WHICH THE CITY COUNCIL OF THE CITY OF SHELBY MAY CHANGE THE STREET NAME OF AN EXISTING STREET**

**WHEREAS**, The City of Shelby maintains a municipal street system within its jurisdiction; and,

**WHEREAS**, the City's Services Policy Manual outlines a Street Renaming policy; and,

**WHEREAS**, the City may receive a request to change the name of an existing street; and,

**WHEREAS**, the City Council of the City of Shelby wishes to revise this policy to establish criteria from which to base a street renaming decision; and,

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

Section 1. The "Street Names" section subsection (2) of the City's Services Policy Manual is hereby replaced with the following: "Property owners shall submit any street name change request to the Planning Services Department for review. Changing a street name requires a petition to be signed by property owners along the petitioned street. The proposed new name must receive approval from 75% or more of the property owners along the petitioned street. In some cases the current address (house number) will also change if the street name change is approved. The address numbering decision is made by the Address Coordinator upon approval of the new name.

Once a petition has been received it will be reviewed by the appropriated city departments and if accepted, the name will be submitted to City Council for approval. If City Council approves the name change, the planning staff will send notification of the renamed street to all property owners, the US Postal Service, city, county, and state departments. The residents are responsible for notification to cable and telephone services, friends and family and any other personal contacts.


A street sign fee of \$30.00 per sign must be paid within 30 days of notification of approval. If the payment for the street signs is not received within the 30 days, the name of the street will revert back to the original name, and the request would have to be resubmitted as a new request."

Section 2. This Resolution shall become effective upon its adoption and approval.

Adopted and approved this the 19th day of October A. D. 2009.

  
\_\_\_\_\_  
W. Ted Alexander  
Mayor

ATTEST:

  
\_\_\_\_\_  
Bernadette A. Parduski, CMC  
City Clerk

RESOLUTION NO. 63-2018

A RESOLUTION TO CHANGE THE NAME OF HALLELUJAH ACRES BOULEVARD  
AT KINGS VIEW SUBDIVISION TO PINNACLE CROSSING

**WHEREAS**, the City of Shelby maintains a municipal street system within its jurisdiction;  
and,

**WHEREAS**, the City's Services Policy Manual outlines a Street Renaming Policy; and,

**WHEREAS**, the City has received a request to change the name of an existing street; and,

**WHEREAS**, a petition with at least 75% of the adjoining property owners of Hallelujah  
Acres Boulevard accompany the street name change request; and,

**WHEREAS**, City staff has reviewed the street name change request.

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

Section 1. The name of Hallelujah Acres Boulevard shall be changed to "PINNACLE  
CROSSING".

The Planning Department staff will send notification of the name change to all adjoining  
property owners, the US Postal Service, city, county and state departments. The property  
owner is responsible for notification to cable and telephone services, business and any other  
personal contacts.

A street sign fee of \$30.00 per sign must be paid within 30 days of notification of approval.  
If the payment for the street signs is not received within the 30 days, the name of the street  
will revert back to the original name, and the request will have to be resubmitted as a new  
request.

Section 2. This Resolution shall become effective upon its adoption and approval.

Adopted and approved this the 19th day of November 2018.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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

City of Shelby  
Agenda Item Summary  
November 19, 2018  
City Hall Council Chamber

**Agenda Item: F-1**

Unfinished Business

- 1) Shelby-Cleveland County Regional Airport T-Hangar and Taxilane Development Project Acceptance of Grant Agreements for Grant Numbers 36244.23.13.1 and 36237.16.15.1
  - a. Consideration of a resolution accepting and entering into an agreement with the North Carolina Department of Transportation to accept grant funding for the Shelby-Cleveland County Regional Airport Grant No. 36244.23.13.2: Resolution No. 64-2018
  - b. Consideration of a resolution accepting and entering into an agreement with the North Carolina Department of Transportation to accept grant funding for the Shelby-Cleveland County Regional Airport Grant No. 36237.16.15.1: Resolution No. 65-2018

**Unfinished Business Item: (Rick Howell, City Manager, and Ben Yarboro, Engineering Services Director)**

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Summary of Available Information:

- Memorandum dated November 14, 2018 from Ben Yarboro, Engineering Services Director to Rick Howell, City Manager
- Letters from NCDOT to Ben Yarboro
- Grant Agreements and supporting documentation
- Resolution No. 64-2018
- Resolution No. 65-2018

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City Manager's Recommendation / Comments

Resolution No. 64-2018 and Resolution No. 65-2018 are presented for City Council consideration as unfinished business. Council has previously adopted Project Budget Ordinance (PBO) No. 59-2018 on October 15, 2018 authorizing funding of this project if these grants were received. These resolutions respectively accept two grants from the NC Division of Aviation in the amounts of \$2,134,773 and \$750,000 for construction toward this project.

***It is my recommendation Resolution No. 64-2018 and Resolution No. 65-2018 be adopted and approved by City Council at this time.***

## *Memorandum*

**To:** Rick Howell, City Manager  
**From:** Ben Yarboro, Engineering Services Director *BY*  
**RE:** Shelby-Cleveland County Regional Airport  
 T-Hangar and Taxilane Development Project  
 Acceptance of Grant Agreements for Grant Numbers  
 36244.23.13.2 and 36237.16.15.1  
**Date:** November 14, 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. In October 2018, the NC Board of Transportation approved the funding necessary for the site development associated with this project. W.K. Dickson prepared the 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

City staff has received the grant agreements to be executed for the site preparation and two 10-unit T-hangar buildings.

The description of the two grants is as follows:

- **Grant 36244.23.13.2 (State)** - \$2,511,498 total (15% local match)
- **Grant 36237.16.15.1 (Federal)** - \$833,334 total (10% local match)

### Review

Staff has been anticipating these grant agreements from the NC Division of Aviation for several weeks. All initial information has been sent along with a budget to the North Carolina Division of Aviation. The Shelby City Council appropriated the

[www.cityofshelby.com](http://www.cityofshelby.com)

necessary funding for the local match on October 15, 2018 via Ordinance Number 59-2018. The execution of these grant agreements is the final step in completing acceptance of this grant funding.

**Recommendation**

Staff recommends approval of the two resolutions authorizing the acceptance of the grant agreements for Grant Numbers 36244.23.13.2 and 36237.16.15.1 for construction of the T-Hangar and Taxilane Development Project. The agreements and grant “assurances” are attached for reference and execution. Please let me know if more information is required.

*Attachments:*

NCDOA Approval of Request for Aid (36244.23.13.2) dated November 12, 2018  
NCDOA Approval of Request for Aid (36237.16.15.1) dated November 14, 2018  
Grant Agreement and Assurances for 36244.23.13.2  
Grant Agreement and Assurances for 36237.16.15.1



STATE OF NORTH CAROLINA  
DEPARTMENT OF TRANSPORTATION

ROY COOPER  
GOVERNOR

JAMES H. TROGDON, III  
SECRETARY

November 12, 2018

Ben Yarboro  
CITY OF SHELBY  
SHELBY-CLEVELAND CO REGIONAL AIRPORT  
PO Box 207  
SHELBY NC 28151-0207

Request for Aid(Application) #: 1000006699  
Program: AV\_STATE\_GRANT  
WBS # : 36244.23.13.2  
Project : T-HANGAR AND TAXILANE DEVELOPMENT

SUBJECT: APPROVAL OF REQUEST FOR AID APPLICATION

Dear Ben Yarboro:

The NCDOT-Division of Aviation has completed its final review of your above referenced Request for Aid 1000006699 form for Shelby-Cleveland County Regional in the amount of \$ 2,134,773.00 and it is approved to proceed to the next stage of the funding process.

1. Attached to the online Request for Aid application is the grant agreement for the funding of Project 36244.23.13.2, including the State and Federal Assurances, for Federal Block Grants. **Please print two (2) originals of the unsigned agreement (single-sided only; preferably on bond paper).** The appropriate governmental body must execute these agreements. Upon completion, both original copies of the agreement must be returned to this office, **to the attention of the Grants Administrator. Please remember that all signatures and seals must be original and not reproduced copies.** The Department will fill in the date on the first page of the agreement once the Secretary of Transportation signs the documents.
2. The next step of the funding process is the Acceptance of Assurances, and the Pinning of the above Request for Aid (Application) form online through the Partner Connect - Grant Management System: <https://www.ebs.nc.gov>

Should you have any questions, please do not hesitate to contact the Division of Aviation Grant Administrator or your regional Airport Project Manager. The NCDOT-Division of Aviation appreciates your commitment and contribution to our state aviation system. With aviation partners like you, North Carolina will continue to be First in Flight.

Sincerely,

*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](http://www.ncdot.gov/aviation)

*Location:*  
RDU AIRPORT  
1050 MERIDIAN DRIVE  
MORRISVILLE, NC 27560

Bobby L. Walston, PE  
Director of Aviation



STATE OF NORTH CAROLINA  
DEPARTMENT OF TRANSPORTATION

ROY COOPER  
GOVERNOR

JAMES H. TROGDON, III  
SECRETARY

November 14, 2018

Ben Yarboro  
CITY OF SHELBY  
SHELBY-CLEVELAND CO REGIONAL AIRPORT  
PO Box 207  
SHELBY NC 28151-0207

Request for Aid(Application) #: 1000007272  
Program: AV\_BLOCK\_GRANT  
WBS # : 36237.16.15.1  
Project : T-HANGAR BUILDINGS (construction)

SUBJECT: APPROVAL OF REQUEST FOR AID APPLICATION

Dear Ben Yarboro:

The NCDOT-Division of Aviation has completed its final review of your above referenced Request for Aid 1000007272 form for Shelby-Cleveland County Regional in the amount of \$ 750,000.00 and it is approved to proceed to the next stage of the funding process.

1. Attached to the online Request for Aid application is the grant agreement for the funding of Project 36237.16.15.1, including the State and Federal Assurances, for Federal Block Grants. **Please print two (2) originals of the unsigned agreement (single-sided only; preferably on bond paper).** The appropriate governmental body must execute these agreements. Upon completion, both original copies of the agreement must be returned to this office, **to the attention of the Grants Administrator. Please remember that all signatures and seals must be original and not reproduced copies.** The Department will fill in the date on the first page of the agreement once the Secretary of Transportation signs the documents.

2. The next step of the funding process is the Acceptance of Assurances, and the Pinning of the above Request for Aid (Application) form online through the Partner Connect - Grant Management System: <https://www.ebs.nc.gov>

Should you have any questions, please do not hesitate to contact the Division of Aviation Grant Administrator or your regional Airport Project Manager. The NCDOT-Division of Aviation appreciates your commitment and contribution to our state aviation system. With aviation partners like you, North Carolina will continue to be First in Flight.

Sincerely,

*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](http://www.ncdot.gov/aviation)

*Location:*  
RDU AIRPORT  
1050 MERIDIAN DRIVE  
MORRISVILLE, NC 27560



Bobby L. Walston, PE  
Director of Aviation

RESOLUTION NO. 64-2018

**A RESOLUTION ACCEPTING AND ENTERING INTO AN AGREEMENT WITH THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION TO ACCEPT GRANT FUNDING FOR THE SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT GRANT NO. 36244.23.13.2**

**WHEREAS**, Chapter 63 of the North Carolina General Statutes authorizes the Department, subject to the limitations and conditions stated therein, to provide State Aid in the forms of loans and grants to cities, counties, and public airport authorities of North Carolina for the purpose of planning, acquiring, and improving municipal, county, and other publicly-owned or publicly controlled airport facilities, and to authorize related programs of aviation safety, education, promotion and long-range planning; and,

**WHEREAS**, the Sponsor has made a formal application dated November 1, 2018 to the Department for State Financial Aid for the Shelby-Cleveland County Regional Airport; and,

**WHEREAS**, a grant in the amount of \$2,134,773.00 not to exceed 85 percent of the non-federal share of the final, eligible project costs has been approved subject to the conditions and limitations herein; and,

**WHEREAS**, The Grant of State Airport Aid funds will be used for the approved T-Hangar and Taxilane Development Project.

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

Section 1. The Shelby City Council accepts and desires to enter into the agreement with the N.C. Department of Transportation to receive grant funds for in the amount of \$2,134,773.00 for the T-Hangar and Taxilane Development Project at the Shelby-Cleveland County Regional Airport.

Section 2. The City Manager and City Clerk of the City of Shelby are hereby authorized and directed to execute the agreement as specified and attached to and hereby made a part of this resolution.

Section 3. The City Manager or his designee is hereby authorized to execute modifications, extensions, grant reimbursements and other documents associated with this grant.

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

Adopted and approved this the 19<sup>th</sup> day of November 2018.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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

RESOLUTION NO. 65-2018

**A RESOLUTION ACCEPTING AND ENTERING INTO AN AGREEMENT WITH THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION TO ACCEPT GRANT FUNDING FOR THE SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT GRANT NO. 36237.16.15.1**

**WHEREAS**, Chapter 63 of the North Carolina General Statutes authorizes the Department to administer a program of State Aid to Airports, subject to the limitations stated in that Chapter; and,

**WHEREAS**, the Department has received the approval of the Federal Aviation Administration to administer certain Airport Improvement Program Funds in North Carolina under the provisions of the FAA Modernization and Reform Act of 2012; and,

**WHEREAS**, the Department has approved a grant of funds to the Sponsor under the State Block Grant Program Non-Primary Entitlement funds; and,

**WHEREAS**, a grant in the amount of \$750,000.00 not to exceed 90 percent of the federal share of the final, eligible project costs has been approved subject to the conditions and limitations herein; and,

**WHEREAS**, the grant funding will be used for construction of approved T-Hangar Buildings.

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

Section 1. The Shelby City Council accepts and desires to enter into the agreement with the N.C. Department of Transportation to receive grant funds for in the amount of \$750,000.00 for T-Hangar Buildings at the Shelby-Cleveland County Regional Airport.

Section 2. The City Manager and City Clerk of the City of Shelby are hereby authorized and directed to execute the agreement as specified and attached to and hereby made a part of this resolution.

Section 3. The City Manager or his designee is hereby authorized to execute modifications, extensions, grant reimbursements and other documents associated with this grant.

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

Adopted and approved this the 19<sup>th</sup> day of November 2018.

---

O. Stanhope Anthony III  
Mayor

ATTEST:

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

City of Shelby  
Agenda Item Summary  
November 19, 2018  
City Hall Council Chamber

**Agenda Item: F-2**

- 2) Consideration of a resolution of award for the T-Hangar and Taxilane Development Project at the Shelby-Cleveland County Regional Airport to Anson Contractors: Resolution No. 66-2018

**Unfinished Business Item: (Ben Yarboro, Engineering Services Director)**

Summary of Available Information:

- Memorandum dated November 14, 2018 from Ben Yarboro, Engineering Services Director to Rick Howell, City Manager
- Site Plan
- Bid Tabulation Sheet
- Letter from WK Dickson to Ben Yarboro
- Resolution No. 66-2018

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City Manager's Recommendation / Comments

Resolution No. 66-2018 is presented for City Council consideration at this time as unfinished business. If approved this resolution would award the contract for construction of the described T-Hangar and Taxilane Development Project at the airport to Anson Contractors in the amount of \$3,226,141.95.

***It is my recommendation Resolution No. 66-2018 be adopted and approved by City Council at this time.***

## *Memorandum*

**To:** Rick Howell, City Manager  
**From:** Ben Yarboro, Engineering Services Director *BY*  
**RE:** Shelby-Cleveland County Regional Airport  
 T-Hangar and Taxilane Development Construction Contract  
 Award  
**Date:** November 14, 2018

**Background**

As the Shelby-Cleveland County Regional Airport has seen growth in recent years, the demand for hangar space for based aircraft has dramatically increased. The airport currently has a waiting list of 31 aircraft that was compiled utilizing limited advertising. The construction of T-hangars will allow the City to meet this need and provide additional revenue via monthly hangar rentals, property taxes on aircraft, and an increase in fuel sales. The airport's consultant, W.K. Dickson, completed the design and bidding of a T-Hangar taxilane and hangar construction project (site plan attached for reference). This project consists of:

- Grading and earthwork
- On-site utility extensions
- Asphalt taxilane
- Vehicular parking area
- Two 10-unit hangar buildings
- Restroom facilities in one hangar

It should be noted that the site preparation will allow for the construction of four 10-unit T-hangars even though only two hangars are initially being constructed.

In July 2018 this project was advertised and bids were solicited. A public bid opening was conducted on August 28, 2018, with 5 responsive bid received. A summary of the base bids received is as follows:

<i>Contractor</i>	<i>Base Bid Amount</i>
Anson Contractors	\$3,226,141.95
Eagle Wood Inc.	\$3,702,251.17

Clark Ledbetter Grading & Hauling Inc.	\$3,763,530.50
Two Brothers Utilities, LLC	\$3,754,401.33
Rifenburg Construction	\$5,565,379.00

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:

- Hangar site development: \$2,258,141.95
- Hangar Buildings (Two 10-unit hangars): \$968,000.00
  - Add insulation per bid (for two hangars): \$39,500.00
  - Add gutters and down spouts (for two hangars): \$61,000.00
- Total construction contract: **\$3,326,641.95**

Following a written Notice to Proceed, the contractor will have 180 calendar days to complete the project.

**Recommendations**

W.K. Dickson has reviewed the bid documents and qualifications of the bidder and recommends award of the construction contract for the T-Hangar and Taxilane Development Project to Anson Contractors in the amount of \$3,326,641.95. City staff concurs with this recommendation and has prepared a resolution for the award of this construction contract for City Council consideration.

Please let me know if more information is required.

Attachments:

- T-Hangar Site Plan
- Bid Tabulation by W.K. Dickson
- Recommendation of Award by W.K. Dickson



**BID TABULATION**  
**T-Hanger 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-108	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	330	CY	4.00	1,320.00	8.13	2,682.90	15.00	4,950.00	4.00	1,320.00
4	P-102	Geo-Grid	660	SY	2.50	1,650.00	3.48	2,296.80	3.00	1,980.00	4.00	2,640.00
5	P-105	Temporary Construction Entrance	1	EA	4,000.00	4,000.00	3,484.50	3,484.50	3,000.00	3,000.00	7,500.00	7,500.00
6	P-105	Temporary Inlet Protection	9	EA	205.00	1,845.00	290.38	2,613.42	200.00	1,800.00	125.00	1,125.00
7	P-105	Temporary Rock Pipe Inlet Protection	1	EA	1,050.00	1,050.00	290.38	290.38	500.00	500.00	1,500.00	1,500.00
8	P-105	Temporary Filter Sock	1,181	LF	7.50	8,857.50	5.23	6,176.63	5.00	5,905.00	8.00	9,448.00
9	P-105	Temporary Seals (Mudbed)	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
10	P-105	Erosion Control Mats (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
11	P-105	Temporary Skimmer Basin	1	LS	127,250.00	127,250.00	16,261.00	16,261.00	12,500.00	12,500.00	225,000.00	225,000.00
12	P-105	Temporary Diversion Ditch	1,425	LF	4.00	5,700.00	1.16	1,653.00	3.00	4,275.00	6.00	8,550.00
13	P-105	Rip Out Protection Class B (18" Depth)	32	SY	75.00	2,400.00	232.30	7,433.60	80.00	2,560.00	165.00	5,280.00
14	P-103	Remove Existing Asphalt Pavement	1,776	SY	6.00	10,656.00	6.39	11,348.64	3.00	5,328.00	12.00	21,312.00
15	P-103	Remove Existing Concrete Pavement	425	SY	8.00	3,400.00	9.41	3,989.25	10.00	4,250.00	12.00	5,100.00
16	P-209	Crusher Aggregate Base Course	2,051	CY	62.75	128,700.25	95.24	195,337.24	60.00	123,060.00	90.00	184,590.00
17	P-400	Asphalt Surface Course (S-9.5B)	2,104	TN	139.00	292,456.00	156.80	329,907.20	150.00	315,600.00	150.00	315,600.00
18	P-402	Bluminous Prime Coat	2,380	GL	6.25	14,937.50	6.97	16,658.30	7.00	16,730.00	7.00	16,730.00
19	P-403	Bluminous Top Coat	797	GL	3.85	3,068.45	4.07	3,243.79	4.00	3,188.00	4.00	3,188.00
20	P-410	Portland Cement Concrete (6" Depth)	1,007	SY	61.427	61,427.00	87.11	87,719.77	58.50	59,069.50	63.00	63,441.00
21	P-410	Paving Check	6	EA	150.00	900.00	81.31	487.86	100.00	600.00	80.00	480.00
22	P-410	5" Wide Concrete Sidewalk	122	LF	35.00	4,270.00	26.14	3,189.08	40.00	4,880.00	35.00	4,270.00
23	P-420	ReflectORIZED Pavement Marking (Yellow)	889	SF	4.75	4,218.00	5.23	4,644.24	5.00	4,440.00	6.00	5,328.00
24	P-420	ReflectORIZED Pavement Marking (White)	33	SF	50.00	1,650.00	16.26	536.58	15.00	495.00	15.00	495.00
25	D-201	18" RCP Class IV	1,068	LF	60.00	64,080.00	56.34	60,171.12	50.00	53,400.00	88.00	93,984.00
26	D-201	12" HDPE	260	CY	37.50	7,350.00	29.62	8,005.52	30.00	5,880.00	81.00	15,876.00
27	D-201	Rock Excavation for Pipe Trenching	87	LF	25.00	2,175.00	26.14	2,287.18	125.00	31,250.00	50.00	12,500.00
28	D-201	Remove Existing 18" ChIP	1	EA	750.00	750.00	5.81	505.47	10.00	870.00	15.00	1,305.00
29	D-201	Remove Existing Drop Inlet	9	EA	5,100.00	45,900.00	3,525.15	31,726.35	3,500.00	31,500.00	2,000.00	20,000.00
30	D-201	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-202	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	3,000.00	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	3,000.00	21,300.00	2,500.00	17,750.00
35	F-162	Seeding (Mudbed)	1	LS	48,500.00	48,500.00	81,119.16	81,119.16	30,000.00	30,000.00	47,436.27	47,436.27
36	33.11.00	Water Extension/Service Tie-in, Complete	1	LS	78,000.00	78,000.00	84,032.60	84,032.60	30,750.00	30,750.00	57,401.00	57,401.00
37	33.31.00	Sanitary Sewer Extension/Service Tie-in, Complete	260	CY	25.00	6,500.00	203.26	50,815.00	80.00	20,800.00	50.00	13,000.00
38	31.23.10	Rock Removal	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
39	Spec.	Utility Electrical Installation, Complete	1	LS	75.00	75.00	56.58	56.58	45.00	45.00	40.00	40.00
40	Spec.	Retaining Wall	310	SF	23,250.00	7,207,500.00	17,539.80	5,435,158.80	13,950.00	4,324,500.00	40.00	12,400.00
						<b>2,558,141.95</b>		<b>2,534,420.90</b>		<b>2,793,530.50</b>		<b>2,808,339.27</b>
												<b>3,486,379.00</b>

Clark Leathers Cedar & Hauling, Inc.  
 1808 Camino Rd.  
 Shelby, NC 28152  
 License No. 46245

Two Brothers Utilities, LLC  
 2122 Manley Bridges Rd.  
 Shelby, NC 28152  
 License No. 70994

Eagle Wood Inc.  
 7680 Townsend Drive  
 Denver, NC 28037  
 License No. 12347

Anson Contractors  
 PO Box 796  
 Wadeboro, NC 28770  
 License No. 27511

Rifenburg Construction  
 440 West Barbee St.  
 Zebulon, NC 27597  
 License No. 37580

Schedule I - Total



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

	1	LS	493,000.00	587,433.90	485,000.00	485,000.00	485,000.00	478,155.03	1,062,000.00	1,062,000.00
<b>Schedule II</b>	1.	LS	493,000.00	587,433.90	485,000.00	485,000.00	485,000.00	478,155.03	1,062,000.00	1,062,000.00
	2.	LS	475,000.00	580,396.37	465,000.00	465,000.00	467,907.03	467,907.03	1,017,000.00	1,017,000.00
		<b>Schedule II - Total</b>	<b>968,000.00</b>	<b>1,167,830.27</b>	<b>970,000.00</b>	<b>970,000.00</b>	<b>946,062.06</b>	<b>946,062.06</b>	<b>2,079,000.00</b>	<b>2,079,000.00</b>
<b>Additive Bid Items - Schedule II</b>	1.	EA	19,750.00	13,785.84	7,000.00	7,000.00	16,326.00	16,326.00	18,000.00	18,000.00
	2.	EA	30,500.00	26,684.30	18,000.00	18,000.00	31,507.00	31,507.00	24,000.00	24,000.00
		<b>Total Bid (Schedule I + Schedule II)</b>	<b>3,226,141.95</b>	<b>3,702,251.17</b>	<b>3,763,530.50</b>	<b>3,763,530.50</b>	<b>3,754,401.33</b>	<b>3,754,401.33</b>	<b>5,565,375.00</b>	<b>5,565,375.00</b>

Anson Contractors  
 PO Box 796  
 Wadesboro, NC 28170  
 License No. 27511

Eagle Wood Inc.  
 7680 Townsend Drive  
 Denver, NC 28037  
 License No. 12347

Clark Ledbetter Grading & Hauling, Inc.  
 1806 Gaffney Rd  
 Shelby, NC 28152  
 License No. 48245

Two Brothers Utilities, LLC  
 2122 Manley Bridges Rd  
 Shelby, NC 28152  
 License No. 70904

Rifenburg Construction  
 440 West China St.  
 Zebulon, NC 27587  
 License No. 37580

\*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.





October 10, 2018

Mr. Ben Yarboro, Engineering Services Director  
City of Shelby  
830 College Ave, Highway 150  
Shelby, NC 28152

**RE: T-Hangar and Taxilane Development  
Shelby-Cleveland County Regional Airport  
WKD Project No. 20180207.00.CL  
Bid Tabulation and Recommendation of Award**

Dear Mr. Yarboro:

Enclosed is the Certified Bid Tabulation for the subject project. A summary of the received bids is listed below for the total bid (schedule I + schedule II) + schedule II additive bid items.

	<u>Bid Amounts</u>
<b>Anson Contractors</b>	<b>\$ 3,326,641.95</b>
<b>Eagle Wood Inc.</b>	<b>\$ 3,783,191.45</b>
<b>Clark Ledbetter Grading &amp; Hauling, Inc.</b>	<b>\$ 3,813,530.50</b>
<b>Two Brothers Utilities, LLC</b>	<b>\$ 3,850,067.33</b>
<b>Rifenburg Construction</b>	<b>\$ 5,649,379.00</b>

We have reviewed the bid and qualifications of the bidder. Anson Contractors is on the NCDOT preapproved list and has the proper licenses in the state of North Carolina.

Based on the information we have received at this time and the available funding, we recommend that the City of Shelby award the contract (Schedule I + schedule II + schedule II additive bid items) to Anson Contractors.

**NOTE:** A Notice To Proceed on this project construction is anticipated in November of 2018 and is subject to concurrence with a NTP from NCDOA.

Mr. Ben Yarboro  
October 10, 2018  
Page 2

We appreciate the opportunity to serve as the Project Engineer for the Shelby-Cleveland County Regional Airport on this project and we remain available to answer any questions you may have.

Sincerely,

W.K. Dickson & Co., Inc.



Greg Kershaw, PE  
Technical Manager

Enclosures

**RESOLUTION NO. 66-2018**

**A RESOLUTION OF AWARD FOR THE T-HANGAR AND TAXILANE DEVELOPMENT PROJECT AT THE SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT TO ANSON CONTRACTORS**

**WHEREAS**, the City of Shelby in accordance with North Carolina General Statutes related to the bidding of public construction contracts has solicited bids for qualified contractors to perform work related to construction of the T-Hangar and Taxilane Development Project at the Shelby-Cleveland County Regional Airport; and

**WHEREAS**, a project budget ordinance has been established for the construction of the T-Hangar and Taxilane Development Project; and

**WHEREAS**, City staff in conjunction with W.K. Dickson & Co., Inc. held a public bid opening to accept bids from qualified contractors to perform construction for the above mentioned project; and

**WHEREAS**, five (5) responsive bids was received and the apparent low bidder is Anson Contractors in the amount of \$3,326,641.95 with add alternates included; and

**WHEREAS**, W.K. Dickson & Co., Inc. has reviewed the bid in conjunction with City staff and City staff now recommends to the City Manager and City Council that the contract be awarded to the low bidder, Anson Contractors in the amount of \$3,326,641.95 conditioned on the sections below.

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

Section 1. The City Council of the City of Shelby hereby awards the contract to Anson Contractors for construction of the T-Hangar and Taxilane Development Project at the Shelby-Cleveland County Regional Airport.

Section 2. The City Manager and City Clerk are hereby authorized and directed to execute the applicable contract associated with this project.

Section 3. The City Manager or his designee is hereby authorized to execute change orders, amendments, and other documents associated with this project.

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

Adopted and approved this the 19<sup>th</sup> day of November 2018.

---

O. Stanhope Anthony, III  
Mayor

ATTEST:

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

City of Shelby  
Agenda Item Summary  
November 19, 2018  
City Hall Council Chamber

**Agenda Item: F-3**

- 3) City of Shelby Water Treatment Plant Upgrades Project
  - a. Consideration of a resolution accepting a modified loan from the State of North Carolina (NCDEQ) Drinking Water State Revolving Fund for construction of the Water Treatment Plant Upgrades Project: Resolution No. 67-2018
  - b. Consideration of a budget ordinance amendment for the City of Shelby's Water Treatment Plant Upgrades Project: Ordinance No. 67-2018
  - c. Consideration of a resolution of tentative award for the Water Treatment Plant Upgrades to State Utility Contractors Inc.: Resolution No. 68-2018

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

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Summary of Available Information:

- Memorandums dated November 13, 2018 from David Hux, Water Resources Director to Rick Howell, City Manager
  - Letters from NC Department of State Treasurer and HDR
  - Bid Tabulation Sheets
  - Copies of supporting Resolutions and Ordinances
  - Resolution No. 67-2018
  - Ordinance No. 67-2018
  - Resolution No. 68-2018
- 

City Manager's Recommendation / Comments

Resolution No. 67-2018, Ordinance No. 67-2018 and Resolution No. 68-2018 are presented for City Council consideration as unfinished business. If approved the following would be authorized by each.

If **Resolution No. 67-2018** is approved it would accept a modified loan amount from the State of North Carolina (NCDEQ) Drinking Water State Revolving Fund for construction of the Water Treatment Plant Upgrades Project. The authorized loan amount would increase from the current \$10,285,000 to \$16,427,850. The terms of this loan remain at 20 years and 1.53% interest.

If **Ordinance No. 67-2018** is approved it would amend the current Project Budget Ordinance (PBO) to reflect the updated project cost of \$16,427,850 and recognize the change in the revolving loan fund amount.

If **Resolution No. 68-2018** is approved it would tentatively award a contract for the City of Shelby Water Treatment Plant Modernization Project to State Utility Contractors, Inc. of Monroe, NC in the amount of \$15,106,000 contingent upon the Division of Water Infrastructure issuing an "Authority to Award" letter to the City.

***It is my recommendation Resolution No. 66-2018 be adopted and approved by City Council at this time.***



## Memorandum

**To:** Rick Howell; City Manager  
Justin Merritt; Director of Finance

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

**RE:** **Water Treatment Plant Upgrades --  
Drinking Water State Revolving Fund Revised Loan Acceptance, Project Budget  
Amendment and Tentative Award to State Utility Contractors Inc.**

**Date:** November 13, 2018

### Background:

The City of Shelby owns and operates a 12 million gallon per day (MGD) Water Treatment Plant (Plant) located on Grover Street on the west side of Shelby. The Plant was originally constructed in the 1950's and has been renovated and expanded several times over the years. The last major upgrade of the plant occurred in 1992. Since the upgrade, only smaller projects and repairs have been implemented. The Plant currently produces approximately 5 to 6 MGD, providing water service to residents of Shelby and Boiling Springs.

Since 2008, the City has made significant strides to identify and evaluate both short and long term actions to keep the water plant operational; while also considering the long-term improvements that are needed to fulfill the future water demands as growth occurs.

Over the past few years, the City became more concerned about the water plant structures due to leakage water from the sedimentation basins and finished water clearwells. Construction joints have deteriorated, allowing treated water to leave the basins. An evaluation of the clearwell leakage estimated that well over 500,000 gallons per day of treated water is leaking from the clearwell. This equates to as much as 10% of the daily volume treated. This is critical water loss; however more importantly is the impact that it is having and could have on surrounding structures. The City was required to provide structural reinforcement to the East wing of the water plant a couple of years ago because of wet soils underneath the main control building.

In 2016 HDR of the Carolinas completed a rehabilitation and upgrade evaluation of the water plant identifying a phased approach at completing critical water plant improvements. The first phase of this plan included an estimate of \$10,000,000 of improvements needed. From this evaluation, staff received council approval to seek funding from the State of North Carolina Drinking Water Fund (Resolution 19-2016).

In August of 2017, the City selected HDR of the Carolinas to provide engineering services related to the first phase of the water treatment plant upgrades. After review of the immediate needs, City staff and HDR began design of plant upgrades that included the following:

- Two new clearwells
- New High Service Pump Station
- Structural Improvements to Sedimentation Basin
- Filter Valve Improvements
- Main Water Plant Building Improvements - Structural

Phase I of the Water Treatment Upgrades was advertised for bid on August 27, 2018, with bids being received on September 27, 2018. The lowest responsible bid for this project \$15,106,000.00 exceeding the loan funding of \$10,285,000 from the NC Drinking Water State Revolving Fund.

Based upon discussions with HDR and contractors, the bids were reflective of a volatile construction market that has impacted both labor and materials. As an example, concrete prices for the project have nearly doubled since the construction estimate in 2016.

In consideration of the age of the City’s Water Treatment Plant and issues related to leaking clearwells and aging infrastructure, staff recommended moving forward with this first phase of water plant upgrades and received authorization from council with Resolution 54-2018 to apply for additional funding from the North Carolina Department of Environmental Quality (NCDEQ).

**Review:**

As noted above, the City held the bid opening on September 27, 2018. The City received four (4) bids for the project; however in review of the bid documents it was determined that the contractor with the lowest bid was deemed non-responsive. Therefore, HDR was recommended award of the construction contract to State Utility Contractors, Inc. of Monroe, NC in the amount of \$15,106,000.00.

The City applied for and received a modification of the NCDEQ Division of Water Infrastructure loan from \$10,285,000 to \$16,727,850 at an interest rate of 1.53% per annum. This loan requires a closing fee of \$328,557 that is not including in the financed portion and will have to be transferred from water fund reserves. The Local Government Commission and NCDEQ have both approved the loan modification request.

**Recommendations:**

City staff recommends the following actions:

1. Accept the NCDEQ Drinking Water State Revolving Fund loan in the amount of \$16,427,850.00 for the engineering and construction of the Water Treatment Plant Upgrades Project. This will require the completion of all loan paperwork to NCDEQ for approval and ultimate authority to award construction contracts.
2. Amend the Project Budget Ordinances (14-2017 & 67-2017) to include the following project totals:

Engineering Services	\$ 1,321,849.00	
Construction	\$ 15,106,000.00	
<b>Total:</b>	<b>\$ 15,106,000.00</b>	
Closing Costs (not eligible for loan)	\$ 328,557.00	<i>Transfer from water fund reserves.</i>

3. Authorize the Tentative Award of the construction contract to State Utility Contractors Inc. of Monroe, NC in the amount of \$15,106,000.00. Award of the construction contract will be contingent on the review of project information by NCDEQ, including loan acceptance and review of bid documents. The City would award the contract contingent upon written approval from NCDEQ.

Please let me know if you need additional information.





STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

GREGORY C. GASKINS  
DEPUTY TREASURER

November 6, 2018

The Honorable Mayor  
City of Shelby  
c/o Rick Howell  
City Manager  
300 South Washington Street  
P.O. Box 2307  
Shelby, NC 28151-0207



Re: City of Shelby – Request an Increase of Additional Funds for  
State Revolving Loan - (Original loan was approved on January 9, 2018 in the  
amount of \$10,285,000)

Dear Mayor:

On November 6, 2018 The N.C. Local Government Commission formally approved an increase of  
additional funds for an existing Revolving Loan by \$6,142,850 for a total loan of \$16,427,850.

We are pleased to have had this opportunity to serve you.

Sincerely,

Greg C. Gaskins, Secretary  
Local Government Commission

GCG/aps

cc: Will Shull, P.E.  
HDR Engineering Inc. of the Carolinas

Mark Hubbard, P.E. Assistant Chief  
Division of Water Infrastructure

**STATE OF NORTH CAROLINA  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
DIVISION OF WATER INFRASTRUCTURE**

**Funding Offer and Acceptance**

**Legal Name and Address of Award Recipient (Applicant)**

City of Shelby  
Post Office Box 2307  
Shelby NC 28151-0207

**Project Number:** H-LRX-F-18-1925  
**Project Number:** WIF-1925  
**CFDA Number:** 66.468

<b>Drinking Water</b>	<input checked="" type="checkbox"/>	<b>Additional Amount for</b>	<b>Previous Total</b>	<b>Total Offered</b>
<b>Wastewater</b>	<input type="checkbox"/>	<b>Funding Increases</b>		
State Revolving Fund (SRF)	<input checked="" type="checkbox"/>	\$6,142,850	\$10,285,000	\$16,427,850
State Reserve Loan (SRP)	<input type="checkbox"/>			
State Reserve Grant (SRP)	<input type="checkbox"/>			
State Emergency Loan (SEL)	<input type="checkbox"/>			
Asset Inventory & Assessment Grant (AIA)	<input type="checkbox"/>			
Merger/Regionalization Feasibility Grant (MRF)	<input type="checkbox"/>			

**Project Description:**

*Grover Street WTP Rehabilitation: Rehabilitate the sedimentation basins, chemical-feed systems and main shell building; Replace the clearwells, high-service pumps, and the filter controls (valves, actuators, etc.)*

**Total Financial Assistance Offer:** **\$16,427,850**  
**Total Project Cost:** **\$16,427,850**  
**Estimated Total Closing Fee\*:** **\$328,557**  
*For Loans*  
**Principal Forgiveness:** **\$ - 0 -**  
**Interest Rate:** **1.53% Per Annum**  
**Maximum Loan Term:** **20 Years**


*\*Estimate closing fee calculated based on the loan amount.*

Pursuant to North Carolina General Statute 159G:

- The applicant is eligible under Federal and State law,
- The project is eligible under Federal and State law, and
- The project has been approved by the Department of Environmental Quality as having sufficient priority to receive financial assistance,

The Department of Environmental Quality, acting on behalf of the State of North Carolina, hereby offers the financial assistance described in this document.

For the State of North Carolina: **Kim H. Colson, P.E., Director, Division of Water Infrastructure**  
**North Carolina Department of Environmental Quality**

	11/13/18
Signature	Date

On Behalf of: **City of Shelby**  
Name of Representative in Resolution: **Mr. Rick Howell**  
Title (Type or Print): **City Manager**

I, the undersigned, being duly authorized to take such action, as evidenced by the attached CERTIFIED COPY OF AUTHORIZATION BY THE APPLICANT'S GOVERNING BODY, do hereby accept this Financial Award Offer and will comply with the Assurances and the Standard Conditions.

Signature	Date

## STANDARD CONDITIONS FOR FEDERAL SRF LOANS

1. The following “super cross-cutters” apply to SRF projects and may be found in the Public Policy Requirements section of the EPA General Terms and Conditions for each year’s appropriation. This document can be found at [www.epa.gov/ogd/tc.htm](http://www.epa.gov/ogd/tc.htm). Please note that nothing is submitted to the State’s SRF program offices regarding compliance with these items.
  - (a) Title VI of the Civil Rights Act of 1964
  - (b) Section 504 of the Rehabilitation Act of 1973
  - (c) The Age Discrimination Act of 1975
  - (d) Section 13 of the Federal Water Pollution Control Act Amendments of 1972
2. Acquisition of Real Property must comply with all applicable provisions of the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (PL 92-646), as amended. The Applicant shall certify it has or will have a fee simple, or such other estate or interest in the site of the project, including necessary easements and rights-of-way, to assure undisturbed use and possession for purposes of construction and operation for the estimated life of the project using a certification form provided by the Department of Environmental Quality (DEQ).
3. Specific MBE/WBE “disadvantaged businesses enterprise” (DBE) forms and instructions are provided, which are to be included in the contract specifications. These forms will assist with documenting positive efforts made by the Applicant, their consultant(s) and contractor(s) to utilize DBEs. Such efforts should allow DBEs the maximum feasible opportunity to compete for subagreements and subcontracts to be performed. Documentation of efforts made to utilize DBE firms must be maintained by the Applicant and their construction contractor(s), and made available upon request.
4. The Applicant shall comply fully with Subpart C of the Code of Federal Regulations (CFR), Chapter 2, Part 180, entitled, “Responsibilities of Participants Regarding Transactions Doing Business with Other Persons,” as implemented and supplemented by 2 CFR Part 1532. The Applicant is responsible for ensuring that any lower-tier covered transaction, as described in Subpart B of 2 CFR Part 180, entitled “Covered Transactions,” includes a term or condition requiring compliance with Subpart C. The Applicant is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower-tier covered transactions. The Applicant may access suspension and debarment information at: <http://www.sam.gov>. This system allows applicants to perform searches determining whether an entity or individual is excluded from receiving Federal assistance.
5. The construction contract(s) require(s) the contractor to adhere to the Davis-Bacon and Related Acts Provisions and Procedures, as listed in the Code of Federal Regulations, Chapter 29, Part 5, Section 5 (29 CFR 5.5). Public Law pertaining to this is also enacted in Title 40, United States Code, Subtitle II Section 3141 through Section 3148.
6. As required by H.R. 3547, “Consolidated Appropriations Act, 2014” Section 436, Division G, Title IV, this project is subject to the federal “American Iron-and-Steel” provisions. The State provides detailed requirements, to be included in the construction contract specifications.

**ASSURANCES**

1. The Applicant intends to construct the project, or cause it to be constructed to final completion, in accordance with the Application approved for financial assistance by the Division of Water Infrastructure. The Applicant acknowledges that in the event a milestone contained within the most recent Drinking Water State Revolving Fund Intended Use Plan and/or the Letter of Intent to Fund is missed, the Department of Environmental Quality will rescind this Funding Award Offer.
2. The Applicant is responsible for paying for those costs that are ineligible for SRF funding.
3. The construction of the project, including the letting of contracts in connection therewith, conforms to the applicable requirements of State and local laws and ordinances.
4. As of the acceptance of this Funding Award Offer, Steps "A-D" in the "North Carolina SRF Program Overview and Guidance" (SRF Guidance Document enclosed with the Funding Award Offer) will be complete. These Assurances, likewise, incorporate the most recent version of the SRF Guidance Document, and the Applicant hereby certifies by accepting this Funding Award Offer that it will adhere to the subsequent steps in the SRF Guidance Document. The remaining steps generally govern project design, bidding, contracting, inspection, reimbursements, close-out and repayment.
5. The Applicant will provide and maintain adequate engineering supervision and inspection.
6. The Applicant agrees to establish and maintain a financial management system that adequately accounts for revenues and expenditures. Adequate accounting and fiscal records will be maintained during the construction of the project, and these records will be retained and made available for a period of at least three (3) years following completion of the project.
7. All SRF funds loaned shall be expended solely for carrying out the approved project, and an audit shall be performed in accordance with G.S. 159-34. Partial disbursements on this loan will be made promptly upon request, subject to adequate documentation of incurred eligible costs, and subject to the Applicant's compliance with the "Standard Conditions" of this Funding Award Offer. The Applicant agrees to make prompt payment to its contractor, and to retain only such amount as allowed by North Carolina General Statute.
8. The Applicant will expend all the requisitioned funds for the purpose of paying the costs of the project within three (3) banking days following the receipt of the funds from the State. Please note the State is not a party to the construction contract(s) and the Applicant is expected to uphold its contract obligations regarding timely payment.

**Acknowledgement of Standard Conditions and Assurances**

The Applicant hereby gives assurance to the Department of Environmental Quality that the declarations, assurances, representations, and statements made by the Applicant in the Application; and all documents, amendments, and communications filed with the Department of Environmental Quality by the Applicant in support of its request for financial assistance, will be fulfilled.

.....  
Signature

.....  
Date

**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**

**WHEREAS**, the City of Shelby has applied for and accepted a loan from the State of North Carolina Drinking Water State Revolving Fund in the amount of \$10,285,000 for the design and construction of Water Treatment Plant Upgrades; and,

**WHEREAS**, the City of Shelby has designed, valued engineered to reduce costs, and bid a project entitled the Water Treatment Plant Upgrades and has held a competitive public bid opening on September 27, 2018 consistent with the applicable North Carolina General Statutes for bidding of public construction contracts, and;

**WHEREAS**, the City of Shelby received bids from four (4) qualified contractors for the completion of the Water Treatment Upgrades; and,

**WHEREAS**, the City's consulting engineer, HDR Engineering of the Carolinas and the City have reviewed the bids with the lowest responsive bid being in amount of \$15,069,000.00; and,

**WHEREAS**, the North Carolina Drinking Water Loan from the State Revolving Fund is not enough to cover the applicable costs associated with the Design and construction; and,

**WHEREAS**, the City of Shelby intends to request a loan modification from the North Carolina Drinking Water State Revolving Fund.

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

Section 1. The City of Shelby will arrange additional financing by requesting a modification of the current \$10,285,000 (1.53%) loan from Drinking Water State Revolving Fund.

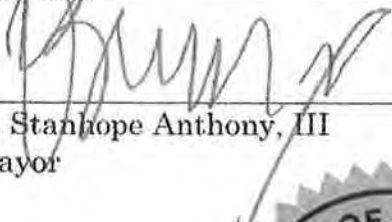
Section 2. The City Manager of the City of Shelby, or his designee, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State Agency may request in connection with such application or the project; and to execute such other documents as may be required in connection with this application.

Resolution No. 54-2018  
October 1, 2018  
Page 2

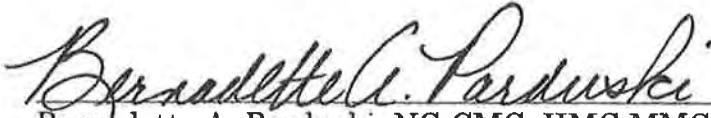
Section 3. The City of Shelby has substantially complied or will substantially comply with all Federal, State and local laws, rules, regulations and ordinances applicable to the project and to the Federal and State grants and loans pertaining thereto.

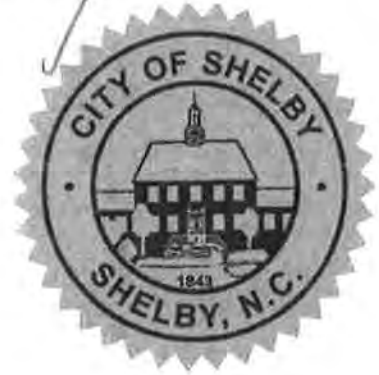
Section 4. This resolution shall become effective upon its adoption and approval.

Adopted and approved this the 1<sup>st</sup> day of October 2018.

  
\_\_\_\_\_  
O. Stanhope Anthony, III  
Mayor

ATTEST:

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



**RESOLUTION NO. 8-2018**

**A RESOLUTION ACCEPTING A STATE REVOLVING LOAN  
FOR THE CONSTRUCTION OF THE CITY OF SHELBY  
GROVER STREET WATER TREATMENT PLANT PROJECT**

**WHEREAS**, the Safe Drinking Water Act Amendments of 1996 and the North Carolina Water Infrastructure Fund have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction for eligible drinking water infrastructure, and;

**WHEREAS**, the North Carolina Department of Environmental Quality has offered a Drinking Water State Revolving Fund Loan in the amount of \$10,285,000 for the construction of the City of Shelby Grover Street Water Treatment Plant Rehabilitation Project, and;

**WHEREAS**, the City of Shelby intends to construct said project in accordance with the engineering plans and specifications that have been or will have been approved by the North Carolina Public Water Supply Section.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHELBY:**

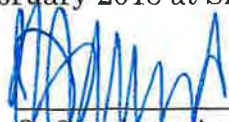
Section 1. The City of Shelby does hereby accept the Drinking Water State Revolving Fund Loan of \$10,285,000.

Section 2. The City of Shelby does hereby give assurance to the North Carolina Department of Environmental Quality that they will adhere to all applicable items specified in the standard "Conditions" and "Assurances" of the Department's funding offer, awarded in the form of Drinking Water State Revolving Fund Loan.


Section 3. The City Manager of the City of Shelby, or his designee, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

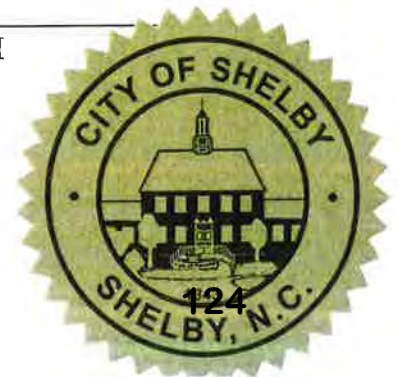
Section 4. The City of Shelby has substantially complied or will substantially comply with all Federal, State and local laws, rules, regulations, and ordinances applicable to the project and to the Federal and State grants and loans pertaining thereto.

Adopted and approved this 19<sup>th</sup> day of February 2018 at Shelby, North Carolina.

  
\_\_\_\_\_  
O. Stanhope Anthony III  
Mayor

ATTEST:

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



## RESOLUTION NO. 67-2018

### **A RESOLUTION ACCEPTING A MODIFIED LOAN FROM THE STATE OF NORTH CAROLINA (NCDEQ) DRINKING WATER STATE REVOLVING FUND FOR CONSTRUCTION OF THE WATER TREATMENT PLANT UPGRADES**

**WHEREAS**, the Federal Clean Water Act of 1987 and the North Carolina Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in the financing the cost of construction of water treatment system upgrades, and;

**WHEREAS**, the City of Shelby has need for and intends to significantly improve its water treatment plant, and;

**WHEREAS**, the City of Shelby applied and accepted a loan in the amount of \$10,285,000 from the State of North Carolina Drinking Water State Revolving Fund Program for Water Treatment Plant Upgrades in February 2018;

**WHEREAS**, the City of Shelby utilized HDR of the Carolinas for the design of the Water Treatment Plant Upgrades;

**WHEREAS**, the bids for the Water Treatment Plant Upgrades exceeded the approved loan amount of \$10,285,000;

**WHEREAS**, the City of Shelby requested approval to modify the loan from the State of North Carolina Drinking Water SRF Fund Program;

**WHEREAS**, the City of Shelby has received the loan modification approval from the State of North Carolina DEQ and the State of North Carolina Local Government Commission in the amount of \$16,427,849.

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

Section 1. The City of Shelby does hereby accept the modified the North Carolina Drinking Water State Revolving Fund Loan in the amount of \$16,427,849.00.

Section 2. The City of Shelby does hereby give assurance to the North Carolina Department of Environmental Quality that they will adhere to all applicable items specified in the standard "Conditions and "Assurances" of the Department's funding offer, awarded in the form of the Drinking Water State Revolving Fund Loan.

Section 3. The City Manager of the City of Shelby, or his designee, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with the acceptance of the North Carolina Infrastructure Finance Section of NCDEQ loan of the project described above.



Resolution No. 67-2018  
November 19, 2018  
Page 2

Section 4. The City of Shelby has substantially complied or will substantially comply with all Federal, State and local laws, rules, regulations and ordinances applicable to this project and to the Federal and State grants and loans pertaining thereto.

Adopted and approved this the 19<sup>h</sup> day of November 2018.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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



## Memorandum

**To:** Rick Howell; City Manager  
Justin Merritt; Director of Finance

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

**RE:** **Water Treatment Plant Upgrades --  
Drinking Water State Revolving Fund Revised Loan Acceptance, Project Budget  
Amendment and Tentative Award to State Utility Contractors Inc.**

**Date:** November 13, 2018

### Background:

The City of Shelby owns and operates a 12 million gallon per day (MGD) Water Treatment Plant (Plant) located on Grover Street on the west side of Shelby. The Plant was originally constructed in the 1950's and has been renovated and expanded several times over the years. The last major upgrade of the plant occurred in 1992. Since the upgrade, only smaller projects and repairs have been implemented. The Plant currently produces approximately 5 to 6 MGD, providing water service to residents of Shelby and Boiling Springs.

Since 2008, the City has made a significant strides to identify and evaluate both short and long term actions to keep the water plant operational; while also considering the long-term improvements that are needed to fulfill the future water demands as growth occurs.

Over the past few years, the City became more concerned about the water plant structures due to leakage water from the sedimentation basins and finished water clearwells. Construction joints have deteriorated, allowing treated water to leave the basins. An evaluation of the clearwell leakage estimated that well over 500,000 gallons per day of treated water is leaking from the clearwell. This equates to as much as 10% of the daily volume treated. This is critical water loss; however more importantly is the impact that it is having and could have on surrounding structures. The City was required to provide structural reinforcement to the East wing of the water plant a couple of years ago because of wet soils underneath the main control building.

In 2016 HDR of the Carolinas completed a rehabilitation and upgrade evaluation of the water plant identifying a phased approach at completing critical water plant improvements. The first phase of this plan included an estimate of \$10,000,000 of improvements needed. From this evaluation, staff received council approval to seek funding from the State of North Carolina Drinking Water Fund (Resolution 19-2016).

In August of 2017, the City selected HDR of the Carolinas to provide engineering services related to the first phase of the water treatment plant upgrades. After review of the immediate needs, City staff and HDR began design of plant upgrades that included the following:

- Two new clearwells
- New High Service Pump Station
- Structural Improvements to Sedimentation Basin
- Filter Valve Improvements
- Main Water Plant Building Improvements - Structural

Phase I of the Water Treatment Upgrades was advertised for bid on August 27, 2018, with bids being received on September 27, 2018. The lowest responsible bid for this project \$15,106,000.00 exceeding the loan funding of \$10,285,000 from the NC Drinking Water State Revolving Fund.

Based upon discussions with HDR and contractors, the bids were reflective of a volatile construction market that has impacted both labor and materials. As an example, concrete prices for the project have nearly doubled since the construction estimate in 2016.

In consideration of the age of the City’s Water Treatment Plant and issues related to leaking clearwells and aging infrastructure, staff recommended moving forward with this first phase of water plant upgrades and received authorization from council with Resolution 54-2018 to apply for additional funding from the North Carolina Department of Environmental Quality (NCDEQ).

**Review:**

As noted above, the City held the bid opening on September 27, 2018. The City received four (4) bids for the project; however in review of the bid documents it was determined that the contractor with the lowest bid was deemed non-responsive. Therefore, HDR was recommended award of the construction contract to State Utility Contractors, Inc. of Monroe, NC in the amount of \$15,106,000.00.

The City applied for and received a modification of the NCDEQ Division of Water Infrastructure loan from \$10,285,000 to \$16,727,850 at an interest rate of 1.53% per annum. This loan requires a closing fee of \$328,557 that is not including in the financed portion and will have to be transferred from water fund reserves. The Local Government Commission and NCDEQ have both approved the loan modification request.

**Recommendations:**

City staff recommends the following actions:

1. Accept the NCDEQ Drinking Water State Revolving Fund loan in the amount of \$16,427,850.00 for the engineering and construction of the Water Treatment Plant Upgrades Project. This will require the completion of all loan paperwork to NCDEQ for approval and ultimate authority to award construction contracts.
2. Amend the Project Budget Ordinances (14-2017 & 67-2017) to include the following project totals:

Engineering Services	\$ 1,321,849.00	
Construction	\$ 15,106,000.00	
<b>Total:</b>	<b>\$ 15,106,000.00</b>	
Closing Costs (not eligible for loan)	\$ 328,557.00	<i>Transfer from water fund reserves.</i>

3. Authorize the Tentative Award of the construction contract to State Utility Contractors Inc. of Monroe, NC in the amount of \$15,106,000.00. Award of the construction contract will be contingent on the review of project information by NCDEQ, including loan acceptance and review of bid documents. The City would award the contract contingent upon written approval from NCDEQ.

Please let me know if you need additional information.

ORDINANCE NO. 67-2017

A BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S  
WATER TREATMENT PLANT UPGRADE 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 Water Treatment Plant Upgrade 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. 14-2017, the City's Water Treatment Plant Upgrade Project, is hereby amended as follows to provide for Budget Amendment No. 1 for said project:

**Water Treatment Plant Upgrade Project**

(1) The following Water Fund Cap. Project Revenues are amended by the City:

Proceeds From Financing 61106000-38001-61836	\$600,000
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(2) The following Water Fund Cap. Project Expenditures are amended by the City:

Engineering 611716-42004-61836	\$600,000
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Section 2. That the revenues, expenditures and amendments set forth in Section 1 of this ordinance are hereby summarized as follows:

**Water Treatment Plant Upgrade Project**

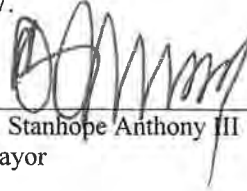
	<u>Current Budget</u>	<u>Amendment No. 1</u>
<b>Revenues</b>		
Transferred from Water Fund	\$ 35,000	\$ 35,000
Proceeds from Financing	\$ -0-	\$ 600,000
<b>Expenditures</b>		
Engineering	\$ 35,000	\$ 635,000

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.

Ordinance No. 67-2017  
October 16, 2017  
Page 2

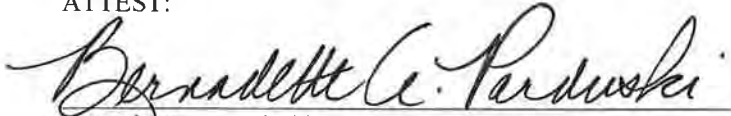
Adopted and approved this the 16th day of October 2017.



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O. Stanhope Anthony III  
Mayor

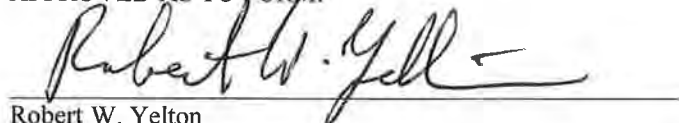
ATTEST:



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

APPROVED AS TO FORM:



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Robert W. Yelton  
City Attorney



ORDINANCE NO. 14-2017

AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGETS FOR THE CITY OF SHELBY'S WATER TREATMENT PLANT UPGRADE 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 budgets for the City of Shelby's Water Treatment Plant Upgrade Project; and

WHEREAS, it is necessary for the City to establish a budget for this capital project and appropriate applicable funds needed for the administration and construction of 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 the construction of a capital asset such water utility infrastructure, by way of a capital project ordinance providing the necessary balanced 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 has identified a need to make improvements to its water treatment plant located on Grover Street. Accordingly, the following budget modifications are approved in accordance with the chart of accounts heretofore established for the City of Shelby.

Section 1. Appropriating Fund Balance:

Fund Balance Appropriated	61006000-39900	\$35,000
Transfer to Water Capital Projects	610711-49611	\$35,000

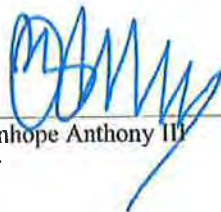
Section 2. The following revenues are available and amounts are hereby appropriated:

Revenues:		
Transferred from Water Fund	61106000-39610-61836	\$35,000
Appropriation:		
Engineering	611716-42004-61836	\$35,000

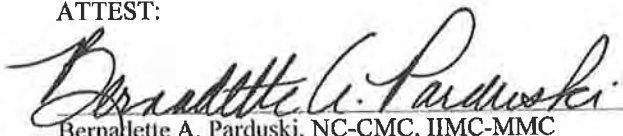
Section 3. The provisions of this capital project ordinance shall be entered in the minutes of the Shelby City Council and copies filed with the City Manager as Budget Officer, the Finance Director, and the City Clerk for their direction and guidance in receiving revenues and expending the monies due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

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

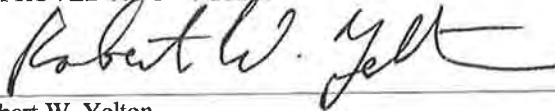
Adopted and approved this the 6th day of March 2017.

  
\_\_\_\_\_  
O. Stanhope Anthony III  
Mayor

ATTEST:

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

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Robert W. Yelton  
City Attorney

ORDINANCE NO. 67-2018

A BUDGET ORDINANCE AMENDMENT FOR THE CITY OF SHELBY'S  
WATER TREATMENT PLANT UPGRADE 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 Water Treatment Plant Upgrade 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. 14-2017, the City's Water Treatment Plant Upgrade Project, is hereby amended as follows to provide for Budget Amendment No. 2 for said project

**Appropriating Fund Balance:**

Fund Balance Appropriated	61006000-39900	\$ 462,557
Transfer to Water Capital Projects	610711-49611	\$ 462,557

**Water Treatment Plant Upgrade Project**

(1) The following Water Fund Cap. Project Revenues are amended by the City:

Proceeds From Financing	61106000-38001-61836	\$15,827,850
Transferred From Water Fund	61106000-39610-61836	\$ 462,557

(2) The following Water Fund Cap. Project Expenditures are amended by the City:

Financial Management	611716-42002-61836	\$ 328,557
Engineering	611716-42004-61836	\$ 686,850
Land	611716-52000-61836	\$ 169,000
Construction	611716-53000-61836	\$15,106,000

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

**Water Treatment Plant Upgrade Project**

	<u>Current Budget</u>	<u>Amendment No. 2</u>
<b>Revenues</b>		
Transferred from Water Fund	\$ 35,000	\$ 497,557
Proceeds from Financing	\$ 600,000	\$16,427,850



**Expenditures**

Financial Management	\$ -0-	\$ 328,557
Engineering	\$ 635,000	\$ 1,321,850
Land	\$ -0-	\$ 169,000
Construction	\$ -0-	\$15,106,000

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 19th day of November 2018.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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

APPROVED AS TO FORM:

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Robert W. Yelton  
City Attorney

## Memorandum

**To:** Rick Howell; City Manager  
Justin Merritt; Director of Finance

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

**RE:** **Water Treatment Plant Upgrades --  
Drinking Water State Revolving Fund Revised Loan Acceptance, Project Budget  
Amendment and Tentative Award to State Utility Contractors Inc.**

**Date:** November 13, 2018

### Background:

The City of Shelby owns and operates a 12 million gallon per day (MGD) Water Treatment Plant (Plant) located on Grover Street on the west side of Shelby. The Plant was originally constructed in the 1950's and has been renovated and expanded several times over the years. The last major upgrade of the plant occurred in 1992. Since the upgrade, only smaller projects and repairs have been implemented. The Plant currently produces approximately 5 to 6 MGD, providing water service to residents of Shelby and Boiling Springs.

Since 2008, the City has made a significant strides to identify and evaluate both short and long term actions to keep the water plant operational; while also considering the long-term improvements that are needed to fulfill the future water demands as growth occurs.

Over the past few years, the City became more concerned about the water plant structures due to leakage water from the sedimentation basins and finished water clearwells. Construction joints have deteriorated, allowing treated water to leave the basins. An evaluation of the clearwell leakage estimated that well over 500,000 gallons per day of treated water is leaking from the clearwell. This equates to as much as 10% of the daily volume treated. This is critical water loss; however more importantly is the impact that it is having and could have on surrounding structures. The City was required to provide structural reinforcement to the East wing of the water plant a couple of years ago because of wet soils underneath the main control building.

In 2016 HDR of the Carolinas completed a rehabilitation and upgrade evaluation of the water plant identifying a phased approach at completing critical water plant improvements. The first phase of this plan included an estimate of \$10,000,000 of improvements needed. From this evaluation, staff received council approval to seek funding from the State of North Carolina Drinking Water Fund (Resolution 19-2016).

In August of 2017, the City selected HDR of the Carolinas to provide engineering services related to the first phase of the water treatment plant upgrades. After review of the immediate needs, City staff and HDR began design of plant upgrades that included the following:

- Two new clearwells
- New High Service Pump Station
- Structural Improvements to Sedimentation Basin
- Filter Valve Improvements
- Main Water Plant Building Improvements - Structural

Phase I of the Water Treatment Upgrades was advertised for bid on August 27, 2018, with bids being received on September 27, 2018. The lowest responsible bid for this project \$15,106,000.00 exceeding the loan funding of \$10,285,000 from the NC Drinking Water State Revolving Fund.

Based upon discussions with HDR and contractors, the bids were reflective of a volatile construction market that has impacted both labor and materials. As an example, concrete prices for the project have nearly doubled since the construction estimate in 2016.

In consideration of the age of the City's Water Treatment Plant and issues related to leaking clearwells and aging infrastructure, staff recommended moving forward with this first phase of water plant upgrades and received authorization from council with Resolution 54-2018 to apply for additional funding from the North Carolina Department of Environmental Quality (NCDEQ).

**Review:**

As noted above, the City held the bid opening on September 27, 2018. The City received four (4) bids for the project; however in review of the bid documents it was determined that the contractor with the lowest bid was deemed non-responsive. Therefore, HDR was recommended award of the construction contract to State Utility Contractors, Inc. of Monroe, NC in the amount of \$15,106,000.00.

The City applied for and received a modification of the NCDEQ Division of Water Infrastructure loan from \$10,285,000 to \$16,727,850 at an interest rate of 1.53% per annum. This loan requires a closing fee of \$328,557 that is not including in the financed portion and will have to be transferred from water fund reserves. The Local Government Commission and NCDEQ have both approved the loan modification request.

**Recommendations:**

City staff recommends the following actions:

1. Accept the NCDEQ Drinking Water State Revolving Fund loan in the amount of \$16,427,850.00 for the engineering and construction of the Water Treatment Plant Upgrades Project. This will require the completion of all loan paperwork to NCDEQ for approval and ultimate authority to award construction contracts.
2. Amend the Project Budget Ordinances (14-2017 & 67-2017) to include the following project totals:

Engineering Services	\$ 1,321,849.00	
Construction	\$ 15,106,000.00	
<b>Total:</b>	<b>\$ 15,106,000.00</b>	
Closing Costs (not eligible for loan)	\$ 328,557.00	<i>Transfer from water fund reserves.</i>

3. Authorize the Tentative Award of the construction contract to State Utility Contractors Inc. of Monroe, NC in the amount of \$15,106,000.00. Award of the construction contract will be contingent on the review of project information by NCDEQ, including loan acceptance and review of bid documents. The City would award the contract contingent upon written approval from NCDEQ.

Please let me know if you need additional information.



November 13, 2018

David Hux  
City of Shelby  
824 West Grover Street  
Shelby, NC 28150

RE: City of Shelby WTP – Upgrades Project Recommendation of Award

Dear Mr. Hux:

We have reviewed and evaluated the bids received on Thursday, September 27, 2018 for the above referenced project. Four (4) bids were received by the City of Shelby, with their total bid prices as shown below. A certified bid tab, which includes a detailed breakdown of each bid received, is attached.

<u>Bidder</u>	<u>Total Bid Price</u>
<sup>1</sup> Haren Construction Company	\$15,069,000.00
State Utility Contractors, Inc.	\$15,106,000.00
Wharton-Smith, Inc.	\$15,155,120.00
MB Kahn Construction	\$15,574,120.00

<sup>1</sup>Bidder was determined to be non-responsive after an inspection of their submitted bid documents did not comply with the requirements of NC GS 143-128, as a plumbing sub-contractor was not listed.

The lowest responsive bid was submitted by State Utility Contractors, Inc. as determined with or without the inclusion of any combination of Bid Alternate Deducts or Additions. Based upon our review and evaluation of the qualifications, references, experience, reputation and financial condition of State Utility Contractors, Inc., its surety (Hartford Accident and Indemnity Company), we believe they are capable of completing the work required.

As noted in the attached, State Utility Contractors, Inc. submitted all required forms and there were no irregularities found. Based on the above and attached, we recommend the award of a contract for construction of the City of Shelby WTP Upgrades project to State Utility Contractors, Inc., in the total amount of \$15,106,000.00.

If you should have any questions or require any additional information, please do not hesitate to contact us.

Sincerely,

HDR Engineering, Inc. of the Carolinas

A handwritten signature in blue ink that reads "Will Shull". The signature is written in a cursive, slightly slanted style.

Will Shull, PE  
*Project Manager*

cc: Bob Rella, HDR  
Mary Knosby, HDR



**Bid Tabulation Sheet Summary**  
**Shelby Water Treatment Plant Upgrades Project**  
 Bids Received September 27 at 2:00 p.m.



Item No.	Description	Estimated Quantity	Unit	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
<b>Base Bid Price for Contract</b>											
A	Lump Sum Bid Price - Sedimentation Basin (Series 25)	1	LS	\$ 20,000.00	\$ 20,000.00	\$ 25,000.00	\$ 25,000.00	\$ 32,500.00	\$ 32,500.00	\$ 90,000.00	\$ 80,000.00
B	Lump Sum Bid Price - Filters (Series 30)	1	LS	\$ 400,000.00	\$ 400,000.00	\$ 700,000.00	\$ 700,000.00	\$ 700,000.00	\$ 700,000.00	\$ 3,100,000.00	\$ 3,100,000.00
C	Lump Sum Bid Price - Cleanwells and Valve Vault (Series 35)	1	LS	\$ 4,200,000.00	\$ 4,200,000.00	\$ 5,300,000.00	\$ 5,300,000.00	\$ 5,200,000.00	\$ 5,200,000.00	\$ 5,120,000.00	\$ 5,120,000.00
D	Lump Sum Bid Price - High Service Pump Station (Series 40)	1	LS	\$ 4,730,280.00	\$ 4,730,280.00	\$ 6,000,000.00	\$ 6,000,000.00	\$ 5,500,000.00	\$ 5,500,000.00	\$ 3,400,000.00	\$ 3,400,000.00
E	Lump Sum Bid Price - Main Control Building (Series 55)	1	LS	\$ 900,000.00	\$ 900,000.00	\$ 400,000.00	\$ 400,000.00	\$ 400,000.00	\$ 400,000.00	\$ 1,250,000.00	\$ 1,250,000.00
F	Lump Sum Bid Price for All Other Work	1	LS	\$ 4,200,000.00	\$ 4,200,000.00	\$ 1,652,380.00	\$ 1,652,380.00	\$ 2,242,000.00	\$ 2,242,000.00	\$ 1,600,000.00	\$ 1,600,000.00
G	Lump Sum Cash Allowance (Instrumentation and Integration - Refer to Attachment)	1	LS	\$ 386,620.00	\$ 386,620.00	\$ 386,620.00	\$ 386,620.00	\$ 386,620.00	\$ 386,620.00	\$ 386,620.00	\$ 386,620.00
H	Lump Sum Contingency Allowance	1	LS	\$ 600,000.00	\$ 600,000.00	\$ 600,000.00	\$ 600,000.00	\$ 600,000.00	\$ 600,000.00	\$ 600,000.00	\$ 600,000.00
I	<b>Total Lump Sum Bid Price (A+B+C+D+E+F+G+H)</b>			\$ 15,035,900.00	\$ 15,035,900.00	\$ 15,074,000.00	\$ 15,074,000.00	\$ 15,061,120.00	\$ 15,061,120.00	\$ 15,536,620.00	\$ 15,536,620.00
J	Construction Debris Removal and Disposal	500	CY	\$ 40.00	\$ 20,000.00	\$ 30.00	\$ 15,000.00	\$ 150.00	\$ 75,000.00	\$ 35.00	\$ 17,500.00
K	Placement of Suitable Soil	400	CY	\$ 19.90	\$ 7,960.00	\$ 30.00	\$ 12,000.00	\$ 35.00	\$ 14,000.00	\$ 35.00	\$ 14,000.00
L	Import and Placement of No. 57 Stone	100	CY	\$ 45.00	\$ 4,500.00	\$ 50.00	\$ 5,000.00	\$ 50.00	\$ 5,000.00	\$ 60.00	\$ 6,000.00
M	<b>Total Unit Price Items (J+K+L)</b>			\$ 32,160.00	\$ 32,160.00	\$ 32,000.00	\$ 32,000.00	\$ 54,000.00	\$ 54,000.00	\$ 37,500.00	\$ 37,500.00
<b>Total Base Bid Price (I+M)</b>				\$	\$ 15,069,000.00	\$	\$ 15,106,000.00	\$	\$ 15,155,120.00	\$	\$ 15,574,120.00

CONTRACTOR: **Raren Construction Company, Inc.**  
 ADDRESS: 1715 Highway 411 North  
 Elbow, TN  
 PHONE: (423) 263-5581  
 FAX:  
 LICENSE #: 7770  
 TYPE: General Contractor  
 STATUS: Active  
 CLASSIFICATION: Unclassified/Inhibited

**State Utility Contractors, Inc.**  
 1417 Old Charlotte Highway  
 Monroe, NC 28111-5018  
 (704) 288-6400  
 17793  
 General Contractor  
 Active  
 Unclassified/Inhibited

**Wharton-Smith, Inc.**  
 5901 Seventy Seven Center Drive, Sulls 120  
 Charlotte, NC 28217  
 (704) 525-5685 ext 301  
 38755  
 General Contractor  
 Active  
 Unclassified/Building, PU (Water Lines & Sewer Lines), PU (Water Pwr. & Sewage Disp)

**ME Kahn Construction**  
 101 Flintlake Road  
 Columbia, SC 29223  
 (903) 227-1240  
 1425  
 General Contractor  
 Active  
 Unclassified/Building, PU (Water Lines & Sewer Lines), PU (Water Pwr. & Sewage Disp)

**Bid Tabulation Sheet Summary**  
**Shelby Water Treatment Plant Upgrades Project**  
 Bids Received September 27 at 2:00 p.m.



CONTRACTOR: Haren Construction Company, Inc. ADDRESS: 1715 Highway 411 North Elowah, TN PHONE: (423) 263-5561 FAX: LICENSE #: 7770 TYPE: General Contractor STATUS: Active CLASSIFICATION: Unclassified/Unlimited		State Utility Contractors, Inc. 4417 Old Charlotte Highway Moores, NC 28111-5019 (704) 289-6400 17793 General Contractor Active Unclassified/Unlimited		Marion-Smith, Inc. 5901 Seventy Seven Center Drive, Suite 120 Charlotte, NC 28217 (704) 625-5695 ext 301 39755 General Contractor Active Unimproved Building, PU (Water Lines & Sewer Lines); PU (Water Pur. & Sewage Disp)		MB Kahn Construction 101 Finlake Road Columbia, SC 29223 (803) 227-1240 1425 General Contractor Active Unimproved Building, PU (Water Lines & Sewer Lines); PU (Water Pur. & Sewage Disp)	
		Amount	Amount	Amount	Amount	Amount	Amount
<b>Bid Alternates</b>							
A	Bid Alternate 1 - Filter Effluent Butterfly Valves	\$ 60,000.00	\$ 34,000.00	\$ 27,000.00	\$ 30,000.00		
B	Bid Alternate 2 - Filter Backwash Supply Butterfly Valves	\$ 80,000.00	\$ 145,000.00	\$ 53,000.00	\$ 160,000.00		
C	Bid Alternate 3 - Shotcrete Baffle Wall	\$ 500,000.00	\$ 525,000.00	\$ 590,000.00	\$ 515,000.00		
<b>Preferred Brand Alternates</b>							
Description		Base Bid Equipment Mfr	Addition/Deduction to Base Bid for Preferred Brand Alternative	Base Bid Equipment Mfr	Addition/Deduction to Base Bid for Preferred Brand Alternative	Base Bid Equipment Mfr	Addition/Deduction to Base Bid for Preferred Brand Alternative
	40 05 51 Electric Valve Actuators	Limtorque	\$ 160,000.00	Limtorque	\$ 135,000.00	Robrik	\$ -
<b>Deductive Bid Alternates</b>		Manufacturer	Amount	Manufacturer	Amount	Manufacturer	Amount
A	Deductive Bid Alternate 1 - 2.0 MW Tier 2 Generator	MTU	\$ (500,000.00)	MTU	\$ (500,000.00)	MTU	\$ (500,000.00)
All Addenda Acknowledged							
A	Required Bid Security (5%)	Y		Y		Y	
B	List of Proposed Subcontractors	Y		Y		Y	
C	List of Proposed Suppliers	Y		Y		Y	
D	List of Project References	Y		Y		Y	
E	Evidence of authority to do business in the state of the Project; or a written covenant to obtain such license within the time for acceptance of bids	Y		Y		Y	
F	Contractor's License No.:	Y		Y		Y	
G	Required Bidder Qualification Statement with supporting data	Y		Y		Y	
Irregularities (see highlighted areas on form)							
List of Proposed Subcontractors: Plumbing subcontractor was not recorded in the bid form.							
Base Bid Item 10: Total Cost Multiplication Error							



**RESOLUTION NO. 68-2018**

**A RESOLUTION OF TENTATIVE AWARD FOR THE WATER TREATMENT PLANT UPGRADES TO STATE UTILITY CONTRACTORS INC.**

**WHEREAS**, the City of Shelby, North Carolina has designed, valued engineered to reduce costs, and bid a project entitled the Water Treatment Upgrades Project and has held a competitive public bid opening on September 27, 2018 consistent with the applicable North Carolina General Statutes for bidding of public construction contracts; and,

**WHEREAS**, the City of Shelby received bids from four (4) qualified contractors for the completion of the Water Treatment Upgrades Project; and,

**WHEREAS**, the City of Shelby has received approval for a loan modification from the NC Department of Environmental Quality Drinking Water State Revolving Fund for all costs associated with this project;

**WHEREAS**, the City's consulting engineer, HDR of the Carolinas and the City have reviewed the bids and now recommend award of the construction contracts for the work described to State Utility Contractors Inc. in the amount of \$15,106,000.00 conditioned on the sections below; and,

**WHEREAS**, project budget ordinance was established with Ordinance No. 67-2017 and amended through Ordinance No. 67-2018.

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

Section 1. The City of Shelby shall complete and provide all documents related to the acceptance of the modified NCDEQ loan.

Section 2. The City of Shelby shall submit this tentative resolution along with the contract documents to the Division of Water Infrastructure to receive the "Authority to Award" the construction contracts.

Section 3. Upon completion and receipt of the items outlined in Sections 1 and 2 above, the City Manager and City Clerk are hereby authorized to execute the construction contracts with State Utility Contractors, Inc. for the work and amounts described herein.

Section 4. The City Manager and his designees are hereby further authorized to complete said project, issue change orders, complete loan documentation and other documents as may be required to complete the Water Treatment Plant Upgrades Project.

Resolution No. 68-2018  
November 19, 2018  
Page 2

Section 5. This resolution shall become effective upon its adoption and approval.

Adopted and approved this the 19<sup>th</sup> day of November 2018.

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O. Stanhope Anthony, III  
Mayor

ATTEST:

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

City of Shelby  
Agenda Item Summary  
November 19, 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

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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.*

Motion to adjourn