

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) City of Shelby 2020 Audited Financial Statements –
Matthew Braswell, CPA, Senior Manager, Martin Starnes &
Associates, CPAs, P. A.

1

C. 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 16,
2020 27
- 2) Approval of Special Event Permit Applications: 33
 - a. Uptown Shelby Carriage Rides, requested dates: December 11
and December 18, 2020 35
 - b. Drive Thru Santa and Friends, requested date: December 12,
2020 41
- 3) Approval of a resolution scheduling a public hearing for a
voluntary annexation petition from Sugar Branch Properties,
LLC: Resolution No. 53-2020 47

**Shelby City Council Agenda
December 7, 2020
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- 4) Approval of a resolution declaring the intent of the City Council of the City of Shelby to consider the permanent closure of an unopened right of way between Textile Street and East Shannonhouse Street: Resolution No. 54-2020 59**
- 5) Approval of a resolution authorizing an agreement between the City of Shelby, North Carolina and White Investments of Shelby, LLC for commissioned mural made for hire: Resolution No. 55-2020 64**
- 6) Approval of a resolution approving a financing agreement authorized by North Carolina General Statute 160A-30: Resolution No. 56-2020 72**
- 7) City of Shelby's Ames Copper Natural Gas System Infrastructure Improvement Project: 82**
 - a. Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's Ames Copper Natural Gas System Infrastructure Improvement Project: Ordinance No. 36-2020 86**
 - b. Approval of a resolution awarding the engineering for natural gas line improvements along Old Boiling Springs Road and Highway 74 West: Resolution No. 57-2020 87**
- 8) Natural Gas Line Rehabilitation Hobbs Avenue Area Project: 88**
 - a. Adoption of Fiscal Year (FY) 2020-2021 Budget Ordinance Amendment No. 6: Ordinance No. 37-2020 93**
 - b. Approval of a resolution awarding the bid for replacement of natural gas lines in the Hobbs Avenue area: Resolution No. 58-2020 95**
- 9) Approval of Notice of Cancellation in the Regular Meeting Schedule of Shelby City Council 96**

D. Unfinished Business:

- 1) Consideration of a resolution authorizing selection of Withers Ravenel based on qualifications for civil engineering services to update a Transportation Asset Management Plan for Shelby, North Carolina: Resolution No. 59-2020 98

E. New Business:

- 1) Consideration of proposed Shelby Parks and Recreation sports tournament fee recommendations 107
- 2) Consideration of a resolution approving the submission of City of Shelby's application for North Carolina Civil Rights Trail Marker Program: Resolution No. 60-2020 111

F. City Manager's Report 119

G. Council Announcements and Remarks 119

H. Adjournment:

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

- 1) Motion to adjourn 119

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

B. Special Presentation:

- 1) City of Shelby 2020 Audited Financial Statements – Matthew Braswell, CPA, Senior Manager, Martin Starnes & Associates, CPAs, P. A

Presenting: (Beth Beam, Finance Director and Matt Braswell, CPA with Martin Starnes & Associates)

- Copy of presentation

City Manager's Recommendation / Comments

Matt Braswell, CPA with Martin Starnes & Associates, CPA's, P.A. is scheduled to attend the meeting to make the obligatory and required report to Council on the annual audit report for the fiscal year ending June 30, 2020.

Mr. Braswell or another representative of the auditor will also be available for a future meeting should you so desire. The audit and preparation of the CAFR are increasingly difficult due to the additional auditing standards that must be met by both the City and the auditing firm. The Governmental Accounting Standards Board (GASB) and reporting standards for both State and Federal grants slow this process even more every year. Mrs. Beam have done an exemplary job shepherding the Finance Department through the process. I think the auditor would agree that the process went as smoothly as can be expected during these very odd times. The audit has been submitted to the NC Local Government Commission as required by law and positive acceptance has been communicated. An audit report should be regarded as a "snapshot" at a moment in time reflecting the overall financial health of the City.

The only action necessary at this point is for City Council to accept and acknowledge receipt of the annual audit for the year ending June 30, 2020.

MARTIN • STARNES

 & ASSOCIATES, CPAs, P.A.

City of Shelby
2020 Audited Financial Statements



Audit Highlights

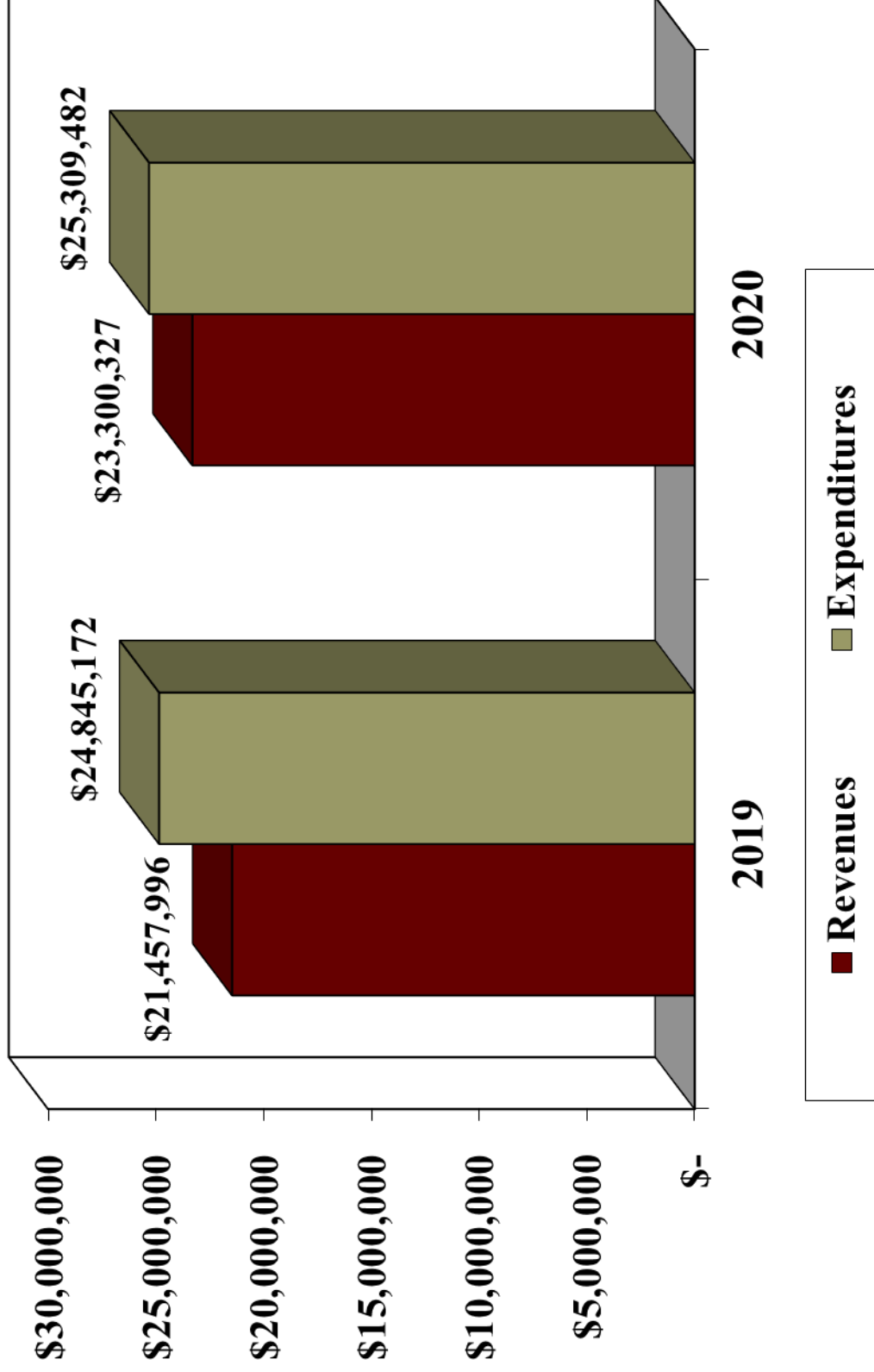
- Unmodified opinion
- No findings or questioned costs
- Cooperative staff



Audit Highlights (continued)

- 2020 Property tax revenues \$12,418,656
- 2020 Collection rate 97.12%
- 2019 Property tax revenues \$ 10,734,200
- 2019 Collection rate 98.15%

General Fund Summary



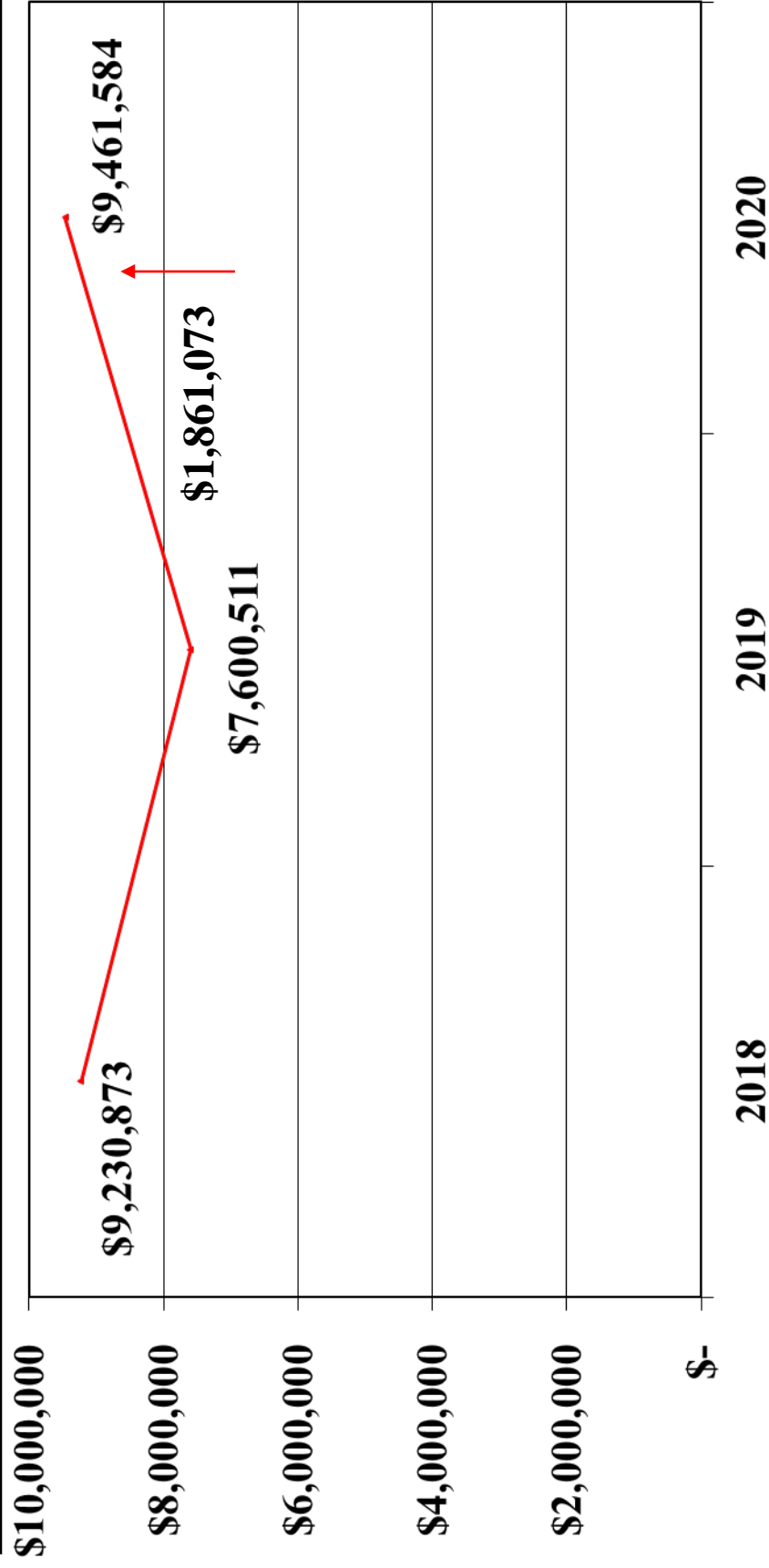
Fund Balance

- Serves as a measure of the City's financial resources available.
- **Assets + Deferred Outflows of Resources – Liabilities – Deferred Inflows of Resources = Fund Balance/Net Position**

5 Classifications for Govtl Fund Balances:

- **Non spendable** - not in cash form
- **Restricted** - external restrictions (laws, grantors)
- **Committed** - internal constraints at the highest (Board) level-does not expire, requires Board action to undo
- **Assigned** - internal constraints, lower level than committed
- **Unassigned** - no external or internal constraints

Total Fund Balance – General Fund





Available Fund Balance

Available fund balance as defined by the Local Government Commission (LGC) is calculated as follows:

Total Fund Balance

Less: Non spendable (not in cash form, not available)

Less: Stabilization by State Statute (by state law, not available)

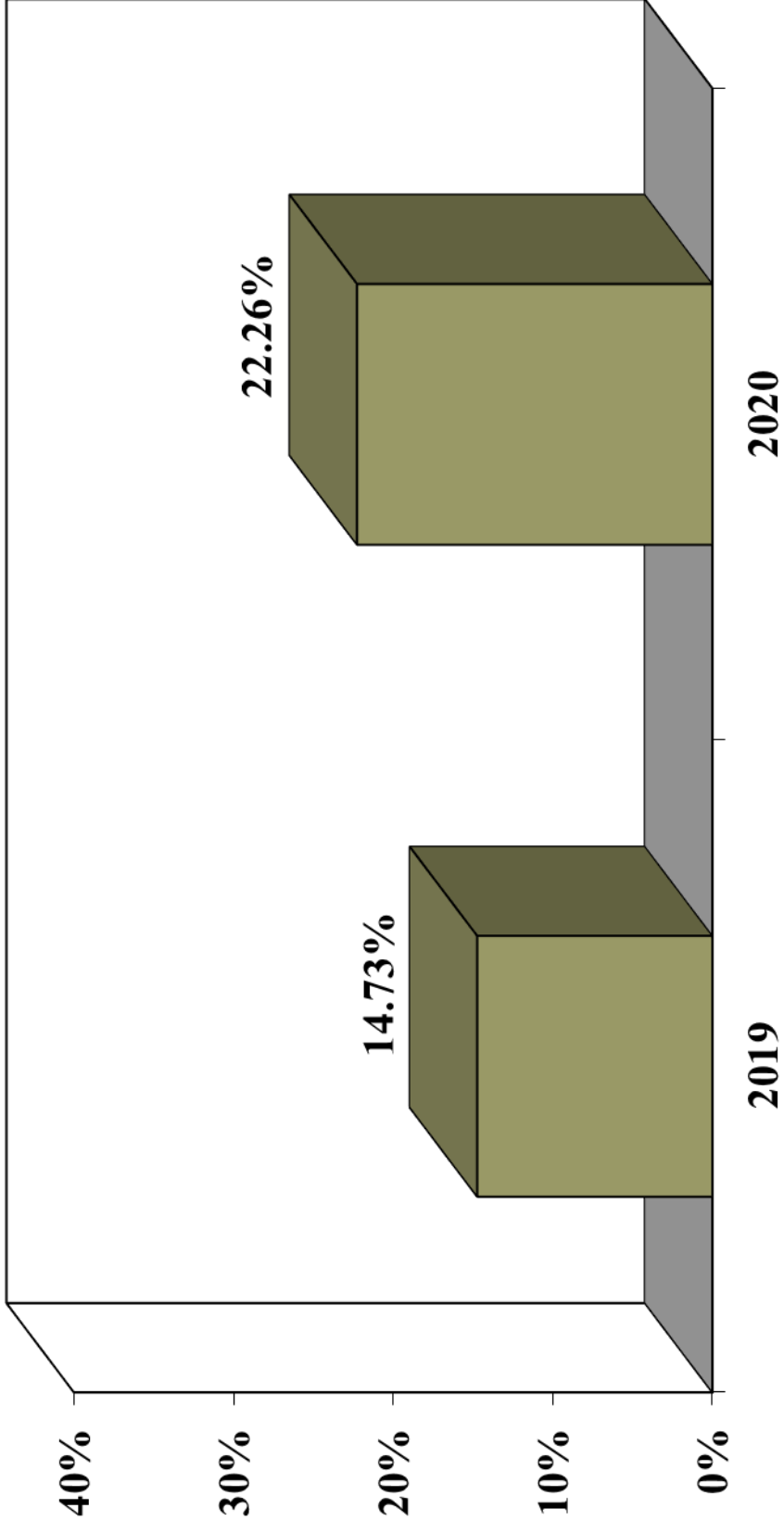
Available Fund Balance

This is the calculation utilized as the basis for comparing you to other units and calculating your fund balance percentages.

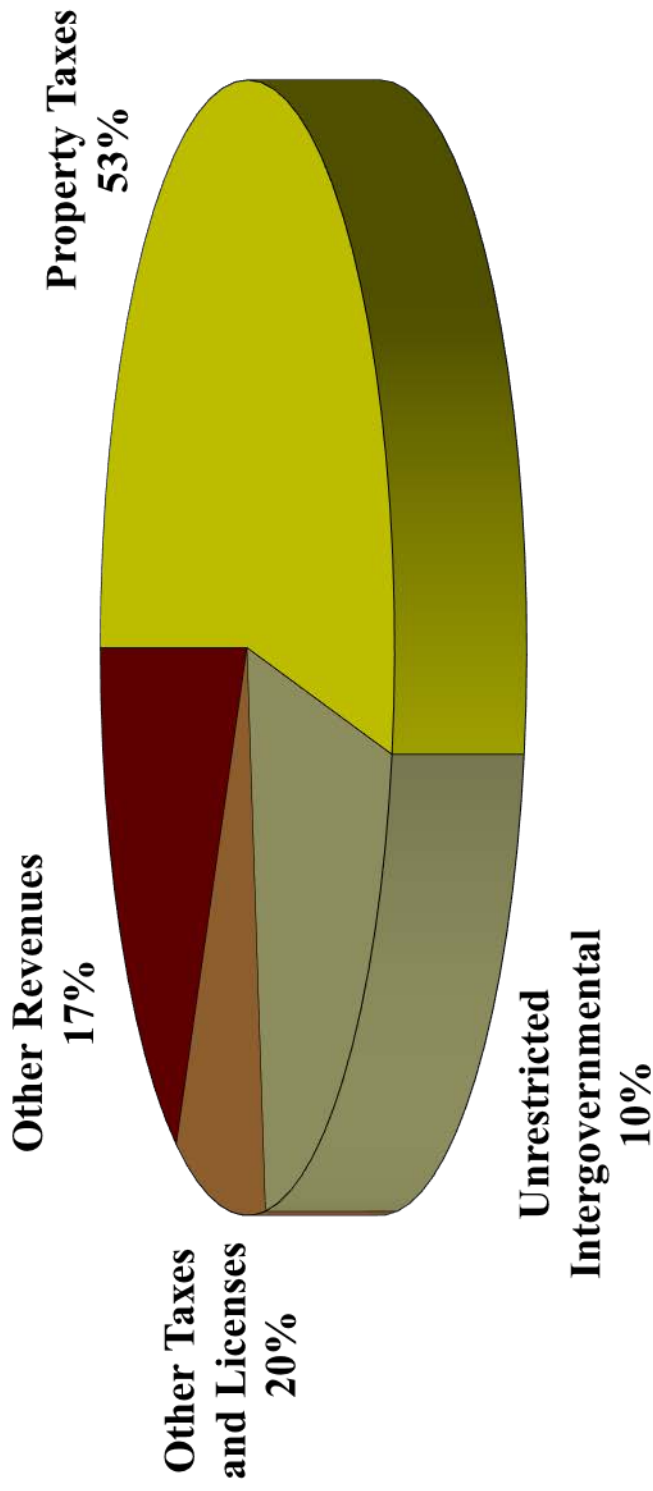
Fund Balance Position - General Fund

Total Fund Balance	\$ 9,461,584
Non-spendable	(490,492)
Stabilization by State Statute	<u>(3,462,954)</u>
Available Fund Balance 2020	<u><u>\$ 5,508,138</u></u>
Available Fund Balance 2019	\$ 3,899,715
Change in Available Fund Balance	\$ 1,608,423

Available Fund Balance as a Percent of Expenditures & Transfers Out— General Fund

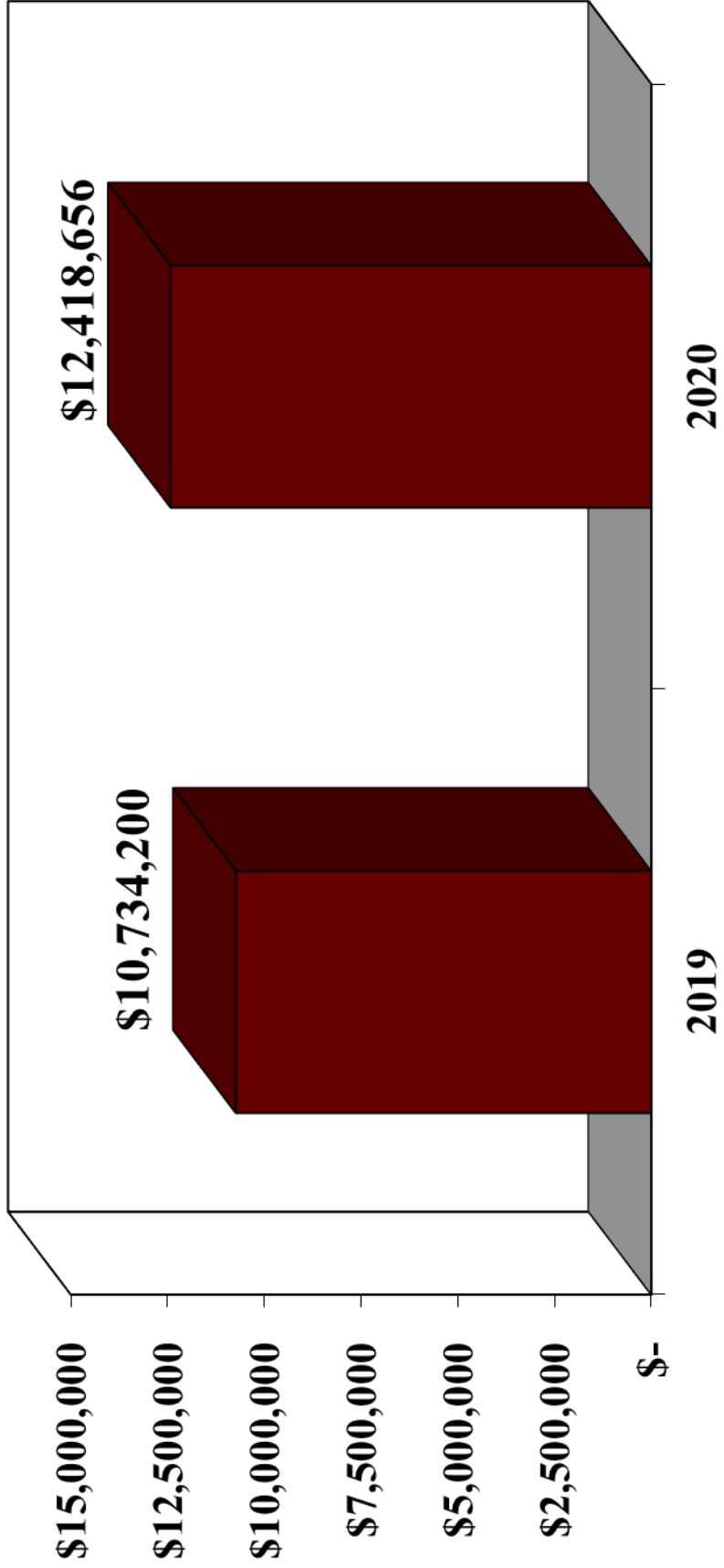


Top 3 Revenues: General Fund

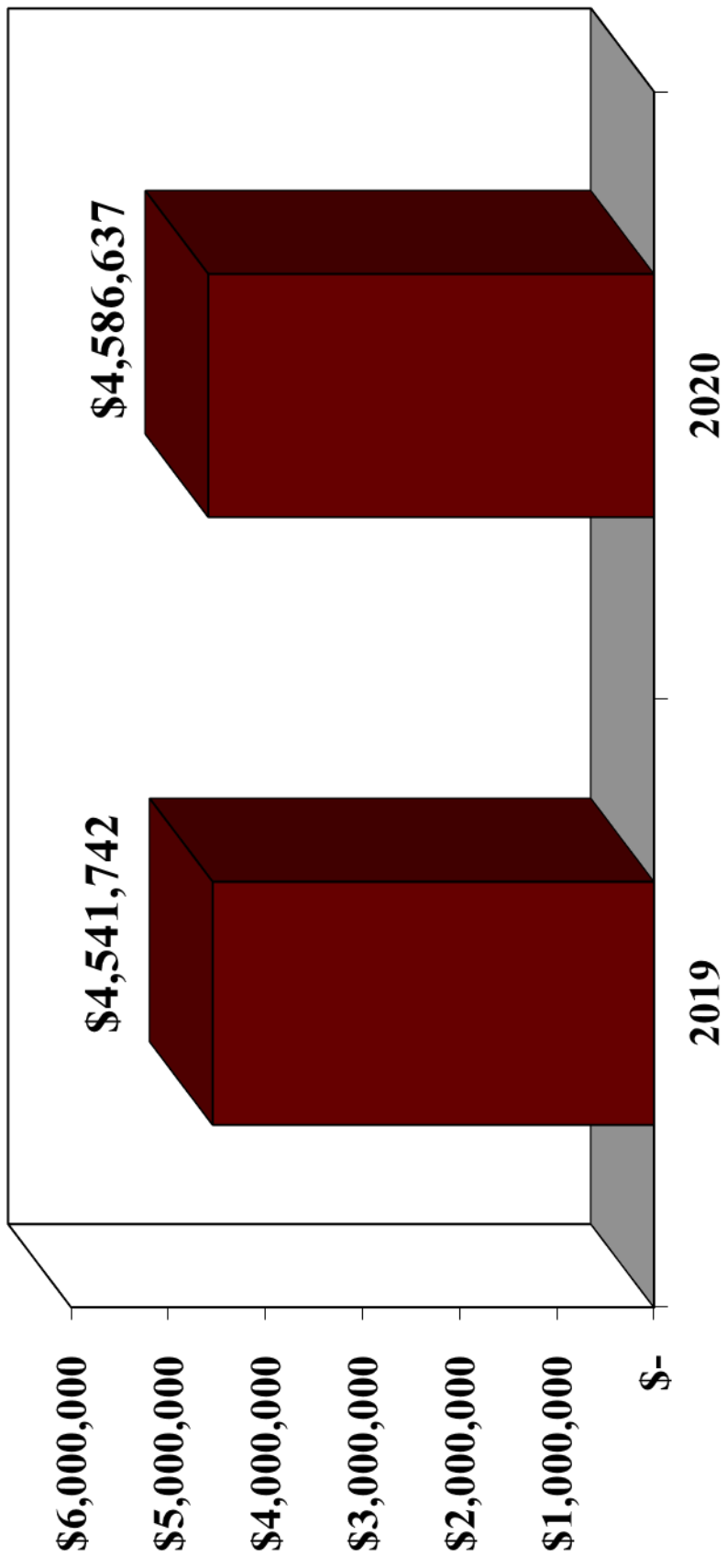


Total Revenues \$ 23,300,327

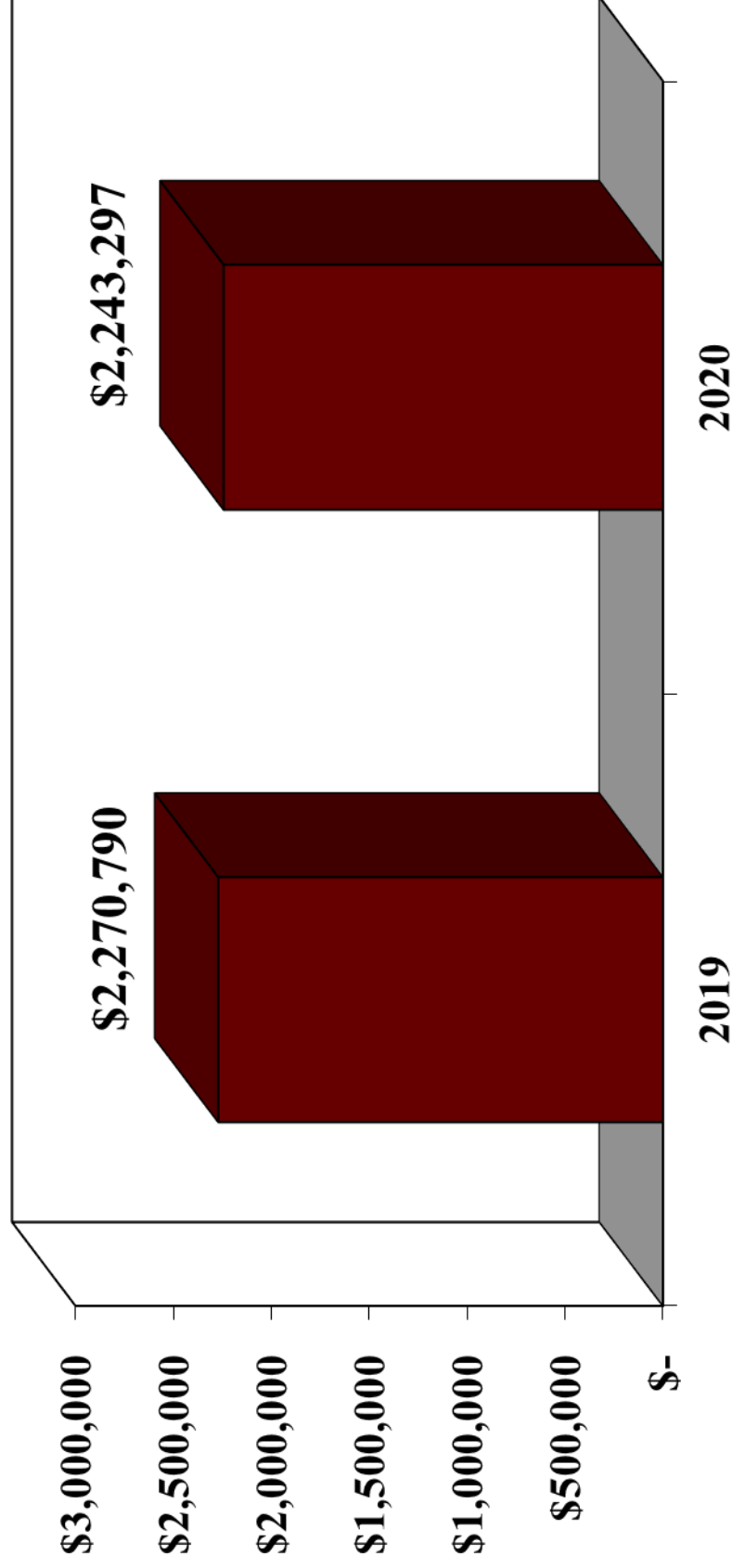
Property Taxes



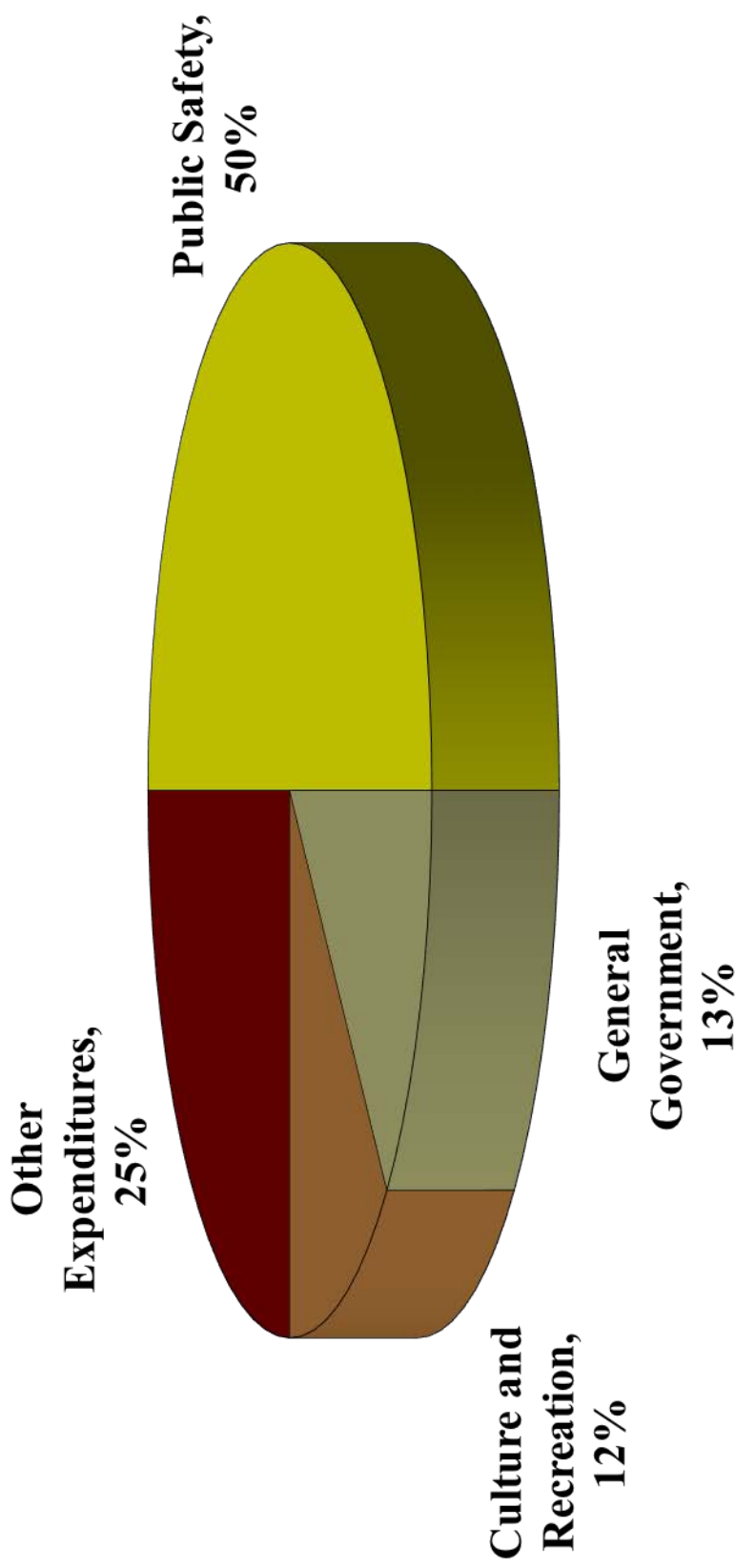
Other Taxes & Licenses



Unrestricted Intergovernmental

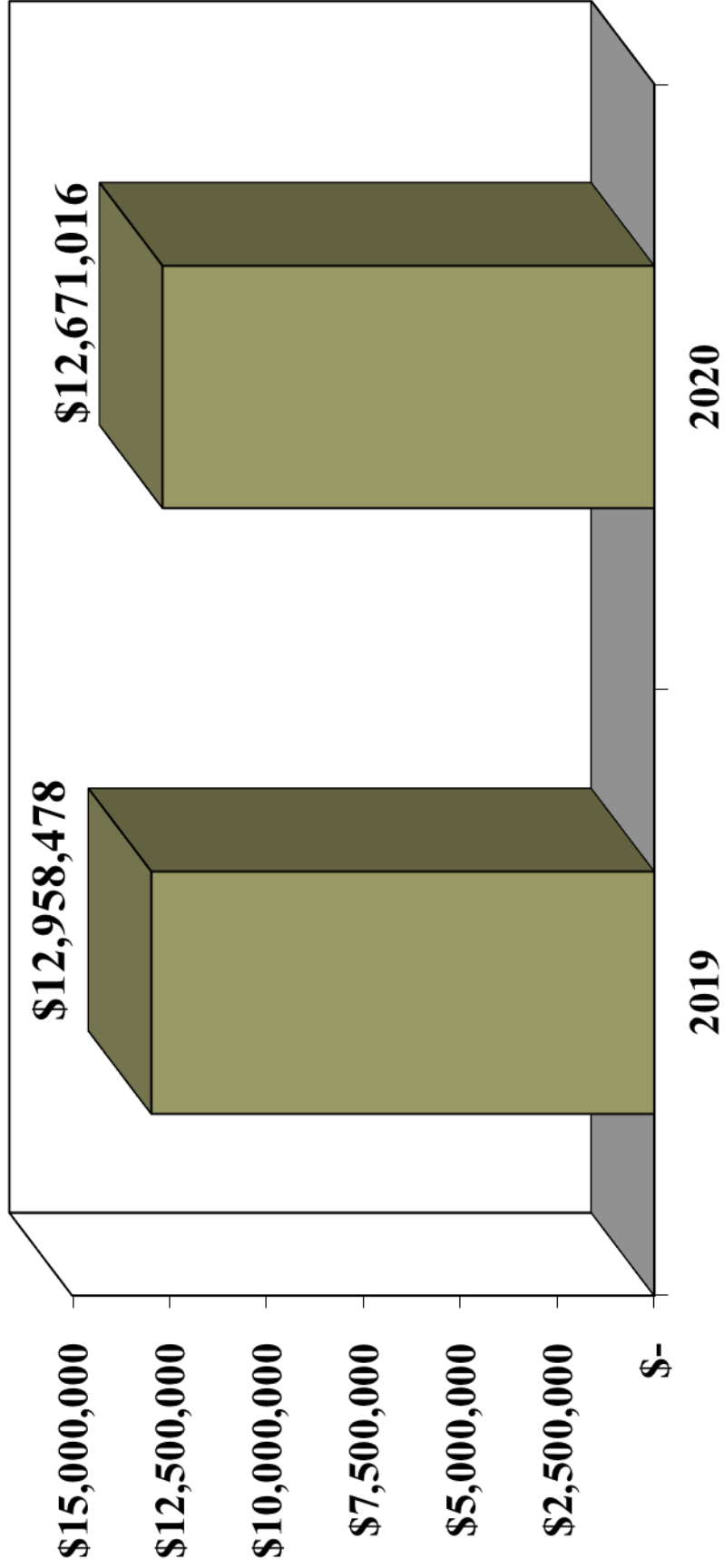


Top 3 Expenditures: General Fund

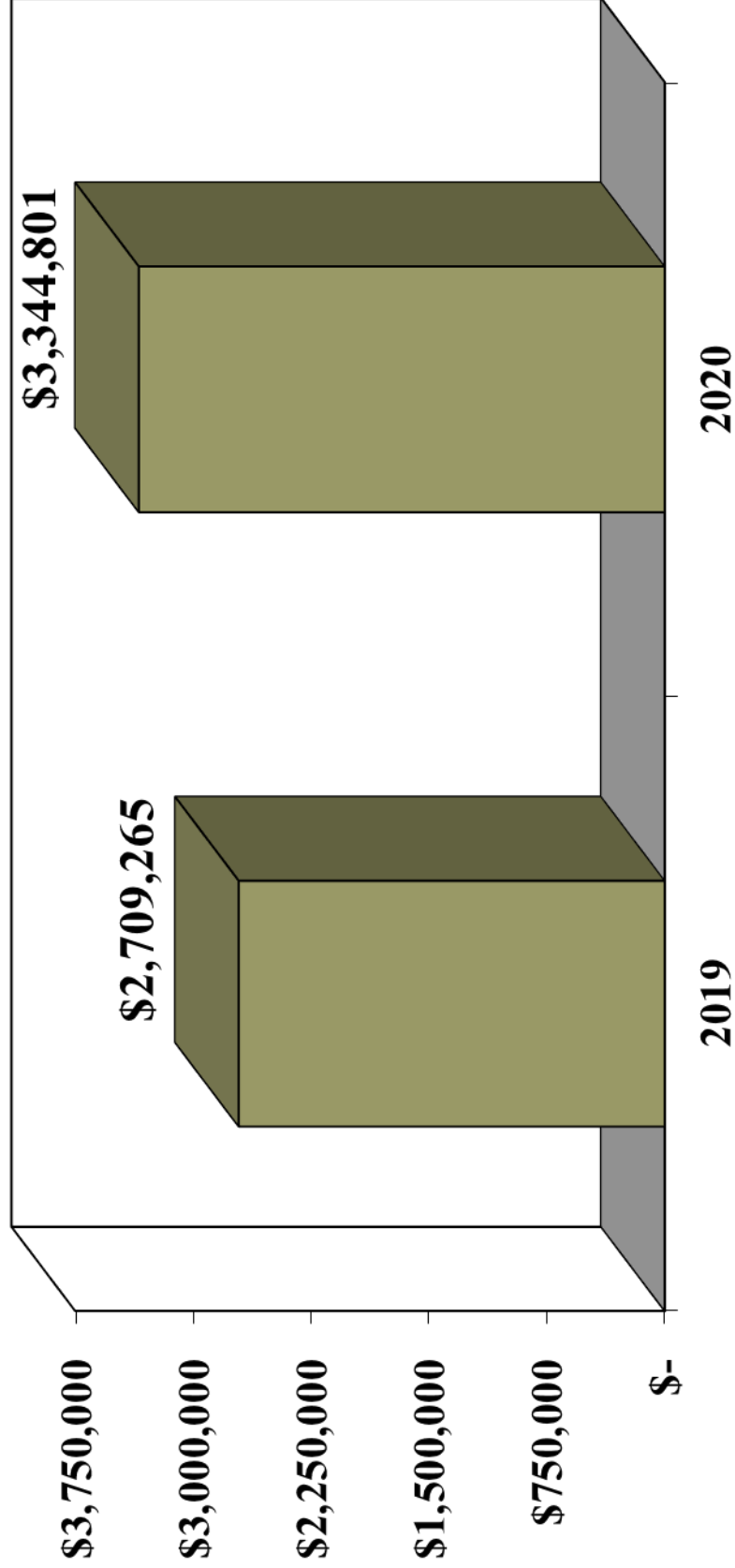


Total Expenditures \$ 25,309,482

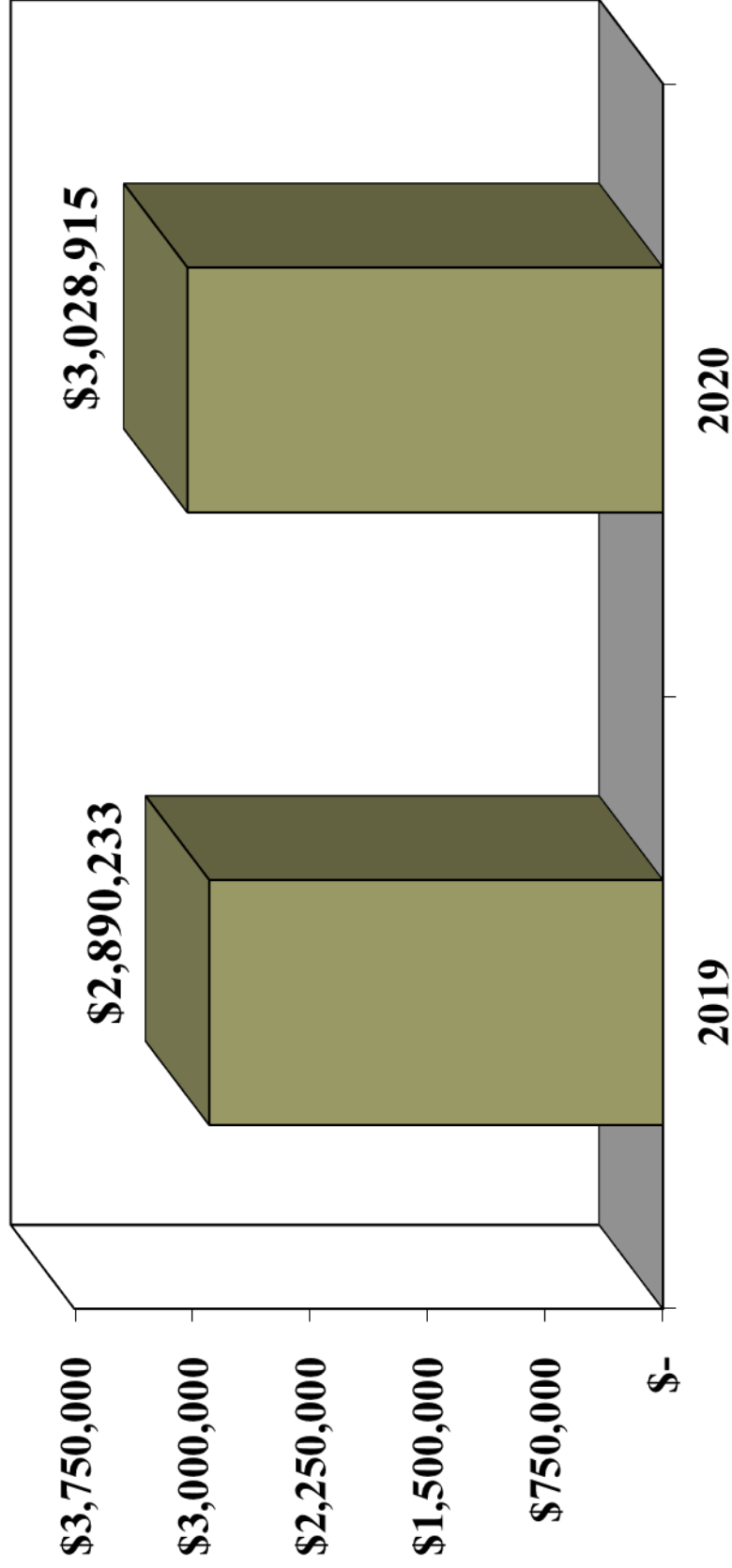
Public Safety



General Government



Culture and Recreation





Enterprise Funds - Total

	<u>2019</u>	<u>2020</u>
Net investment in capital assets	\$ 108,940,934	\$ 111,590,334
Unrestricted Net Position	<u>12,581,174</u>	<u>18,080,138</u>
Net Position	\$ 121,522,108	\$ 129,670,472



Enterprise Fund: Water

Water Fund	<u>2019</u>	<u>2020</u>
Unrestricted Net Position	\$ (10,096)	\$ 3,320,792
Cash Flow From Operations	\$ 2,548,034	\$ 829,853
Change in Net Position (GAAP)	\$ 7,958,800	\$ 2,170,463




Enterprise Fund: Sewer

Sewer Fund	<u>2019</u>	<u>2020</u>
Unrestricted Net Position	\$ (285,124)	\$ (1,093,953)
Cash Flow From Operations	\$ 1,581,517	\$ 3,207,737
Change in Net Position (GAAP)	\$ 7,428,217	\$ 1,283,743



Enterprise Fund: Electric

Electric Fund	<u>2019</u>	<u>2020</u>
Unrestricted Net Position	\$ 5,059,173	\$ 7,753,888
Cash Flow From Operations	\$ 4,305,492	\$ 7,054,701
Change in Net Position (GAAP)	\$ (268,049)	\$ 3,628,674



Enterprise Fund: Gas

Gas Fund	<u>2019</u>	<u>2020</u>
Unrestricted Net Position	\$ 5,642,868	\$ 5,511,575
Cash Flow From Operations	\$ 4,830,806	\$ 4,289,494
Change in Net Position (GAAP)	\$ 2,063,749	\$ 561,448



Enterprise Fund: Stormwater

Stormwater Fund	<u>2019</u>	<u>2020</u>
Unrestricted Net Position	\$ 352,236	\$ 667,877
Cash Flow From Operations	\$ 142,008	\$ 363,459
Change in Net Position (GAAP)	\$ 110,898	\$ 289,213



Enterprise Fund: Housing

Housing Assistance Fund	<u>2019</u>	<u>2020</u>
Unrestricted Net Position	\$ 1,822,117	\$ 1,919,959
Cash Flow From Operations	\$ (708,030)	\$ (776,322)
Change in Net Position (GAAP)	\$ 23,005	\$ 214,823



Questions?

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& ASSOCIATES, CPAs, P.A.

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

C. 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: C-1

- 1) Approval of the Minutes of the Regular Meeting of November 16, 2020

Consent Agenda Item: (Bernadette Parduski, City Clerk)

Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Regular Meeting of November 16, 2020

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
Don Gibson Theatre

November 16, 2020
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members Eric B. Hendrick, David W. White, David Causby, Violet Arth Dukes, Charles Webber, and Andrew Hopper, Sr.; City Manager Rick Howell, MPA, ICMA-CM, Assistant City Manager Justin S. Merritt, MPA, City Attorney Andrea Leslie-Fite, City Clerk Bernadette A. Parduski, Public Information and Communications Officer Chip Nuhrah, Director of Finance Elizabeth B. (Beth) Beam, CPA, Assistant Director of Finance Sam Clark, Police Chief Jeffrey H. (Jeff) Ledford, Fire Chief William P. Hunt, MPA, EFO, Director of Planning and Development Services Walter (Walt) Scharer, AICP, Stan Lowery, Executive Director, Don Gibson Theatre; and Jennipher H. Harrill, Social Media Manager, Blue Eyes Social Media Connections

Mayor Anthony called the meeting to order at 6:00 p.m. and certified a quorum was present. It was noted a location for public access to the meeting was established at the Don Gibson Theatre. A maximum of 25 persons would be allowed to attend, following the current Executive Orders of Governor Cooper and the North Carolina Department of Health and Human Services COVID-19 guidelines.

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

A. Approval of agenda:

- 1) Motion to adopt the proposed agenda

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

B. Special Presentations:

- 1) Honoring Roderick Wood on the occasion of his retirement from employment with the City of Shelby: Resolution No. 42-2020

Mayor Anthony called upon Roderick (Rod) Wood. The Mayor formally read and presented framed Resolution No. 42-2020 to Mr. Wood. He then presented a shadow box, which displays the key to the City and various keepsakes, and a City lapel pin to him in honor of and with heartfelt appreciation for his 30.5 years of dedicated service within the Utilities, Customer Services, and Finance Departments of the City of Shelby.

Humbled by the recognition, Mr. Wood expressed his appreciation to all.

2) Honoring Mark Steven Swink on the occasion of his retirement from employment with the City of Shelby: Resolution No. 48-2020

Mayor Anthony called upon Mark Steven Swink. Mr. Swink recognized his wife, Jennifer, and daughter, Gabrielle, in attendance. The Mayor formally read and presented framed Resolution No. 48-2020 to Mr. Swink. He then presented a plaque, the key to the City, and a City lapel pin to him in honor of and with heartfelt appreciation for his 28.5 years of dedicated service in the Sewer Plant and Field Operations Divisions of the Water Resources Department of the City of Shelby.

Humbled by the recognition, Mr. Swink expressed his appreciation to all.

C. Public Comment: None

D. Public Hearing:

1) Consideration of a resolution granting a Special Use Permit to Tube Enterprises at Railroad Avenue: Resolution No. 51-2020

Mayor Anthony provided instructions as to the quasi-judicial process. To find facts, Council conducts a formal evidentiary hearing. Due process mandates that all parties must present evidence under sworn testimony. Each finding, requested to be stated by the speaker, must be supported by competent, material, and substantial evidence, not unsupported allegations, inadmissible hearsay, or lay opinions. Council must make findings of fact and then apply the existing laws and policies to those facts to arrive at a decision. The information provided by Mr. Scharer within the agenda packet is to be considered evidence to be factored in as part of the decision-making policy.

Mayor Anthony opened the public hearing at 6:14 p.m. and sworn testimony was given as follows:

Mr. Scharer introduced Resolution No. 51-2020 and the Special Use Permit request by Tube Enterprises Inc. He stated City Council previously approved the Conditional Use Zoning Map Amendment in September 2020. The subject property is currently zoned Light Industrial – Conditional Use (LI-CU) and is eligible for the proposed Special Use Permit.

Mr. Scharer further stated that Tube Enterprises Inc. has proposed a Special Use Permit on this property in order to expand its operations and include improved parking facilities. The applicant is also proposing a sign on the lot with the proposed drive and parking area.

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

Having heard all the evidence and arguments presented at the hearing, Council found and determined the application is complete and concluded that all the standards of the City's Unified Development Ordinance have been met.

ACTION TAKEN: Mr. Hendrick made a motion to approve and adopt Resolution No. 51-2020 entitled, "A RESOLUTION GRANTING A SPECIAL USE PERMIT TO TUBE ENTERPRISES INC. AT RAILROAD AVENUE", based on the findings found in ATTACHMENT A.

The vote was unanimous.

E. Consent Agenda:

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

- 1) Approval of the Minutes of the Regular Meeting of November 2, 2020
- 2) Adoption of Fiscal Year (FY) Budget Ordinance Amendment No. 4: Ordinance No. 33-2020
- 3) Adoption of Fiscal Year (FY) Budget Ordinance Amendment No. 5: Ordinance No. 34-2020
- 4) City of Shelby's Carolina Thread Trail Project – First Broad River Pedestrian Bridge and Trail Repairs:
 - a. Adoption of a budget ordinance amendment for the City of Shelby's Carolina Thread Trail Project: Ordinance No. 35-2020
 - b. Approval of a resolution approving the City of Shelby First Broad River Pedestrian Bridge and Trails Repairs Contract between the City of Shelby and Blue Ridge Trail Works Inc.: Resolution No. 52-2020

F. Unfinished Business: None

G. New Business: None

H. City Manager's Report:

- 1) Mr. Howell reported the City of Shelby had eleven (11) discharges of untreated wastewater on November 12, 2020 due to a significant rain event which began on November 11, 2020. He explained the primary factor in the City's sanitary sewer overflows is hydraulic overload, which overwhelms the system. Mr. Howell stated staff will continue to evaluate

the issues for solutions on a short-term basis through engineering analysis and on a long-term basis by updating of the 2011 Water and Sewer Asset Management Plan. He will be providing further information.

- 2) Mr. Howell announced it is Fall leaf season in Shelby. He authorized overtime on Saturdays for the Public Works crews to get caught up with removing the leaves, especially before the Thanksgiving holiday.
- 3) Mr. Howell informed Council the City of Shelby has requested Statements of Qualification from qualified firms to provide professional civil engineering services to update its Transportation Asset Management Plan. He stated the current plan is approximately seven years old and progress has been made during this time frame. However, it is time to update the document previously prepared in 2015. Following a recommendation by City staff, the final selection of a qualified engineering consultant will be made by City Council.
- 4) Regarding the West Marion Street Streetscaping Project, Mr. Howell reported the construction activities are complete, acknowledging the investment in the community by TGS Engineers as developer and owner of the building at 201 West Marion Street.
- 5) Regarding the Job Ready Industrial Shell Building No. 3 Project, Mr. Howell reported the construction activities including painting, roofing, grading, and interior work are progressing with completion anticipated by early 2021. He stated there has been interest in this building as well as at the Randolph Road property by prospective economic development clients.

I. Council Announcements and Remarks:

- 1) Mayor Anthony suggested and discussed the possibility of City Council returning to an electronic meeting on December 7, 2020.

By consensus, City Council decided to conduct an electronic meeting on December 7, 2020, acting to limit the spread of COVID-19 in the community.

- 2) Mr. White requested an update regarding the Town of Kingstown and the City of Shelby's agreement to operate and treat Kingstown's sewer system with a past due balance for those services. Mr. Howell responded the City of Shelby continues to work with both the Town of Kingstown and the Local Government Commission to resolve the matter.
- 3) Mayor Anthony and Council members collectively wished all a Happy Thanksgiving holiday.

J. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to adjourn the meeting at 6:31 p.m.

Respectfully submitted,

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

**O. Stanhope Anthony III
Mayor**

Minutes of November 16, 2020

DRAFT

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

Agenda Item: C-2

- 2) Approval of Special Event Permit Applications:
- a. Uptown Shelby Carriage Rides, requested dates: December 11 and December 18, 2020
 - b. Drive Thru Santa and Friends, requested date: December 12, 2020

Consent Agenda Item: (David Hux, Director)

- Memorandum dated December 1, 2020 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, Fire Marshal Phil Lane, Parks and Recreation Director Charlie Holtzclaw, Public Works Director Danny Darst, Assistant Director Public Works Scott Black, Director of Engineering Services Ben Yarboro, and Planning Director Walter Scharer
- Special Event Permit Applications

City Manager's Recommendation / Comments

Special event permit applicants have been required to convey that their event complies with COVID 19 protocols and events are designed to limit contact and comply with social distancing.

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: December 1, 2020
Re: Special Event Permit Applications

BACKGROUND:

Special Event Permit Applications have been submitted for the following:

- ✓ Uptown Shelby Carriage Rides, requested dates: December 11 and December 18, 2020
- ✓ Drive Thru Santa and Friends, requested date: December 12, 2020

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 December 7, 2020 for Council's review and approval.

ATTACHMENT:

- A. Special Event Permit Application packet received November 20, 2020
- B. Special Event Permit Application packet received November 20, 2020

Memo

To: Police Chief Jeff Ledford, Fire Chief William Hunt, Fire Marshal Phil Lane, Parks & Recreation Director Charlie Holtzclaw, Public Works Director Danny Darst, Assistant Director of Public Works Scott Black, Planning and Development Services Director Walt Scharer, and Director of Engineering Services Ben Yarboro

From: Bernadette A. Parduski, City Clerk

CC: Rick Howell, City Manager

Date: November 23, 2020

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:

- ✓ Uptown Shelby Carriage Rides, requested dates: December 11 and December 18, 2020

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 December 7, 2020 meeting and recommended for approval unless you advise otherwise. If I do not hear from you by November 30, 2020, it will be assumed that you agree 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: 100 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 office _____ **704-351-2632** cell
twoodland@uptownshelby.com
(e-mail address)

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

6. **PLEASE LIST THE FOLLOWING:**

Requested day(s) and date(s) ___ **11/27, 12/4, 12/11,**
12/18 _____

Alternate day(s) and date(s)

Requested hours of operation, from ___ **5:30** ___ PM to ___ **9:00** 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:**

2 Barricades to block south bound lane of Washington street during event for safety of horses and riders. One Road Closed Sign. 15 Cones to block parking on Washington in front of ESC.

11. **ANY ADDITIONAL COMMENTS:** Our Process has changed due to COVID. We are reservation only. Families reserve the whole carriage for those people in their safety bubble. There will be no gathering, no lines, we will sanitize touch areas of the carriage and all volunteers will wear masks and practice the 3 W's.

City of Shelby Municipal Service District

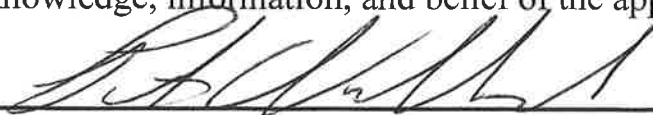


need 2 barricades
1 Road Closed
12-14 Cones
on corner of
Washington + Marion

Horse and carriage Races
2020

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)

Tricia Woodland - Uptown Shelby 704-351-2632

(APPLICANT

(PHONE)

211 South Trade St., Shelby, NC 28150

(ADDRESS)

11/20/2020

(DATE)

Memo

To: Police Chief Jeff Ledford, Fire Chief William Hunt, Fire Marshal Phil Lane, Parks & Recreation Director Charlie Holtzclaw, Public Works Director Danny Darst, Assistant Director of Public Works Scott Black, Planning and Development Services Director Walt Scharer, and Director of Engineering Services Ben Yarboro

From: Bernadette A. Parduski, City Clerk

CC: Rick Howell, City Manager

Date: November 23, 2020

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:

- ✓ Drive Thru Santa and Friends, requested date: December 12, 2020

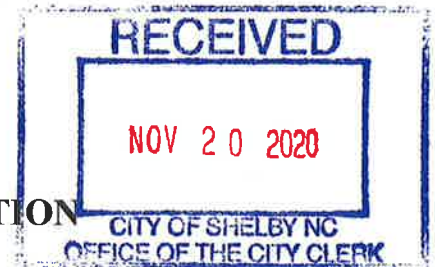
Please carefully review the details of this application as it pertains to your department, and let me know of any anticipated problems/objections that you would like to bring to the attention of the City Council. If there are none, please let me know that as well. The event will be considered by City Council at the December 7, 2020 meeting and recommended for approval unless you advise otherwise. If I do not hear from you by November 30, 2020, it will be assumed that you agree 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: Drive Thru Santa and Friends**

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

An opportunity for families to drive by Santa and other character, to wave and see Santa. Since Santa House and Christmas Parade are not possible with Covid, we want kids to still get to see Santa.

Santa and friends will stage on the raised sidewalk across from the City Hall on Washington Street. Traffic will drive north on Washington Street to see Santa. The sidewalk will be barricade on both sides of the event to deter foot traffic.

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

4. **PLEASE INDICATE:**

Approximately how many people will attend the event: 100+ Cars may drive by

Approximately how many vehicles will be present: Cars Driving thru

Approximately how many animals will be present: 0

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 office _____ **704-351-2632** cell

twoodland@uptownshelby.com

(e-mail address)

Name: **Audrey Whetten**

Address: : **211 South Trade Street**

Phones: **704- 484-3100**

(Daytime)

awhetten@uptownshelby.com

(e-mail address)

6. **PLEASE LIST THE FOLLOWING:**

Requested day(s) and date(s) ___ **12/12**

Alternate day(s) and date(s)

Requested hours of operation, from ___ **1:00** ___ PM to ___ **4:00** 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

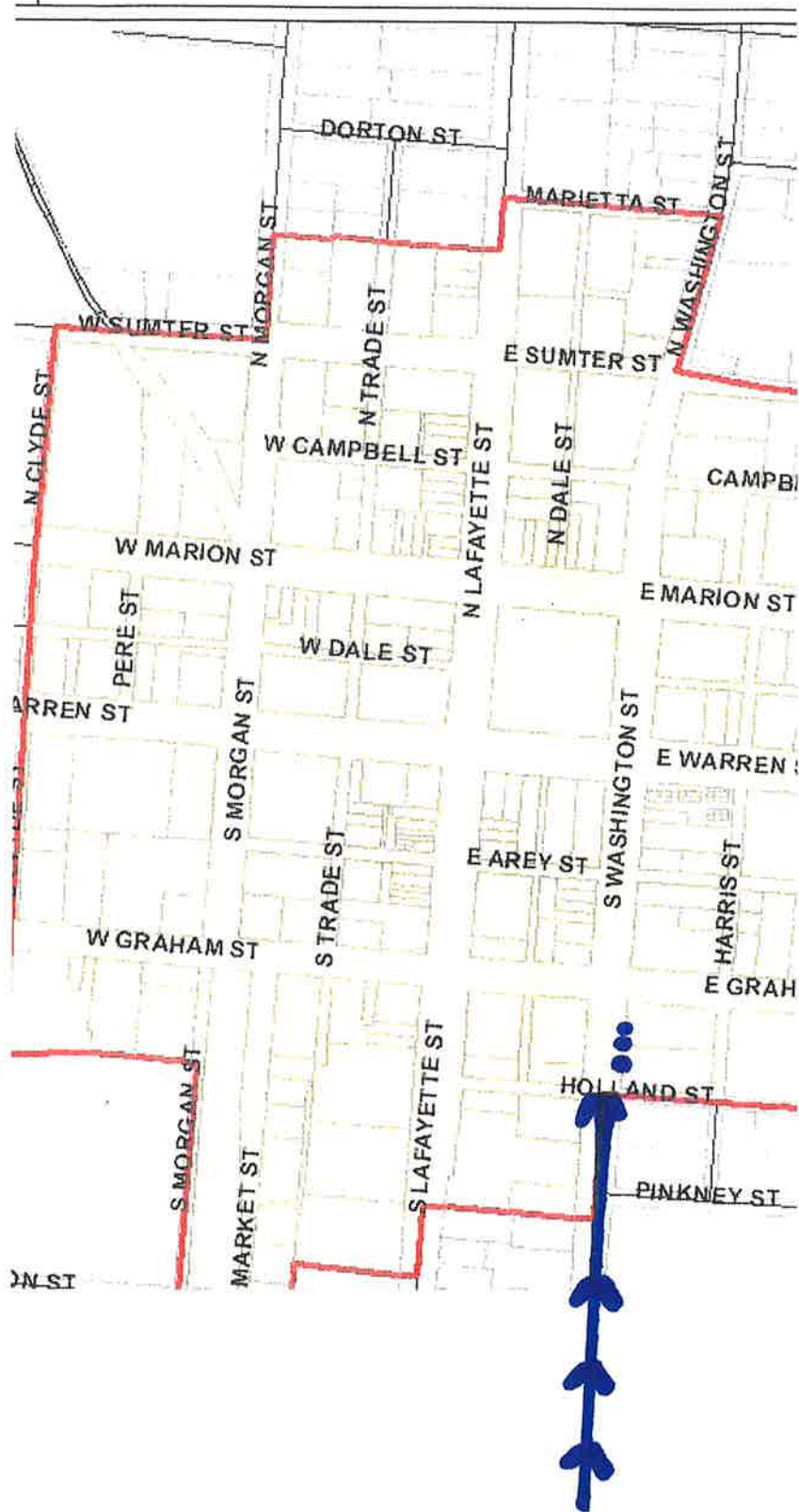
DOCTOR (S): 911

PARAMEDICS: 911

10. **CITY SERVICES/EQUIPMENT REQUESTED FOR THIS EVENT:**

2 Barricades to block sidewalk on Washington street across from City Hall during event for safety of Santa and friends
8 Cones to block parking spots on Washington in front City parking lot near Sisters Closet. We would like to ask for 1-2 police officers to keep Santa safe from foot traffic.

City of Shelby Municipal Service District



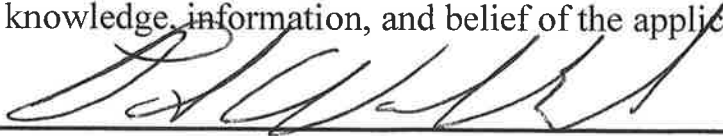
Drive Thru Event

Santa + Friends will stage on S. Washington St. Sidewalk across from City Hall.

Traffic will flow North

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)

Tricia Woodland - Uptown Shelby 704-351-2632
(APPLICANT) (PHONE)

211 South Trade Street, Shelby 28156
(ADDRESS)

11/20/20
(DATE)

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

Agenda Item: C-3

- 3) Approval of a resolution scheduling a public hearing for a voluntary annexation petition from Sugar Branch Properties, LLC: Resolution No. 53-2020

Consent Agenda Item: (Walter Scharer, Planning Director)

- Memorandum dated November 20, 2020 from Walter Scharer, Planning Director to Rick Howell, City Manager
- Petition for Annexation
- Survey of Property
- Map of Proposed Annexation – E. College Avenue
- Statute 160A-58.1
- Certificate of Sufficiency
- Resolution No. 53-2020

City Manager's Recommendation / Comments

In accordance with NC General Statute 160A-58.2 the attached Resolution No. 53-2020 is presented for your consideration at this time.

It is my recommendation that Resolution No. 53-2020 be adopted and approved by City Council via the Consent Agenda at this time. The required public hearing would be held January 4, 2021.



Memorandum

To: Rick Howell - City Manager
From: Walter Scharer – Planning Director
Date: November 20, 2020
Subject: Annexation – 800 and 802 College Avenue

Executive Summary of issue – Background

Sugar Branch Properties, LLC has submitted a satellite annexation petition for 800 and 802 East College Avenue. This property will be developed commercially.

Review and Comments

This site is approximately 3.1 acres in area. North Carolina General Statute 160A-58.2 states that upon receipt of a petition for annexation the City Council shall cause the City Clerk to investigate the petition and certify the results of the investigation.

In addition, if the City is proceeding under the satellite annexation statute, the resolution must affirm the five statutory standards for satellite annexation. Once the City Council adopts the resolution of sufficiency, it follows the same procedure for annexing city-owned property as it does for privately owned property.

The five standards a satellite annexation must meet are set out in G.S. 160A-58.1(b) as follows:

1. Some part of the annexation area must be within three miles of the annexing City's corporate limits.
2. No point in the annexation area may be closer to the primary corporate limits of another city than to the primary corporate limits of the annexing city.
3. The annexing city must be able to provide the same services to the annexation area that it provides to areas within its primary corporate limits.
4. If the area is a subdivision, the entire subdivision must be annexed.
5. The total area of a city's satellites may not exceed 10 percent of the area within its primary corporate limits.

The City Clerk has certified that this satellite annexation meets the criteria found in G.S. 160A-58.1(b).

Staff recommends proceeding with the annexation process for this property. Please place this item on the agenda for the December 7, 2020 City Council meeting.

Attachments: NCGS 160A-58.1 and 58.2, Annexation Petition, Location Map, Certificate of Sufficiency, Resolution of Sufficiency and Plat



City of Shelby
Planning and Development Services Department

Petition for Annexation
(Satellite or Contiguous)

The undersigned Petitioner(s) requests annexation of the property described in accordance with the provision of NCGS 160A-58 (Satellite Annexations) or NCGS 160A-29 (Contiguous Annexations):

Address of Subject Property:

800 & 802 E. College Ave. Shelby, N.C. 28152

Applicant(s) Name: Sugar Branch Properties, LLC. - Chad Wesson
Address: 714 Poplar Springs Church Road
Shelby, N.C. 28152
Email: ChadWesson@yahoo.com
Phone: (704) 913-8595

Owner(s) Name: Sugar Branch Properties, LLC. - (Chad & Neal Wesson)
Email: Chad Wesson @ Yahoo. Com
Phone: (704) 913-8595

* If more than one individual owner, attach additional pages with owners' information. *

Provide a brief description of the subject property. Attach additional pages or documentation if necessary.

Property is at the corner of Sam Lattimore Rd. and College Ave

Signature of Owners:

Signatures of all Individual Property Owner(s) and Spouses, if any

Signature of Owner

Signature of Owner

If Owner is a Partnership, signature(s) of at least one General Partner

Signature of Owner

Signature of Owner

If Owner is a Corporation:

Sugar Branch Properties, LLC.
Registered Name of Corporation

(Corp. Seal)

Signature of President/Vice President

Attested by:

Signature of Secretary/Assistant Secretary

(If additional signatures are necessary, continue on separate sheet and attach to the Petition.)

STATE OF North Carolina
COUNTY OF Cleveland

I, Quidam M. Wess, a Notary Public for said County and State, do hereby certify that Chad Wesson & Neal Wesson, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 12th day of November, 2020.

(SEAL)

Quidam M. Wess
Notary Public
My Commission Expires: 03/24/24

If Owner is a Partnership:

I, _____, a Notary Public for said County and State, do hereby certify that _____, being one/all of the partners of the General Partnership known as _____, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the _____ day of _____, _____.

(SEAL)

Notary Public
My Commission Expires: _____

If Owner is a Corporation:

I, _____, a Notary Public for said County and State, do hereby certify that _____, personally appeared before me this day and acknowledged he (or she) is _____ of _____, a corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its _____, sealed with its Corporate Seal and attested by as its _____.

Witness my hand and official seal, this the _____ day of _____, _____.

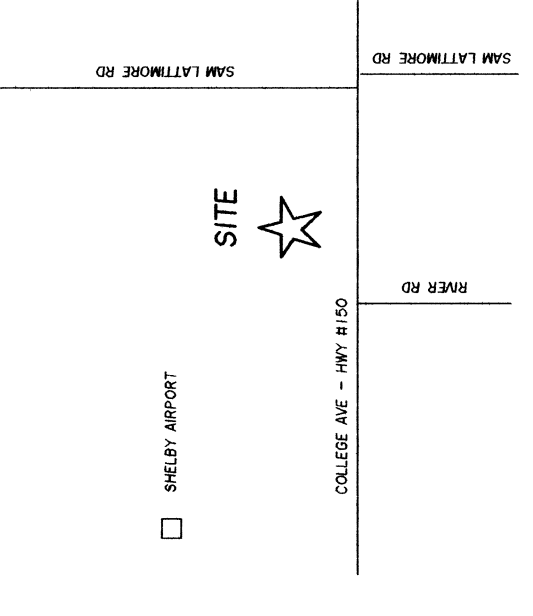
(SEAL)

Notary Public
My Commission Expires: _____

WCDM03 11-03-2011

SURVEY BY
BANKHEAD SURVEYING, PA
 407 EAST MARION STREET
 SHELBY, N. C. 28150
 (704) 481-0440
 F./M. LICENSE NUMBER - C-0972

VICINITY SKETCH



SITE



□ SHELBY AMOUNT

NOTE
 DIMENSIONS ARE BASED UPON THE ORIGINAL SURVEY OF THE SAM LATTIMORE FARM AS SHOWN ON PLAT BOOK 8 PAGE 80

Sam Lattimore Road S.R. 1127
 (NO DEDICATED R/W WIDTH FOUND BY BANKHEAD SURVEYING)

Sam Lattimore Road

ANNEXATION SURVEY FOR
The City Of Shelby

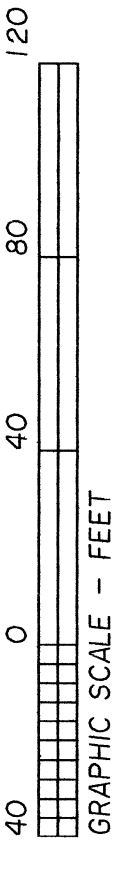
OWNER
Sugar Branch Properties, LLC

DEED REFERENCE: DEED 1770 PAGE 431; DEED 1754 PAGE 1386
 REFERENCE: PLAT OF SUGAR BRANCH PROPERTIES, LL - PLAT BOOK 42 PAGE 140
 REFERENCE: LOTS 1 thru 6 OF THE SAM LATTIMORE FARM
 PLAT BOOK 8 PAGE 80

CLEVELAND COUNTY, NORTH CAROLINA

TAX MAP REF: 3252-1-14 & 15
 PARCEL NUMBER: 2575 & 2576
 SCALE 1" = 40' DATE 01/05/18

REVISED 04/26/18; REVISED 11/12/20 FOR ANNEXATION



REVISED 12/19/19 TO CORRECT ROAD NAME
 REFERENCE: PLAT BOOK 41 PAGE 192

REF: PLAT BOOK 36 PAGE 34

14.N-798; 15.M-758; 16.O-260; 16.M-819
 REF: PLAT BOOK 8 PAGE 80

3.105 Acres Total

SUGAR BRANCH PROPERTIES, LLC
 DB 1770 PG 431-42 PAGE 140
 REFERENCE: PLAT BOOK 42 PAGE 140
 TAX MAP REF: 3252-1-14
 (2.5898 ACRES)
 INCLUDING LEASE LOT

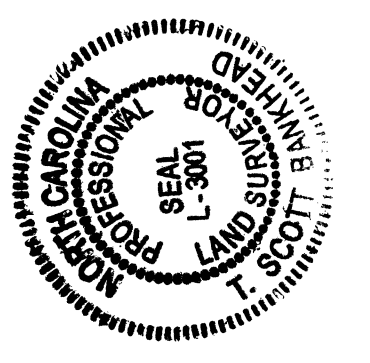
SOUTHERN BELL
 TELEPHONE & TELEGRAPH
 DB 1772 PG 242
 REF: LOT 7 - B & PG 80

River Road

College Avenue Hwy # 150
 (NO DEDICATED R/W WIDTH FOUND BY BANKHEAD SURVEYING)

CITY OF SHELBY
 REF: PLAT BOOK 17 PAGE 44

NGS MONUMENT "APPROX"
 N 57°21'28"
 E 11°08'35"
 MD 85-2011



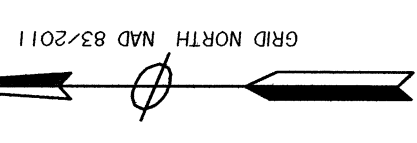
EXISTING PARCELS
 THIS IS TO CERTIFY THAT THIS SURVEY IS OF ANOTHER CATEGORY AND IS AN EXCEPTION TO THE DEFINITION OF SUBDIVISION.
 T. SCOTT BANKHEAD (PLS)

I, T. SCOTT BANKHEAD, PROFESSIONAL LAND SURVEYOR CERTIFY THAT THIS PLAT WAS DRAWN FROM AN ACTUAL FIELD SURVEY PERFORMED UNDER MY DIRECTION AND THAT THE DIMENSIONS AND BEARINGS ARE CORRECT AND THAT THE LINES NOT SURVEYED ARE INDICATED BY DASHED LINES DRAWN FROM THE DEED INFORMATION SHOWN HEREON THAT THE RATIO OF PRECISION IS 1:17440, AND THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH GS 47-30 AS AMENDED, WITNESS MY ORIGINAL SIGNATURE, LICENSE NUMBER AND SEAL THIS

17440 Day 01 Nov 2020
 T. Scott Bankhead
 Professional Land Surveyor - License No. L-3001

GENERAL NOTES
 - AREA CALCULATED BY COORDINATE COMPUTATION, SUBJECT TO ERRORS
 - BANKHEAD SURVEYING WAS NOT PROVIDED WITH ANY TITLE EXCEPTIONS
 - UNDERGROUND UTILITIES HAVE NOT BEEN LOCATED
 - NO FEATURES (BUILDING, UTILITIES, ETC) LOCATED EXCEPT AS SHOWN
 - ALL DISTANCES SHOWN HEREON ARE HORIZONTAL DISTANCES

- LEGEND**
- EXISTING IRON MONUMENT
 - UNMARKED POINT
 - CONCRETE MONUMENT
 - WATER VALVE
 - WATER METER
 - WELL
 - UTILITY POLE
 - OVERHEAD UTILITY LINE
 - OVERHEAD UTILITY LINE
 - SEWER LINE
 - ROAD RIGHT OF WAY LINE
 - (UNLESS SHOWN WITH BEARING AND DISTANCE)



DATE _____ REVIEW OFFICER _____

DATE _____ REVIEW OFFICER _____



Proposed Annexation 800 & 802 E College Avenue

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



Scale 1:9,000 1 inch = 750 feet



Date: 11/20/2020

Quarry, Green Level, Grimesland, Holly Ridge, Holly Springs, Huntersville, Jamestown, Kenansville, Kenly, Knightdale, Landis, Leland, Lillington, Louisburg, Maggie Valley, Maiden, Mayodan, Middlesex, Midland, Mocksville, Morrisville, Mount Pleasant, Nashville, Oak Island, Ocean Isle Beach, Pembroke, Pine Level, Princeton, Ranlo, Richlands, Rolesville, Rutherfordton, Shallotte, Smithfield, Spencer, Stem, Stovall, Surf City, Swansboro, Taylorsville, Troutman, Troy, Wallace, Warsaw, Watha, Waynesville, Weldon, Wendell, Windsor, Yadkinville, and Zebulon.

(b1) Repealed by Session Laws 2004-203, ss. 13(a) and 13(d), effective August 17, 2004.

(b2) A city may annex a noncontiguous area that does not meet the standard set out in subdivision (b)(2) of this section if the city has entered into an annexation agreement pursuant to Part 6 of this Article with the city to which a point on the proposed satellite corporate limits is closer and the agreement states that the other city will not annex the area but does not say that the annexing city will not annex the area. The annexing city shall comply with all other requirements of this section.

(c) The petition shall contain the names, addresses, and signatures of all owners of real property within the proposed satellite corporate limits (except owners not required to sign by subsection (a)), shall describe the area proposed for annexation by metes and bounds, and shall have attached thereto a map showing the area proposed for annexation with relation to the primary corporate limits of the annexing city. When there is any substantial question as to whether the area may be closer to another city than to the annexing city, the map shall also show the area proposed for annexation with relation to the primary corporate limits of the other city. The city council may prescribe the form of the petition.

(d) A city council which receives a petition for annexation under this section may by ordinance require that the petitioners file a signed statement declaring whether or not vested rights with respect to the properties subject to the petition have been established under G.S. 160A-385.1 or G.S. 153A-344.1. If the statement declares that such rights have been established, the city may require petitioners to provide proof of such rights. A statement which declares that no vested rights have been established under G.S. 160A-385.1 or G.S. 153A-344.1 shall be binding on the landowner and any such vested rights shall be terminated. (1973, c. 1173, s. 2; 1989 (Reg. Sess., 1990), c. 996, s. 4; 1997-2, s. 1; 2001-37, s. 1; 2001-72, s. 1; 2001-438, s. 1; 2002-121, s. 1; 2003-30, s. 1; 2004-203, s. 13(a), (c); 2004-57, s. 1; 2004-99, s. 1; 2004-203, ss. 13(a)-(d); 2005-52, s. 1; 2005-71, s. 1; 2005-79, s. 1; 2005-173, s. 1; 2005-433, s. 9; 2006-62, s. 1; 2006-122, s. 1; 2006-130, s. 1; 2007-17, s. 1; 2007-26, ss. 1, 2(a); 2007-62, s. 1; 2007-225, s. 1; 2007-311, s. 1; 2007-342, s. 1; 2008-24, s. 1; 2008-30, s. 1; 2009-40, s. 2; 2009-53, s. 1; 2009-111, s. 1; 2009-156, s. 1; 2009-298, s. 1; 2009-323, s. 1; 2011-57, s. 1; 2012-96, s. 1.)

§ 160A-58.1. Petition for annexation; standards.

(a) Upon receipt of a valid petition signed by all of the owners of real property in the area described therein, a city may annex an area not contiguous to its primary corporate limits when the area meets the standards set out in subsection (b) of this section. The petition need not be signed by the owners of real property that is wholly exempt from property taxation under the Constitution and laws of North Carolina, nor by railroad companies, public utilities as defined in G.S. 62-3(23), or electric or telephone membership corporations. A petition is not valid in any of the following circumstances:

- (1) It is unsigned.
- (2) It is signed by the city for the annexation of property the city does not own or have a legal interest in. For the purpose of this subdivision, a city has no legal interest in a State-maintained street unless it owns the underlying fee and not just an easement.
- (3) It is for the annexation of property for which a signature is not required and the property owner objects to the annexation.

(b) A noncontiguous area proposed for annexation must meet all of the following standards:

- (1) The nearest point on the proposed satellite corporate limits must be not more than three miles from the primary corporate limits of the annexing city.
- (2) No point on the proposed satellite corporate limits may be closer to the primary corporate limits of another city than to the primary corporate limits of the annexing city, except as set forth in subsection (b2) of this section.
- (3) The area must be so situated that the annexing city will be able to provide the same services within the proposed satellite corporate limits that it provides within its primary corporate limits.
- (4) If the area proposed for annexation, or any portion thereof, is a subdivision as defined in G.S. 160A-376, all of the subdivision must be included.
- (5) The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed ten percent (10%) of the area within the primary corporate limits of the annexing city.

This subdivision does not apply to the Cities of Belmont, Claremont, Concord, Conover, Durham, Elizabeth City, Gastonia, Greenville, Hickory, Kannapolis, Locust, Marion, Mount Airy, Mount Holly, New Bern, Newton, Oxford, Randleman, Roanoke Rapids, Rockingham, Sanford, Salisbury, Southport, Statesville, and Washington and the Towns of Ahoskie, Angier, Apex, Ayden, Benson, Bladenboro, Bridgeton, Burgaw, Calabash, Catawba, Clayton, Columbia, Columbus, Cramerton, Creswell, Dallas, Dobson, Four Oaks, Fuquay-Varina, Garner, Godwin, Granite

§ 160A-58.2. Public hearing.

Upon receipt of a petition for annexation under this Part, the city council shall cause the city clerk to investigate the petition, and to certify the results of his investigation. If the clerk certifies that upon investigation the petition appears to be valid, the council shall fix a date for a public hearing on the annexation. Notice of the hearing shall be published once at least 10 days before the date of hearing.

At the hearing, any person residing in or owning property in the area proposed for annexation and any resident of the annexing city may appear and be heard on the questions of the sufficiency of the petition and the desirability of the annexation. If the council then finds and determines that (i) the area described in the petition meets all of the standards set out in G.S. 160A-58.1(b), (ii) the petition bears the signatures of all of the owners of real property within the area proposed for annexation (except those not required to sign by G.S. 160A-58.1(a)), (iii) the petition is otherwise valid, and (iv) the public health, safety and welfare of the inhabitants of the city and of the area proposed for annexation will be best served by the annexation, the council may adopt an ordinance annexing the area described in the petition. The ordinance may be made effective immediately or on any specified date within six months from the date of passage. (1973, c. 1173, s. 2.)



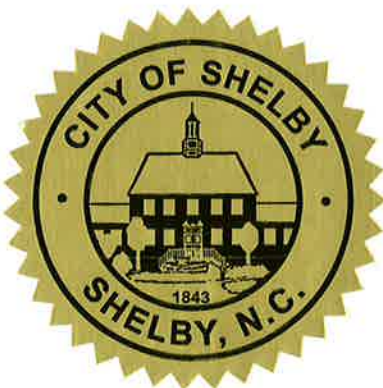
CERTIFICATE OF SUFFICIENCY

To the City Council of the City of Shelby, North Carolina:

I, Bernadette A. Parduski, City Clerk, do hereby certify that I have investigated the attached petition and hereby make the following findings:

- a. The petition contains an adequate property description of the area proposed for annexation.
- b. The area described in the petition is contiguous to the City of Shelby primary corporate limits, as defined by North Carolina General Statute 160A-31.
- c. The petition is signed by and includes addresses of all owners of real property lying in the area described therein.

In witness whereof, I have hereunto set my hand and affixed the seal of the City of Shelby, this 23rd day of November 2020.



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

RESOLUTION NO. 53-2020

A RESOLUTION SCHEDULING A PUBLIC HEARING
FOR A VOLUNTARY ANNEXATION PETITION
FROM SUGAR BRANCH PROPERTIES, LLC

WHEREAS, the City of Shelby has received a petition for voluntary annexation from Mafic USA, LLC; and,

WHEREAS, North Carolina General Statute 160A-58.1 set forth standards allowing for non-contiguous annexation; and,

WHEREAS, the subject property as identified within the petition meets the standards set forth in the above referenced statute; and,

WHEREAS, the City Clerk has investigated this petition and certified the results of such investigation in writing to City Council; and,

WHEREAS, North Carolina General Statute 160A-58.2 set forth standards allowing for a public hearing to annex non-contiguous property.

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

Section 1. Due to a favorable report as to the sufficiency of the petition from the City Clerk a public hearing is hereby scheduled to receive public comment on said petition in accordance to GS 160A-58.2 on January 4, 2021.

Section 3. Said area of annexation is described in Exhibit A of this Resolution.

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

Adopted and approved this the 7th day of December 2020.

O. Stanhope Anthony III
Mayor

ATTEST:

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

RESOLUTION NO. 53-2020

ATTACHMENT A

Legal Description

PROPERTY OF: SUGAR BRANCH PROPERTIES, INC.

DEED REFERENCE: DEED 1770 PAGE 431; DEED 1754 PAGE 1336

LYING IN CLEVELAND COUNTY, NORTH CAROLINA AND BEING ALL OF LOTS 1 THRU 6 OF THE SAM LATTIMORE FARM AS SHOWN ON PLAT BOOK 8 PAGE 80 AND BEING THE PROPERTY SHOWN ON PLAT BOOK 42 PAGE 140; BEING BOUNDED ON THE EAST BY SAM LATTIMORE ROAD, ON THE SOUTH BY COLLEGE AVENUE, ON THE WEST BY SOUTHERN BELL (DEED 17,Z PAGE 242), AND ON THE NORTH BY SPALECO, INC. (DEEDS 15,J-758; 16,Q-260; 16,M-819) , AND BEING DESCRIBED ACCORDING TO A SURVEY BY T.SCOTT BANKHEAD DATED 04/25/18 AND REVISED ON 11/12/20 AS FOLLOWS:

BEGINNING ON A REBAR ON THE NORTH SIDE OF COLLEGE AVENUE, THE SOUTHEAST CORNER OF SOUTHERN BELL, SAID REBAR BEING LOCATED S 88-34-12E 1611.58' FROM NCGS MONUMENT "AIRPORT", AND RUNS THENCE WITH THE SOUTHERN BELL LINE N10-24-45E 271.67' TO A PIPE LOCATED 1.62' FROM A CONCRETE MONUMENT; THENCE WITH THE SPALECO, INC. LINE N80-36'46E 600.00' TO A REBAR ON THE WEST SIDE OF SAM LATTIMORE ROAD; THENCE WITH THE WEST SIE OF SAID ROAD S9-17-38E 200.00' TOTAL (CROSSING A REBAR AT 15.00') TO A REBAR AT THE INTERSECTION OF RIGHT OF WAYS OF SAM LATTIMORE ROAD AND COLLEGE AVENUE; THENCE WITH THE NORTH RIGHT OF WAY OF COLLEGE AVENUE THE FOLLOWING FOUR CALLS: (1) S76-27-22W 150.00' TO A REBAR; (2) S76-27-22W 215.00' TO A REBAR; (3) S71-57-22W 100.00' TO A REBAR; (4) S67-45-06W 135.31' TO A REBAR, THE PLACE OF BEGINNING.

CONTAINING 3.105 ACRES.

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

Agenda Item: C-4

- 4) Approval of a resolution declaring the intent of the City Council of the City of Shelby to consider the permanent closure of an unopened right of way between Textile Street and East Shannonhouse Street: Resolution No. 54-2020

Consent Agenda Item: (Walter Scharer, Planning Director)

- Memorandum dated November 30, 2020 from Walter Scharer, Planning Director to Rick Howell, City Manager
- Letter from Cleveland County 2 MMR Limited Partnership
- Proposed Alley Closure
- Resolution No. 54-2020

City Manager's Recommendation / Comments

Resolution No. 54-2020 is presented for City Council consideration at this time via the Consent Agenda. If approved this resolution simply states the City's intent to close the noted unopened right of way and provides notice to the public of this intent. A public hearing is also set for Monday, January 4, 2021 to hear public comment. All affected property owners will receive notice either by newspaper publication, certified mail and posted public notice. This action is initiated at the request of the adjoining property owners.

It is recommended that Resolution No. 54-2020 be adopted and approved via the Consent Agenda.



Memorandum

To: Rick Howell - City Manager
From: Walter Scharer – Planning Director
Date: November 30, 2020
Subject: Request to close an unopened right-of-way between Textile Street and East Shannonhouse Street

Executive Summary of issue – Background

There is an unopen right-of-way for an alley between Textile Street and East Shannonhouse Street. The property owners adjacent to this unopened right-of-way have petitioned the City to close the right-of-way. A location map showing this site is attached.

Review and Comments

This request is part of the proposed Cambridge Commons multi-family development. The developer is redesigning this part of the project with the right-of-way being closed.

Pursuant to North Carolina General Statute 160A-299, the City may close a street or alley after passing a resolution of intent that establishes a public hearing for said closing. The public hearing for this street closing, as established by the resolution of intent, is scheduled for January 4, 2021.

Recommendation

Please place this item on the consent agenda for the December 7, 2020 City Council meeting.

Attachments: Right-of-Way Closure Request, Location Map, and Resolution of Intent

Cleveland County 2 MMR Limited Partnership
Post Office Box 4503
Greensboro, NC 27404

September 4, 2020

Mr. Walt Scharer
Planning Director
City of Shelby
315 South Lafayette Street
Shelby, NC 28150

Re: Alleyway Closure
Cleveland County 2 MMR Limited Partnership
Cleveland County MMR Limited Partnership
Ella Mill Properties, LLC

Dear Mr. Scharer,

I am writing on behalf of the entities listed above to respectfully request that the alley between the properties located at 1000 – 1026 S. Dekalb Street, 1001 – 1027 S Washington Street, and 201 E. Shannonhouse Street be closed.

A check in the amount of \$750 is enclosed.

Please let me know if you need any additional information.

Thank you,

Cleveland County 2 MMR Limited Partnership
By: Cleveland County 2 MMR GP, LLC

By: Maida M. Pearson, Manager

Cleveland County MMR Limited Partnership
By: Cleveland County MMR GP, LLC

By: Maida M. Pearson, Manager

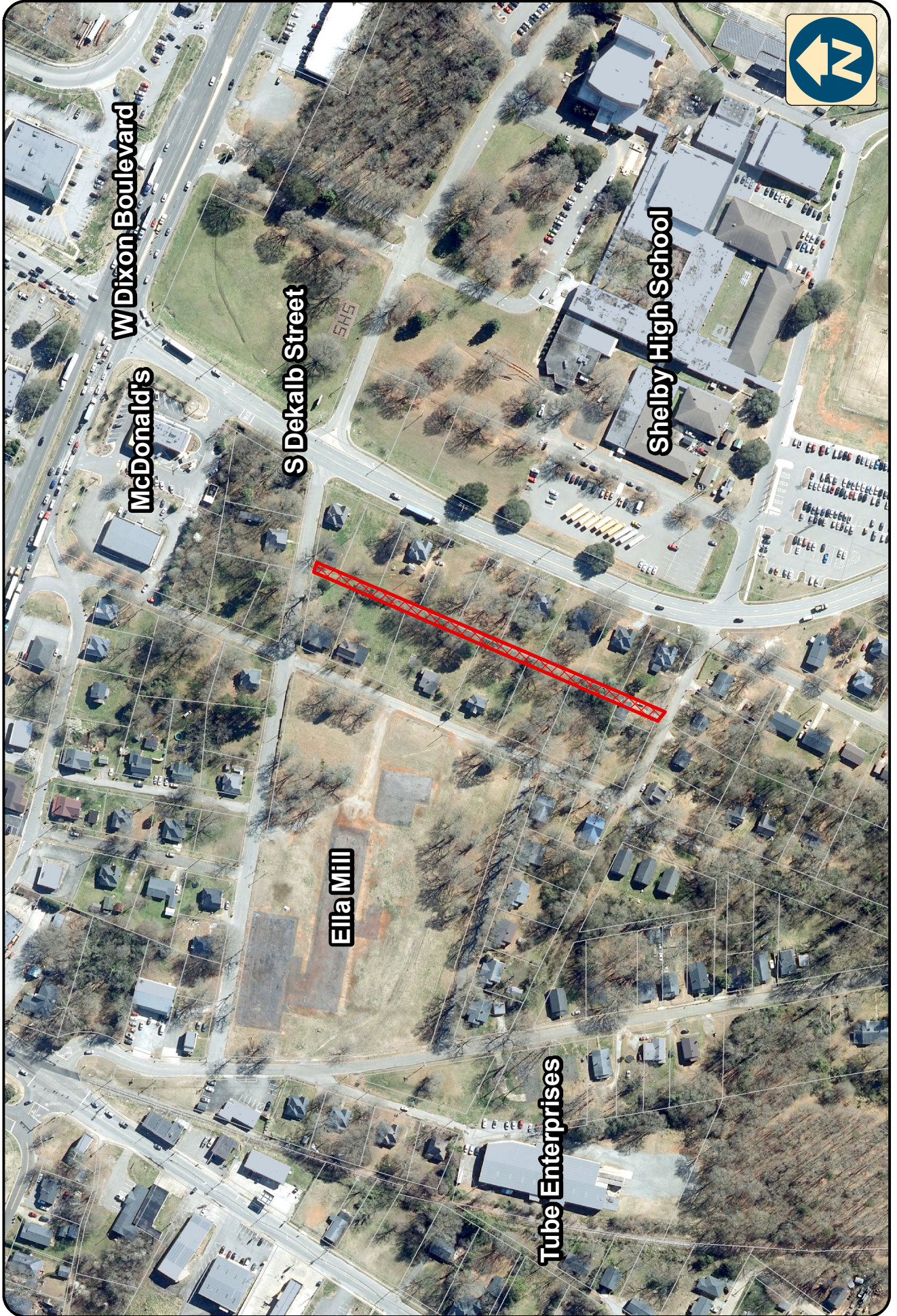
Ella Mill Properties, LLC

By: Maida M. Pearson, Manager



Proposed Alley Closure Cambridge Commons Project

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



Scale 1:3,000 1 inch = 250 feet



Date: 11/23/2020

RESOLUTION NO. 54-2020

**A RESOLUTION DECLARING THE INTENT OF THE CITY COUNCIL
OF THE CITY OF SHELBY TO CONSIDER THE PERMANENT CLOSURE
OF AN UNOPENED RIGHT OF WAY BETWEEN TEXTILE STREET AND
EAST SHANNONHOUSE STREET**

WHEREAS, North Carolina General Statute 160A-299 authorizes the City Council of the City of Shelby to permanently close public streets and alleys within its jurisdiction; and,

WHEREAS, the City has received a request and petition from abutting property owners to permanently close an unopened right of way between Textile Street and East Shannonhouse Street; and,

WHEREAS, the City Council considers it advisable to conduct a public hearing for the purpose of giving consideration to this proposal.

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

Section 1. That a public hearing on the matter will be held at 6:00 PM, on the 4th day of January 2021 in the Council Chamber at the City Hall in Shelby, North Carolina to consider an order closing an unopened right of way between Textile Street and East Shannonhouse Street.

Section 2. The City Clerk is hereby directed to publish this Resolution of Intent once a week for four (4) successive weeks prior to the public hearing in *The Shelby Star*.

Section 3. The City Clerk is further directed to transmit by certified mail, return receipt requested, to each owner of property abutting on said street a copy of this Resolution of Intent and shall cause a notice of the Public Hearing to be prominently posted in at least two places along the subject street.

Section 4. This Resolution of Intent shall become effective upon its adoption and approval.

O. Stanhope Anthony III
Mayor

ATTEST:

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

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

Agenda Item: C-5

- 5) Approval of a resolution authorizing an agreement between the City of Shelby, North Carolina and White Investments of Shelby, LLC for commissioned mural made for hire: Resolution No. 55-2020

Consent Agenda Item: (Justin Merritt, Assistant City Manager)

- Memorandum dated November 30, 2020 from Justin Merritt, Assistant City Manager to Rick Howell, City Manager
- Agreement between City of Shelby, North Carolina and White Investments of Shelby, LLC
- Resolution No. 55-2020

City Manager's Recommendation / Comments

The attached agreement was drafted by the City Attorney to formalize an agreement between the property owner and the City for the Bobby Bell mural to be painted on the property owners wall. The agreement simply sets forth the terms of the agreement providing protections for both parties. The City must properly maintain the mural in good condition so that it does not detract from the property and the owner agrees not to alter the mural in any way. The agreement is short and clear as to the expectations of both parties.

It is recommended that Resolution No. 55-2020 be adopted and approved via the Consent Agenda.



To: Rick Howell, City Manager

From: Justin Merritt, Assistant City Manager

Date: November 30, 2020

Subject: Bobby Bell Mural Project Property Owner Contract

Background:

In early August 2020, the City of Shelby announced a Request for Qualifications from artists to produce a mural of Shelby native and NFL Hall of Fame member Mr. Bobby Bell. The City received 6 responses to the RFQ from artists across the State. The City has since awarded the contract to The Mural Shop for completion of the mural.

During the process of negotiating with The Mural Shop, several buildings were presented as options for placement of the mural. After meeting to review the options, it was decided that due to size, project visibility, wall condition and expected preparation needs, the building located on Parcel # 17111, would be most advantageous for the project. Specifically, the east facing wall, is of appropriate size, condition and is highly visible from the Uptown core.

The attached contract is necessary in order to ensure a clear understanding between the City and the property owner as relates to ownership and maintenance of the mural and what will occur should the property be sold, among other important details.

Recommendation:

The recommendation from staff is to adopt the attached resolution, which will allow the City Manager to execute the contract.

AGREEMENT

Between the

CITY OF SHELBY, NORTH CAROLINA

And

WHITE INVESTMENTS OF SHELBY, LLC

For

COMMISSIONED MURAL MADE FOR HIRE

This Agreement is made and entered into this ___day of [November], 2020, by and between the City of Shelby, North Carolina, a municipal corporation organized under the laws of the State of North Carolina and hereinafter referred to as the “City” and the White Investments of Shelby LLC, a limited liability company organized under the laws of North Carolina, hereinafter the “Property Owner”;

WHEREAS, Owner is the owner of record for parcel number 17111, hereinafter “Property” and is vested with all rights and privileges incident to ownership of said property including but not limited to full use of said Property, namely the placement of a mural on it;

WHEREAS, the City seeks to promote and commemorate the City’s rich cultural heritage, reinforce the growth of arts and culture within the City and increase tourism to the area;

WHEREAS, the Property Owner hereby recognizes that the purpose of the project is to enhance the community and encourage tourism and commerce in the City and increase tourism in the area. The project will strive for diversity of style, scale, and media represented;

WHEREAS, the nature of the Bobby Bell Mural project is such that it is necessary and desirable to enter into an Agreement expressly setting forth the respective rights, duties and obligations of the parties;

NOW THEREFORE, in consideration of the mural covenants hereinafter contained, it is mutually agreed between the parties as follows:

1. **LOCATION.** The Property Owner hereby agrees to allow the City to paint the entire east facing wall as identified as Cleveland County Tax Parcel Number 17111. Property Owner expressly agrees the mural shall be the only image located on the aforementioned wall.

2. **COMPENSATION.** The Parties expressly agree that no compensation of any kind will be paid to the Property Owner, its members, associates or affiliates for use of its Property as described herein.
3. **TERM.** The mural shall be allowed to remain on the wall for a period of ten (10) years.
4. **RENEWALS.** The Agreement may be renewed for successive five (5) year periods upon mutual written agreement between the Property Owner and the City prior to the end of the initial ten-year period.
5. **SALE OR LEASE OF PROPERTY.** During the term, or any extension thereof, at such time as property is being offered for sale or lease, or the building on such property is being demolished or expanded where the mural is located, or the mural otherwise interferes with the Property Owners' use, occupancy, or control of the property, then at the Property Owner's sole discretion, the Property Owner has the right to cancel this Agreement upon six (6) months written notice to the City. Notwithstanding, if the Property Owners cancels the Agreement before the expiration of the initial term of the Agreement, the Owner shall pay the City an amount equal to ten percent (10%) of the mural's total cost for each year remaining in the Agreement.

Balance of years remaining in Agreement for early termination	Percentage Owed to the City
10	100%
9	90%
8	80%
7	70%
6	60%
5	50%
4	40%
3	30%
2	20%
1	10%

6. **ARTIST COMPENSATION.** The City agrees that it shall compensate the selected artist for the use of materials and services rendered for the execution and completion of the mural; including but not limited to the application of the mural to a pre-primed surface provided for the artist.
7. **ACCESS.** The Property Owner agrees to provide the City with reasonable access to the site for such work as may be required but that will not interfere with the Property Owner's business operations.

8. **MAINTENANCE.** The City shall bear the cost of properly maintaining the mural through routine maintenance and shall not allow the mural to deteriorate.
9. **COPYRIGHT.** The Property Owner understands and agrees that the placement of the copyrighted artwork (mural) on the site in no way entitles the Property Owner to use, at its discretion, the artwork for advertising/profit making purposes or any other publicity, except under conditions in which the artwork has been released by both the artist and the City. The Owner shall obtain consent from the City for use of the image in any manner for advertising or other profit-making endeavor.
10. **INDEMNIFICATION.** The Property Owner agrees to indemnify and hold harmless the City, including but not limited to the governing board, all departments, directors, employees, representatives, contractors, subcontractors, or their employees harmless from all liabilities, third party claims, causes of action, judgments, damages, losses and expenses (including reasonable attorney's fees) arising out of any breach of the Property Owner's representations, promises or performance of obligations under the Agreement.
11. **SELECTION OF ARTIST.** The selection of the artist and subject matter shall be the sole responsibility of the City.
12. **ASSIGNMENT OF RIGHTS.** No rights under this Agreement shall be assigned to any other party except as expressly agreed upon by the parties, reduced to writing, and signed by both Parties.
13. **DISPUTE RESOLUTION.** Any dispute hereunder between the parties shall be resolved by binding arbitration to be conducted in Cleveland County North Carolina by an arbitrator approved by mutual agreement and certified by the American Arbitration Association.
14. **GOVERNING LAW.** This Agreement shall be subject to and is governed by the laws of the state of North Carolina.
15. **NOTICES.** Any notices required pursuant to this Agreement shall be served at the following addresses:

**CITY OF SHELBY, NORTH
CAROLINA**
Mr. Rick Howell
City Manager
300 South Washington, St.
Shelby, NC 28150

**WHITE INVESTMENTS OF
SHELBY, LLC**
Mr. David White
Managing Member
PO Box 1420
Shelby, NC 28151-1420

16. **SEVERABILITY.** In the event any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full effect.

17. **COMPLETE AGREEMENT.** This Agreement represents the complete understanding between the parties with respect to the matters set forth herein. No amendment or modification of the Agreement shall be valid unless evidenced in writing and executed by the parties hereto.

[The remainder of this page is intentionally blank]

DRAFT

IN WITNESS THEREOF, the City and the Property Owner have executed this Agreement on the date and year set forth above

**WHITE INVESTMENTS OF SHELBY,
LLC**

CITY OF SHELBY, NORTH CAROLINA

David White
Managing Member

Date

James R. Howell, Jr.
City Manager

Date

Approved as to Form:

Andrea Leslie-Fite
City Attorney

Date

RESOLUTION NO. 55-2020

A RESOLUTION AUTHORIZING AN AGREEMENT BETWEEN THE CITY OF SHELBY, NORTH CAROLINA AND WHITE INVESTMENTS OF SHELBY, LLC FOR COMMISSIONED MURAL MADE FOR HIRE

WHEREAS, the City of Shelby, North Carolina seeks to promote and commemorate the City's rich cultural heritage, reinforce the growth of arts and culture within the City, and increase tourism to the area; and,

WHEREAS, the property owner, White Investments of Shelby LLC, also recognizes that the purpose of the Bobby Bell Mural Project is to enhance the community and encourage tourism and commerce in the City of Shelby and increase tourism in the area; and,

WHEREAS, White Investments of Shelby LLC is the owner of record for Parcel Number 17111 and is vested with all rights and privileges incident to ownership of said property including but not limited to full use of said property, namely the placement of a mural on it; and,

WHEREAS, the nature of the Bobby Bell Mural Project is such that it is necessary and desirable to enter into an Agreement expressly setting forth the respective rights, duties, and obligations of the parties, City of Shelby, North Carolina and White Investments of Shelby LLC. Said Agreement is attached hereto as Attachment A; and,

WHEREAS, the Bobby Bell Mural Project will strive for diversity of style, scale, and media represented.

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

Section 1. The City Manager of the City of Shelby, North Carolina is hereby authorized and directed to execute the aforementioned Agreement with White Investments of Shelby LLC.

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

Approved and adopted this the 7th day of December 2020 in Shelby, North Carolina.

O. Stanhope Anthony III
Mayor

ATTEST:

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

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

Agenda Item: C-6

- 6) Approval of a resolution approving a financing agreement Authorized by North Carolina General Statute 160A-30: Resolution No. 56-2020

Consent Agenda Item: (Justin Merritt, Assistant City Manager/Beth Beam, Finance Director)

- Memorandum dated November 25, 2020 from Beth Beam, Finance Director through Justin Merritt, Assistant City Manager to Rick Howell, City Manager
- Proposed Installment Contract Equipment List
- List of Proposers
- Proposal from United Financial
- Resolution No. 56-2020

City Manager's Recommendation / Comments

Resolution No. 56-2020 is presented for City Council consideration at this time. As Council is aware the City annually finances the purchase of all rolling stock equipment and vehicles through the issuance of a 59-month private placement financing agreement. Each year the total approved amount for rolling stock purchase is bid out to qualified financial institutions. This includes rolling stock for all City departments.

Mrs. Beth Beam, Finance Director, has solicited proposals and prepared the background material for the award of the financing for the current fiscal year as included within your agenda packet. All of the equipment has been purchased or are in process or funds have been encumbered and once the award is made for the financing a closing date will be set. After this date the City will be able to reimburse itself from the proceeds from the financing. **This year's total principal is \$ 1,330,143. For all City Departments.** The recommended bidder is United Financial (a Division of HomeTrust Bank) which has offered a **rate of 1.09%** over the life of the 59-month term. The list of purchased equipment is included in your agenda packet. I would note that last year's rate was 1.68% and the year before that was 2.954%.

It is recommended that Resolution No. 56-2020 be adopted and approved via the Consent Agenda.



To: Rick Howell, City Manager

Through: Justin S. Merritt, Assistant City Manager

From: Beth B. Beam, Director of Finance

Date: November 25, 2020

Subject: FY 2020-2021 Equipment Financing

Please find attached to this memo a resolution approving a financing agreement with United Financial (A Division of HomeTrust Bank) for the equipment and rolling stock to be purchased during the current fiscal year. The finance department sent requests for proposals to 14 banks requesting that they submit proposals on our 2020-2021 equipment financing. The total amount of the request is \$1,330,143.00. We received six proposals. The banks request that this type of financing be awarded as soon as possible after the proposals are due, as a result of market volatility. I opened the proposals on Tuesday, November 24th at 2:00 in the afternoon. After reviewing the proposals, it is my recommendation that United Financial (A Division of HomeTrust Bank) be awarded this contract with a 1.09% interest rate, for 59 months, with annual payments in arrears. I have also attached the evaluation of the proposals. This is how we have handled awarding these financing contracts in the past. I will be logged in for the Council meeting Monday, December 7th to answer any questions.

2021 City of Shelby
Proposed Installment Contract Equipment List

<u>Dept.</u>	<u>Description</u>	<u>Cost Center</u>	<u>Estimated Cost</u>
Information Services	Blade Servers/Equip.	110420-51000	52,000.00
Meter Services	Nissan Frontier	110421-54000	27,000.00
Fire Department	Truck	110434-54000	57,443.00
Streets	50% Backhoe	110451-51000	55,000.00
	Service Truck	110451-54000	60,000.00
Airport	Fuel System Upgrade	110453-51000	29,700.00
Sanitation	Leaf Truck Replace	110471-51000	200,000.00
	Sidearm Assembly	110471-51000	50,000.00
GIS	GPS Equipment	110491-51000	10,000.00
	1/2 ton Pickup	110491-54000	30,000.00
Parks and Recreation	Office Copier	110612-51000	11,000.00
	Maintenance Mower	110613-51000	13,000.00
	1/2 Ton Pickup	110613-54000	27,000.00
Water Fund	Pickup Truck	610713-54000	33,000.00
	Chlorine Scale Upgrade	610714-51000	7,000.00
	Truck Replacement	610714-54000	30,000.00
Sewer Fund	1/2 ton Pickup	620721-54000	30,000.00
Electric Fund	Backyard Digger Derrick	630733-51000	150,000.00
	Truck Replacement	630733-54000	60,000.00
	Line Truck Replacement	630733-54000	225,000.00
Gas Fund	Mini-Excavator	640743-51000	31,000.00
	Ditch Witch	640743-51000	29,000.00
	Truck Replacement	640743-54000	29,000.00
	1/2 ton Truck-Locator	640743-54000	29,000.00
Stormwater Fund	1/2 Backhoe	650753-51000	55,000.00
Total:			<u><u>1,330,143.00</u></u>

City of Shelby
 Evaluation of 2021 Capital Equipment Financing

Amount to be financed: \$1,330,143
 Term: 59 Months

<u>CRITERIA</u>	<u>PROPOSERS</u>						
	Bank OZK	Fidelity	First Citizens Bank	Pinnacle Financial	Truist Bank - BB&T	United Financial (HomeTrust)	USBank
Interest Rate	3.80%	1.99%	1.44%	Non-responsive	1.27%	1.09%	1.192%
Fees	0.20%	\$ -	\$ -		0	0	0
	\$2,660 + \$1,000	UCC filing fees					
Annual Payment (Prin & Int)	\$ 297,562.95		\$ 277,302.14		\$ 275,999.35	\$ 275,000.00	\$ 275,346.37
		no amortization					
Total Cash Outlay (Prin & Int)	\$ 1,487,814.77		\$ 1,386,510.70		\$ 1,379,996.75	\$ 1,373,724.83	\$ 1,376,731.87
		schedule provided					
Prepayment Penalty	0	0	0		0	0	0
							after 13 months
Total Cash Outlay, including Fees	\$ 1,491,474.77		\$ 1,386,510.70		\$ 1,379,996.75	\$ 1,373,724.83	\$ 1,376,731.87



United Financial

A Division of HomeTrust Bank

876 Brevard Rd
Asheville, NC 28806

November 23, 2020

City of Shelby, NC
300 South Washington Street
Shelby, NC 28150

ATT: Beth B. Beam, NCCLGFO Finance Officer

Re: Finance proposal for: *The acquisition of equipment as described in the equipment list included in the RFP issued in the amount of \$1,330,143.00*

Dear Beth,

As per your request, we are enclosing under same cover our proposal for the above captioned transaction. This transaction is structured on an annual basis with five (5) annual payments as reflected in the attached Bank Qualified and Non-bank Qualified repayment schedules. This transaction is calculated at an annual percentage rate of 1.09% (Bank Qualified) or 1.45% (Non-Bank Qualified).

There are no closing costs or origination fees related to the transaction.

The collateral for the transaction will be determined as equipment is purchased. The bank agrees to reimburse the City in those instances where the City paid for the equipment in advance. The bank anticipates the collateral to consist of items on the RFP equipment list.

The bank agrees with the RFP Specifications. The bank will use its standard Municipal Lease and Option Agreement documentation as it has done in the past for the City of Shelby. While the bank does not charge a pre-payment penalty, the Concluding Payment is calculated at 101.00% of the outstanding balance for the first twenty-nine (29) months if the transaction is repaid in advance.

The bank would fund the proceeds into a HomeTrust Bank Escrow/Project account and utilize the account as additional security during the funding phase. There would be no fee on the account and interest would be paid to the account based on our current market rates for the account type.

The bank's documentation will include Substitution and Non-Appropriation language as well as the bank agrees it may not render a deficiency judgement against the City nor will the bank seek a pledge of the City's taxing powers.

If you have any questions or need additional information, please contact me at your convenience. Thank you for the opportunity to provide this proposal to you.

Very truly yours,

John M. Tench
Senior Vice President
Director of Municipal Finance

Phone 828-684-5643
Fax 828-684-5616

November 23, 2020

City of Shelby, NC
300 South Washington Street
Shelby, NC 28150
ATT: Beth B. Beam, NCCLGFO
Director of Finance

Proposal for Acquisition & Finance of: Proposed Equipment List provide for RFP issued by the City of Shelby, NC in the amount of \$1,330,143.00.

Dear Beth,

As a follow-up to your recent request for a proposal regarding the above referenced transaction, United Financial is pleased to offer a finance proposal as follows:

LESSOR: United Financial, *A Division of HomeTrust Bank*

LESSEE: City of Shelby, NC

COLLATERAL: Equipment list as referenced above

AMOUNT: Up to \$1,330,143.00

START DATE: Immediately upon funding

TERM: 59 months

PAYMENTS: **OPTION 1: Bank Qualified Terms:** Lease payments will consist of four (4) annual payments of \$275,000.00 comprised of principal and interest followed by one final payment due at maturity (59 months) of \$273,724.83 which is also comprised of principal and interest.

OPTION 2: Non-Bank Qualified Terms: Lease payments will consist of four (4) annual payments of \$278,000.00 comprised of principal and interest followed by one final payment due at maturity (59 months) of \$276,242.64 which is also comprised of principal and interest.

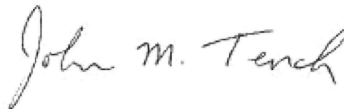
EXPIRATION: Lease payment terms quoted herein shall be fixed and held for Lessee through 01/23/2021.

LEGAL TITLE: Legal Title to the Equipment during the Lease Term shall vest in the Lessee with Lessor perfecting a first security interest through Equipment Title, UCC, or other filing instruments as may be required by law.

- NET LEASE:** The Lease will be a net lease, under which all cost and responsibility of maintenance, insurance, taxes and other items of a similar nature shall be for the account of Lessee.
- INSURANCE:** Lessee shall provide evidence of insurance coverage at the time of delivery of the Equipment, in accordance with the provisions of the Lease.
- FINANCIALS:** Lessee shall furnish Lessor with its last three, (3) fiscal years financial statements and its latest interim financial statements, plus such other pertinent information as Lessor may reasonably request.
- APPROVAL:** Closing of the transactions described herein and implementation hereof is expressly conditioned upon review and acceptance hereof by Lessor's Senior Loan Committee, receipt of properly executed documentation acceptable to Lessor, and the absence of any material adverse change in Lessee's financial condition prior to delivery and acceptance of the Equipment.
- ACCEPTANCE:** Lessee acknowledges that the terms and conditions of this proposal are satisfactory and that upon execution hereof by Lessee this proposal shall constitute a valid and binding obligation of Lessee. As further condition to Lessor's approval hereof, Lessee must acknowledge its acceptance of this proposal by signing below in the space provided and returning it to the Lessor by 12/23/2020.

If you determine that any of these finance structures meet the needs of your organization, please have the appropriate officer indicate the chosen option, place their signature at the bottom of this page, and return it to us via fax, email or US Postal Service. Upon receipt of the signed proposal, we will be in touch with you to make provision for documenting the finance. Thank you for the opportunity to submit this proposal letter for your review and approval. Should you have any question or comments regarding the terms and conditions, or if we can be of any further assistance to you, please do not hesitate to call.

Sincerely,



John M. Tench
Senior Vice President
Director of Municipal Finance

ACCEPTED BY:

SIGNATURE: _____

NAME: _____ **TITLE:** _____ **DATE:** _____

OPTION 1: _____ **OPTION 2:** _____

City of Shelby- Bank Qualified- 59 Months

AMORTIZATION SCHEDULE - Annual Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Concluding Payment
Loan	12/14/2020			1,330,143.00	
1	12/14/2021	275,000.00	14,498.56	260,501.44	1,080,337.98
2	12/14/2022	275,000.00	11,659.09	263,340.91	814,363.66
3	12/14/2023	275,000.00	8,788.68	266,211.32	540,089.33
4	12/14/2024	275,000.00	5,886.97	269,113.03	270,976.30
5	11/14/2025	273,724.83	2,748.53	270,976.30	0.00
Grand Totals		1,373,724.83	43,581.83	1,330,143.00	

RESOLUTION NO. 56-2020

A RESOLUTION APPROVING A FINANCING AGREEMENT AUTHORIZED
BY NORTH CAROLINA GENERAL STATUTE 160A-20

WHEREAS, the City of Shelby, North Carolina (the “City”) has previously determined to undertake a project for purchase of various types of equipment (the “Project”), and the Finance Officer has now presented a proposal for the financing of such Project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHELBY, NORTH CAROLINA, meeting in regular session on the 7th day of December 2020 makes the following findings of fact:

Section 1. The City hereby determines to finance the Project through United Financial (A Division of HomeTrust Bank), in accordance with the proposal dated November 23, 2020. The amount of the financing shall not exceed \$1,330,143.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.09%, and the financing term shall not exceed fifty-nine (59) months from closing.

Section 2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver all Financing Documents, and to take any such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and a Project Fund Agreement as United Financial (A Division of HomeTrust Bank) may request.

Section 3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for delivery of the Financing Documents have been completed to such officer’s satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided

that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Documents for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

Section 4. The City shall not take or omit to take any action, the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purpose of the registered owners on the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Document as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3) if applicable.

Section 5. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict.

This resolution is effective upon its adoption the 7th day of December 2020.

O. Stanhope Anthony III
Mayor

ATTEST:

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

APPROVED AS TO FORM:

Andrea Leslie-Fite
City Attorney

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

Agenda Item: C-7

- 7) City of Shelby's Ames Copper Natural Gas System Infrastructure Improvement Project:
- a. Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's Ames Copper Natural Gas System Infrastructure Improvement Project: Ordinance No. 36-2020
 - b. Approval of a resolution awarding the engineering for natural gas line improvements along Old Boiling Springs Road and Highway 74 West: Resolution No. 57-2020

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

- Memorandum dated November 30, 2020 from Julie McMurry, Director of Energy Services to Justin Merritt, Assistant City Manager and Rick Howell, City Manager
- Email from Scott Heath, Heath and Associates, Inc.
- Ordinance No. 36-2020 and Resolution No. 57-2020

City Manager's Recommendation / Comments

Ordinance No. 36-2020 is presented for City Council consideration at this time via the Consent Agenda. If approved this ordinance would establish a project budget for the extension of a larger capacity natural gas line extension from approximately US Hwy 74 along Old Boiling Springs Road to the Ames Copper / IMC facility. The ordinance would appropriate \$48,400 for engineering and design only at this time from the Natural Gas Fund reserve. Once the engineering is complete and a more definitive cost estimate is established I would come back to Council requesting an amendment to include construction funds. A very preliminary figure for construction is estimated at between \$100,00-\$150,000.

Resolution No. 57-2020 is also presented to City Council at this time via the Consent Agenda. If approved this resolution would approve the selection of Heath and Associates as the design engineer and authorize entering into an agreement for the scope of design services described and necessary to move this project forward.


Grading and site preparation for this project began in November. This will be a \$30 million investment with the creation of approximately 46 new jobs. They will be installing a new gas fired furnace. The City will need to extend a large natural gas line from US Hwy 74 to the site to accommodate increased usage. The City will not do this until such a time as construction is underway and the company has certified to us that the furnace has been ordered. A reminder that the \$30 million investment is exempt from property taxes under NC law because it is a recycling facility. The facility will recycle and reclaim scrap copper for use in other products and materials.

It is recommended that Ordinance No. 36-2020 and Resolution No. 57-2020 be adopted and approved via the Consent Agenda.



Memorandum

To: Rick Howell, City Manager
Justin Merritt, Assistant City Manager

From: Julie R. McMurry, Director of Energy Services 

RE: Natural Gas- Natural Gas System Improvements
AMES Copper PBO Request

Date: November 30, 2020

Background

On July 30, 2020 representatives from AMES Copper and City of Shelby attended a meeting to discuss the plans for their new facility on Old Boiling Springs Road. At this meeting along with other utility and site information they provided natural gas load requests and a timeline for availability.

Staff has consulted with Scott Heath of Heath and Associates, Inc. to determine the ability of our current natural gas system to serve the new facility's load. Based on the load needed for their facility some improvements will need to be made to the lines on Old Boiling Springs Road and Highway 74 leading to the facility site.

The cost for the preliminary engineering is \$25,000. Preliminary engineering involves determining the alignment of the pipeline, identifying any obstacles or private right of way that may be required, selecting the materials needed and determine the units that will be bid/acquired for the work. Plan sheets will be prepared and ready for construction less the contractual instructions.

The cost for final design and bidding is \$14,400 and will involve preparing specifications and contract documents to bid the project, obtaining permits and bidding the project. The Construction Management phase cost is \$9,000 and involves conducting a preconstruction conference, checking on construction periodically, answering questions/processing change orders, final inspections and verifying the invoicing.

Recommendation

I would like to request project budget ordinance for the preliminary engineering fees to be completed by Heath and Associates, Inc as follows:

Preliminary engineering	\$25,000
Final Engineering/Permits/Bidding	\$14,400
Construction Management	\$ 9,000

Amendments to the PBO will be requested once construction estimates have been determined.

Please let me know if more information is needed.

McMurry, Julie

From: Scott Heath <scott@heathweb.com>
Sent: Tuesday, November 24, 2020 1:31 PM
To: McMurry, Julie
Cc: Aaron Moses
Subject: RE: Design Cost

Julie,

I recommend the City install 3200' of 8" steel from the 226/74 intersection to Old Boiling Springs Road and 1600' of 6" steel along Old Boiling Springs Road. The meterset will be significant and similar to the one for Mafic. We can get started with a PO for the preliminary engineering if you want to go this route. If the project progresses to bid, we prefer to have our standard letter contract to define the scope and define the fees. The quotes below are for this scope of work.

I have estimated our fees in three sections so we can break out what I think you want for the preliminary engineering phase.

The preliminary engineering will involve determining the alignment of the pipeline, identifying any obstacles or private right of way that may be required, selecting the materials needed, and determining the units that will be bid/acquired for the work. Plan sheets will be prepared and ready for construction less the contractual instructions. We will have a cost estimate that is similar to the ones we have immediately pre-bid.

The final design/bidding stage will involve preparing the specifications and contract documents to bid the project, obtaining all necessary permits, and bidding the project.

The Construction Management phase will be conducting a preconstruction conference, checking on the construction periodically, answering questions/processing change orders, final inspections, and verifying the invoicing.

Our fees can be detailed into these phases for the letter contract as follows. If you want to proceed with only the preliminary engineering, you can just send us a PO for this work.

Preliminary engineering	Lump sum fee \$25,000
Final Engineering/Permits/Bidding	Lump sum \$14,400
Construction Management	Lump sum \$9,000

Please give me a call if you have any questions or want to discuss the work further. Thanks.

E. Scott Heath
Heath and Associates, Inc.
108 West Warren Street

ORDINANCE NO. 36-2020

AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGETS
FOR THE CITY OF SHELBY'S AMES COPPER
NATURAL GAS SYSTEM INFRASTRUCTURE IMPROVEMENT 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 Ames Copper Natural Gas System Infrastructure Improvement 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 as natural gas system 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 construct improvements to certain natural gas system infrastructure to adequately serve a local industry expansion project. 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	64006000-39900	\$48,400
Transfer to Gas Capital Projects	640741-49641	\$48,400

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

Revenues:		
Transferred from Gas Fund	64106000-39640-64887	\$48,400
Appropriation:		
Engineering	641746-42004-64887	\$48,000

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 7th day of December 2020.

O. Stanhope Anthony III
Mayor

ATTEST:

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

APPROVED AS TO FORM:

Andrea Leslie-Fite
City Attorney

RESOLUTION NO. 57-2020

**A RESOLUTION AWARDED THE ENGINEERING FOR
NATURAL GAS LINE IMPROVEMENTS ALONG OLD BOILING SPRINGS ROAD
AND HIGHWAY 74 WEST**

WHEREAS, in accordance with applicable provisions of G.S. 143-129, as amended, the City of Shelby has received quotes for engineering services for the natural gas line improvements along Old Boiling Springs Road and Highway 74 West; and,

WHEREAS, quotes for the proposed work have been reviewed and engineering services award recommendation made by City Staff for this project; and,

WHEREAS, the City Council now desires to proceed with award of project as recommended by staff and with the improvements anticipated by this action.

**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 for engineering services for natural gas line improvements along Old Boiling Springs Road and Highway 74 West to Heath and Associates, Inc. as follows:

Preliminary engineering	\$25,000
Final engineering/Permits/Bidding	\$14,400
Construction Management	\$ 9,000

Section 2. The City Manager is hereby authorized and directed to execute the applicable contract as specified in Section 1 of this resolution.

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

Adopted and approved this the 7th day of December 2020.

O. Stanhope Anthony III
Mayor

ATTEST:

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

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

Agenda Item: C-8

- 8) Natural Gas Line Rehabilitation Hobbs Avenue Area Project:
- a. Adoption of Fiscal Year (FY) 2020-2021 Budget Ordinance Amendment No. 6: Ordinance No. 37-2020
 - b. Approval of a resolution awarding the bid for replacement of natural gas lines in the Hobbs Avenue area: Resolution No. 58-2020

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

- Memorandum dated November 24, 2020 from Julie McMurry, Director of Energy Services to Justin Merritt, Assistant City Manager and Rick Howell, City Manager
- List of Proposers
- Map of Hobbs Avenue Area Gas Line Project
- Ordinance No. 37-2020
- Resolution No. 58-2020

City Manager's Recommendation / Comments

Ordinance No. 37-2020 is presented for City Council consideration via the Consent Agenda. If approved this ordinance would appropriate \$300,000 for the construction of approximately 7,000 linear feet of new 2" diameter natural gas line along Hobbs Avenue, Atlantic Avenue, Piedmont Avenue and Webb Avenue. This line replaces an existing line serving approximately 117 residences in the area. Funds are to be appropriated from the Natural Gas Reserve Fund. \$246,800 of these funds are specified for construction and the balance of \$53,200 are for purchase of materials directly by the City.

Resolution No. 58-2020 is also presented for City Council consideration at this time via the Consent Agenda. If approved this resolution would authorize the award of a contract to construct the aforementioned natural gas line to Appling Boring, Inc in the amount of \$246,800.

It is recommended that Ordinance No. 37-2020 and Resolution No. 58-2020 be adopted and approved via the Consent Agenda.

Memorandum

To: Rick Howell, City Manager
Justin Merritt, Assistant City Manager

From: Julie R. McMurry, Director of Energy Services *JRM*

RE: Natural Gas- Natural Gas Line Rehabilitation
Hobbs Avenue Area Project Award

Date: November 24, 2020

Background

Each year an area of natural gas pipeline is identified for replacement based on leak survey results, damages in the area and the City’s resurfacing schedule. Funds are requested in the budget process to replace the mains and services in the areas identified for the upcoming fiscal year.

The area identified for FY 2019-20 was located on Hobbs Avenue, Piedmont Avenue, Atlantic Avenue and Webb Avenue. The project will involve replacement of approximately 7,000 feet of 2” natural gas main and 117 services to homes. A map of the project area is attached.

City staff issued a request for proposal for the labor involved for performing this work. Requests were sent to 6 natural gas contractors. The deadline to submit was Monday, March 9 at 4:00 PM. Three bids were received, they were as follows:

Appling Boring	\$246,800.00
Miller Pipeline	\$359,482.00
B&G Pipeline	\$402,514.80

Due to COVID-19 the project was not awarded in March 2020.

Recommendation

Bids were reviewed by City staff. It has been determined that Appling Boring, LLC is the low bidder. We recommend that City Council authorize the award of this project to Appling Boring, LLC of Forest City, NC for the replacement of the 2” natural gas main and services in the Hobbs Avenue area.

Please let me know if more information is required.

Attachments:

- Project bid tabulation
- Map of project area

Hobbs Ave Rehabilitation Project Proposal

	Applying Boring	B&G Pipeline	Miller Pipeline
Gas Main and Service Crew Cost per day	\$3,250.00	\$5,761.68	\$3,042.00
Number of days allowed for project	60	60	60
	\$195,000.00	\$345,700.80	\$182,520.00
Welder cost per hour	\$75.00	\$212.00	\$89.00
4 hrs per wk@ 8 wks	\$2,400.00	\$6,784.00	\$2,848.00
	<u>\$197,400.00</u>	<u>\$352,484.80</u>	<u>\$185,368.00</u>
Pavement Repairs			
Asphalt - per ft	\$20.00	\$18.00	\$24.00
Footage Estimate	750	0	4616
Concrete - per ft	\$20.00	\$18.00	\$23.50
Footage Estimate	20	585	300
Boring - per ft	\$14.00	\$25.00	\$18.00
Footage Estimate	2000	1460	3000
Tap and Stop - per* Estimate	6	6	6
	\$1,000.00	\$500.00	\$380.00
	\$6,000.00	\$3,000.00	\$2,280.00
	\$246,800.00	\$402,514.80	\$359,482.00

* we estimate 4-6 (will adjust if 4)



- Tie-in Points
- Meters
- Service Line
- Buildings
- Riser Location
- 25 LBS PE
- 25 LBS STL

Hobbs Ave. Area Gas Line Project



ORDINANCE NO. 37-2020

CITY OF SHELBY
FISCAL YEAR (FY) 2020-2021 BUDGET ORDINANCE AMENDMENT

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 annual budget for FY 2020-2021; 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 same for implementation and compliance with the Fiscal Control Act;

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

Section 1. Ordinance No. 22-2020, the City’s FY 2020-2021 Budget Ordinance, is hereby amended as follows to provide for Budget Amendment No. 6 for the year:

(A) The City of Shelby has identified a need to replace certain natural gas utility infrastructure located along Hobbs Avenue, Piedmont Avenue, Atlantic Avenue and Webb Avenue. Accordingly, the following budget modifications are approved in accordance with the chart of accounts heretofore established for the City of Shelby.

(2) The following Natural Gas Funds Line Items are amended:

- (a) Increase 64006000-39900 Fund Balance Appropriated \$300,000
- (b) Increase 640743-56000 System Improvements \$300,000

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. 6</u>
General Fund	\$ 26,094,413	\$ 26,094,413
Emergency Telephone System Fund	107,000	107,000
Powell Bill Fund	645,000	645,000
Economic Dev. Fund	974,628	974,628
Housing Fund	1,771,040	1,771,040
Cemetery Fund	30,000	30,000
Utilities-Water Fund	6,066,638	6,066,638
Utilities-Sewer Fund	5,536,229	5,536,229
Utilities-Electric Fund	22,538,388	22,538,388
Utilities-Gas Fund	16,137,600	16,437,600
Utilities – Stormwater Fund	868,220	868,220
FY 2020-2021 Budget Total:	<u>\$ 80,769,156</u>	<u>\$ 81,069,156</u>

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 7th day of December 2020.

O. Stanhope Anthony III
Mayor

ATTEST:

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

APPROVED AS TO FORM:

Andrea Leslie-Fite
City Attorney

RESOLUTION NO. 58-2020

**A RESOLUTION AWARDING THE BID FOR REPLACEMENT OF
NATURAL GAS LINES IN THE HOBBS AVENUE AREA**

WHEREAS, in accordance with applicable provisions of G.S. 143-129, as amended, the City of Shelby has accepted formal bids for labor and equipment for the relocation of the natural gas lines and services on Hobbs Avenue, Atlantic Avenue, Piedmont Avenue, and Webb Avenue; and,

WHEREAS, bids for the proposed work have been tabulated and project award recommendation made by City Staff for this project; and,

WHEREAS, the City Council now desires to proceed with award of project as recommended by staff and with the improvements anticipated by this action.

**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 for labor and equipment for the relocation of natural gas lines and services on Hobbs Avenue, Atlantic Avenue, Piedmont Avenue, and Webb Avenue as required in the bid specifications for this offering to Appling Boring Company, Inc. of Forest City, North Carolina for a bid price of \$246,800 as stated in their official proposal for this bidding, and in accordance with the City's official bid specifications for this project.

Section 2. The City Manager is hereby authorized and directed to execute the applicable contract as specified in Section 1 of this resolution.

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

Adopted and approved this the 7th day of December 2020.

O. Stanhope Anthony III
Mayor

ATTEST:

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

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

Agenda Item: C-9

- 9) Approval of Notice of Cancellation in the Regular Meeting Schedule of Shelby City Council

Consent Agenda Item: (Bernadette A. Parduski, City Clerk)

- Notice of Cancellation

City Manager's Recommendation / Comments

After reviewing with staff the upcoming agenda schedule and any upcoming items requiring action by City Council it is my recommendation that the regular meeting slated for Monday, December 21, 2020 be cancelled via the Consent Agenda. As a matter of practice agenda items are scheduled and planned weeks in advance for most items to allow the appropriate review process to occur. I would note that in the event an issue arises that would require immediate action by City Council a special meeting could be called in accordance with the NC General Statutes. If approved by City Council your next regularly scheduled meeting would be held on Monday, January 4, 2021.

**Notice of Cancellation
in the
Regular Meeting Schedule
of
Shelby City Council**

This notice is to inform the general public and the media, and is conducted in accordance with the mandates of North Carolina General Statutes 160A-71 and 143-318.12 (a), that the regularly scheduled December 21, 2020 meeting of the Shelby City Council has been cancelled in observance of the City's Christmas holidays. The regular meeting schedule, as adopted by the Council, remains in place for all other regular meetings of the Council and will resume:

**Monday, January 4, 2021, at 6:00 p.m.
City Hall Council Chamber
300 South Washington Street
Shelby, North Carolina**

Dated: December 7, 2020

**O. Stanhope Anthony III
Mayor**

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

D. Unfinished Business

Agenda Item: D-1

- 1) Consideration of a resolution authorizing selection of WithersRavenel based on qualifications for civil engineering services to update a Transportation Asset Management Plan for Shelby, North Carolina: Resolution No. 59-2020

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

- Memorandum dated November 23, 2020 from Ben Yarboro, Director of Engineering Services to Rick Howell, City Manager and Justin Merritt, Assistant City Manager
- RFQ dated November 3, 2020
- Transportation Asset Management Plan Update 2020
- Resolution No. 59-2020

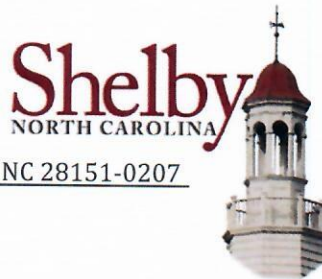
City Manager's Recommendation / Comments

In 2015 City Council adopted the (TAMP) Transportation Asset Management Plan which set forth the results of an evaluation of the condition of the City's streets, sidewalks and associated storm drain facilities. The purpose of the plan was to establish a data driven prioritization for maintenance and determine funding needs for infrastructure improvements within the system. It was recommended that this plan be updated every 5 years or so to provide Council and staff timely information regarding progress that had been made and to reprioritize based upon actual on the ground conditions.

In order to update the plan the City will need to contract with an engineering firm to provide the civil engineering services. As such I authorized city staff to move forward with a Request for Qualifications process that would lead to the selection of a qualified professional engineering firm. Six (6) proposals were received from engineering firms interested in performing the work associated with this project. The qualification statements were reviewed by city staff and it is their recommendation that Withers Ravenel is the most qualified firm to perform and provide the services as outlined in the Request for Qualifications.

If approved this resolution would authorize me to select this firm and negotiate a contract price and terms in lines with the scope of services outlined in the RFQ. A contract document will be brought before Council for approval at that time.

It is recommended that Resolution No. 59-2020 be adopted and approved by City Council at this time.



Post Office Box 207 · Shelby, NC 28151-0207

Memorandum

To: Rick Howell, City Manager
Justin Merritt, Assistant City Manager

From: Ben Yarboro, Director of Engineering Services *BY*

RE: **Recommendation to Award Professional Civil Engineering Services Contract to Update a Transportation Asset Management Plan for Shelby, North Carolina.**

Date: November 23, 2020

Background:

In 2015, the City of Shelby had a Transportation Asset Management Plan (TAMP) prepared by a professional engineering firm that evaluated the condition of the following city owned infrastructure:

- 124 miles of streets
- 72 creek culverts (under streets)
- 6 parking lots

These condition ratings and the prioritizations were developed in an objective manner and are utilized by City staff as a major factor in determining which streets to include in the annual resurfacing project. This TAMP also determines the funding levels that are required to adequately maintain this infrastructure, and also identifies potential funding sources. As City staff has been able to address the infrastructure in the 2015 TAMP with the lowest ratings, it is now necessary to re-evaluate and develop a prioritization for maintenance and repairs based on current conditions.

On November 3, 2020, the City of Shelby advertised a Request for Qualifications statement for professional civil engineering services to update the Transportation Asset Management Plan (attached for reference).

The purpose of this Request for Qualifications is to obtain expert professional, technical, and advisory civil engineering services to develop a fact-based report that re-evaluates the condition of the City's transportation assets, along with identifying the funding necessary to make the needed improvements for the City of Shelby. This

methodology will produce an objective asset condition rating that will then be used to develop a set of capital project needs that can be planned for through the City's annual capital improvement planning process. During this process, a forecast of transportation related capital improvements will be developed along with potential funding sources for the identified projects.

Review:

The City of Shelby received six (6) Statements of Qualifications from the following firms on

- CHA Integrated Solutions
- McGill Associates
- Summit Design and Engineering Services
- TGS Engineers
- Timmons Group
- Withers Ravenel.

A selection committee consisting of five (5) City staff members was formed that individually reviewed and rated the Statements in accordance to the Evaluation Criteria outlined in the RFQ advertisement.

The selection committee then met on Friday, November 20, 2020 to discuss the Statements and present their ratings to the committee. The scoring sheet summarizing the rankings by the committee members is attached for reference.

Recommendation:

The City of Shelby selection committee unanimously recommends that the Professional Engineering Services contract to update the Transportation Asset Management Plan for Shelby, North Carolina be awarded to Withers Ravenel.

While reviewing the submitted Statements and utilizing the Evaluation Criteria as specified in the RFQ, some of the factors included in the Statement that contributed to Withers Ravenel unanimously receiving the highest ranking are:

- Proposed Project Manager has managed 80+ Pavement Condition Surveys
- Proposed personnel are familiar with previous 2015 City of Shelby TAMP
- Project schedule was acceptable for scope of work (approximately 32 weeks)
- Firm has extensive financial experience and a detailed approach to accomplish capital planning goals

Please let me know if further information is needed.

**REQUEST FOR QUALIFICATIONS STATEMENT FOR PROFESSIONAL CIVIL
ENGINEERING SERVICES TO UPDATE A TRANSPORTATION ASSET
MANAGEMENT PLAN FOR SHELBY, NORTH CAROLINA.**

Date: November 3, 2020

The City of Shelby is requesting Statements of Qualification from interested and qualified firms to provide professional civil engineering services to update a transportation asset management plan for Shelby, North Carolina.

PURPOSE

The purpose of this Request for Qualifications is to obtain expert professional, technical, and advisory civil engineering services to develop a fact-based report derived through undertaking a sound assessment methodology that re-evaluates the condition of the City's transportation assets along with funding necessary to make the needed improvements for the City of Shelby. This methodology will produce an objective asset condition rating that will then be used to develop a set of capital project needs that can be planned for through the City's annual capital improvement planning process. During this process there should be a forecast of transportation related capital improvements and present alternatives for funding said projects.

SCOPE OF WORK

- 1) Prepare and submit the inventory assets
 - a) Streets:
 - i) Obtain the latest version of the asset database that contains approximately 125 miles of streets from the City of Shelby GIS Department.
 - b) Additional assets – Six (6) parking lots and seventy-four (74) culverts
 - i) Work with City personnel to verify information on these assets that will be included in the scope.
- 2) Establish evaluation parameters and conditions of assets
 - a) Review and test the condition ratings previously used by the City and make any necessary adjustments to the deduction values.
 - b) Establish condition rating standards for streets, parking lots and culverts.
 - c) Input condition information into data collection workbook.
 - d) Compile assessment results and update database.
 - e) Calculate “final condition rating” for each asset.
- 3) Rank and prioritize needs of assets
 - a) Define scoring thresholds.
 - b) Develop report that summarizes project approach, condition assessment results, general findings and conclusions.
 - c) Meet with the City to discuss key findings.

- 4) Develop a Capital Improvement Plan (CIP)
 - a) Review the draft CIP with the City staff
 - b) Make refinements to the draft CIP.
 - c) Present the final draft CIP to City staff for final review.
 - d) Publish the final CIP.
- 5) Develop program financing model
 - a) Address methods of financing each project contained in the CIP. This may include the use of existing revenue sources and anticipated income from other revenues, including debt, fees and assessments and other innovative funding streams.
- 6) Prepare Assets Management Plan
 - a) Develop final project report that summarizes, at a minimum, the following information:
 - i) Project objectives and methodologies
 - ii) Condition assessment results
 - iii) CIP projections and related future improvements
 - iv) Program financial summary
 - v) Summary of key findings and conclusions

REQUIREMENTS

The selected consultant will be required to enter into an agreement with the City of Shelby. The types of services and expertise required for this solicitation are described below. Consultants offering expertise in the services described below are encouraged to submit statements of qualifications.

PROPOSAL CONTENT AND EVALUATION

Five (5) copies of your proposal must be received no later than 2:00 PM, Thursday, November 19, 2020. The proposals must be addressed to:

City of Shelby
Attn: Bryant Nodine, Business Manager
824 W. Grover St.
Shelby, NC 28150

Include in your proposal the following specific items, which will assist in the evaluation of all proposals:

- 1) Project Approach:
 - a. Describe your team's approach to successfully delivering the project. Provide details on how each task will be completed. Include any recommendations for maximizing effectiveness and efficiency.
- 2) Relevant Project Experience:
 - a. Provide a summary of your experience with similar projects, including location and client contact information. Specify the services provided, the office location from which the work was performed, and staff members' responsibilities.
- 3) Project Team:
 - a. Provide an organizational chart identifying all staff assigned to the project, including any sub-contractors, defining roles, responsibilities, and task assignments for the duration of the project.
- 4) Qualifications of Personnel:
 - a. Provide relevant experience and qualifications of all personnel assigned to the project.
- 5) Project Approach:
 - a. Provide an outline for keeping the project on schedule and within budget. Include

projected workloads and staff availability, as well as a projected schedule for completion of significant milestones and the draft and final plan.

6) References:

- a. Provide contact information for at least three (3) references for clients familiar with similar work by your firm.

Proposals shall be limited to a maximum of fifteen (15) pages, not including a cover page or cover letter.

DO NOT INCLUDE A PRICED PROPOSAL

INQUIRIES

Questions that arise shall be submitted via email to Mr. Bryant Nodine at bryant.nodine@cityofshelby.com by 2:00 PM, November 13, 2020. Questions and answers will be provided to others receiving this request.

INCURRING COSTS

The City of Shelby is not liable for any cost incurred by the consultant in the preparation or presentation of a response to this request.

RIGHT OF AWARD OR REJECT

It is understood that all submittals will become part of the public's file on this matter, without obligation to the City. The City of Shelby reserves the right to accept and/or reject any, and all submittals.

SELECTION AND EVALUATION

The City of Shelby will evaluate the submittals received. The City will review all submitted statements, evaluate required criteria, select a consultant and enter into negotiations with the selected firm.

Each of the criteria listed in this outline will be evaluated on how fully each submittal meets the requirements, and each will be ranked. Particular emphasis will be placed on the consultant's past successful completion of similar projects shown by work summaries of the firm and individuals to do the work, and by references.

STATEMENT OF INTEREST AND QUALIFICATIONS

Each submittal from a qualified consultant received in response to this request will be judged as a demonstration of the consultant's capabilities and qualifications. Only those consultants who supply complete information as required by this request will be considered for evaluation. The factors used to determine those to be considered are:

- 1) An understanding of the requirements of this request demonstrated by the organization, clarity, and completeness of the submittal.
- 2) The past performance record and qualifications of the firm and the individuals who will do the work, verifiable through references and resumes, and
- 3) The ability of the consultant to provide a timely response.

www.cityofshelby.com

EVALUATION CRITERIA

The contract will be awarded to a qualified engineering consultant. Minimum standards for qualifications are:

- 1) Technical Approach/Understanding of Project (30%)
- 2) Familiarity with developing CIP financial models and funding alternatives (25%)
- 3) Experience of Proposed Personnel (20%)
- 4) Availability of Staff and Resources (20%)
- 5) Location of the Firm Relative to the Project (5%)

SELECTION

The final selection will be made via City Council approval following the review and ranking of the submittals. After selection of a consultant, a contract will be prepared by the consultant based on a negotiated Scope of Services and final fee proposal. Should the negotiations be unsuccessful with the number one ranked firm, negotiations will cease with that firm, and negotiations will begin with the number two ranked firm. This process will continue until a satisfactory contract is completed.

CONTRACT REQUIREMENTS

The selected consultant will be required to complete a Service Contract, which will incorporate the submittal and work schedule as a part of the contract. In addition, it will be necessary for the successful consultant to be covered by Workman's Compensation insurance, which will extend to the work done within the State of North Carolina.

NONDISCRIMINATION

The City of Shelby complies with all civil rights provisions of federal statutes and related authorities that prohibit discrimination in programs and activities receiving federal and state financial assistance. Therefore, the City of Shelby does not discriminate on the basis of race, sex, color, age, national origin, religion or disability, in the admission, access to and treatment in the City's programs and activities.

Engineering Services - Transportation Asset Management Plan Update 2020

Firm	Selection Committee Member #1	Selection Committee Member #2	Selection Committee Member #3	Selection Committee Member #4	Selection Committee Member #5	Ranking Points	Overall Ranking
Withers Ravenel	1	1	1	1	1	5	1
McGill Associates	2	2	2	3	3	12	2
Timmons Group	3	3	3	4	4	17	3
TGS Engineers	5	5	4	2	2	18	4
Summit Design and Engineering Services	4	4	5	5	5	23	5
CHA Integrated Solutions	6	6	6	6	6	30	6

RESOLUTION NO. 59-2020

**A RESOLUTION AUTHORIZING SELECTION OF WITHERS RAVENEL
BASED ON QUALIFICATIONS FOR CIVIL ENGINEERING SERVICES
TO UPDATE A TRANSPORTATION ASSET MANAGEMENT PLAN
FOR SHELBY, NORTH CAROLINA**

WHEREAS, the City of Shelby completed a transportation asset management plan in 2015 to evaluate the condition of the City's transportation assets in order to establish a prioritization for maintenance and determine funding needs for infrastructure within the City of Shelby; and,

WHEREAS, this project would consist of re-evaluating the condition of the City's transportation assets, along with funding necessary to make the necessary improvements for the City of Shelby; and,

WHEREAS, the City of Shelby must contract with an engineering firm to provide the Civil Engineering services necessary for the transportation asset management plan update; and,

WHEREAS, City staff issued a Request for Qualifications to professional engineering firms interested in providing Civil Engineering services related to this project; and,

WHEREAS, six (6) proposals were received from engineering firms interested in performing the work associated with this project; and,

WHEREAS, City staff has reviewed the proposals and determined that Withers Ravenel is the most qualified firm to perform and provide the services as outlined in the Request for Qualifications.

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 desires for the City Manager to enter into negotiations with Withers Ravenel to negotiate a contract for the above referenced project.

Section 2. If a fair and reasonable fee cannot be negotiated with the best qualified firm, negotiations will be terminated and initiated with the next best qualified firm.

Section 3. The City Manager is hereby authorized to execute a contract with a firm after successful negotiations.

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

Adopted and approved this the 7th day of December 2020.

O. Stanhope Anthony III
Mayor

ATTEST:

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

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

E. New Business

Agenda Item: E-1

- 1) Consideration of proposed Shelby Parks and Recreation sports tournament fee recommendations

New Business Item: (Charlie Holtzclaw, Director Parks and Recreation)

- Memorandum dated November 29, 2020 from Charlie Holtzclaw, Director Parks and Recreation to Bernadette A. Parduski, City Clerk, and Justin Merritt, Assistant City Manager and Rick Howell, City Manager
- Shelby Parks and Recreation Sports Field Rental Fees

City Manager's Recommendation / Comments

Mr. Holtzclaw has prepared the included information for Council consideration and discussion. As you know the City has focused on attracting a variety of sports tournaments at City Park and Hanna Park in order to bring out of town visitors to the area. The obvious benefit to the City is increased revenue to local businesses as well as to the local occupancy tax collected by local motels/hotels.

Mr. Holtzclaw has surveyed some of the surrounding cities regarding fees/rates paid for City facility use and has developed the included recommendation for Council consideration. If Council is in agreement with the recommendations then an amendment to the Supplemental Budget Ordinance – Schedule of City Fees and Charges will be brought before Council at the January 4, 2021 regular meeting for consideration and approval. No action is expected at this time.



Memorandum

To: Rick Howell, City Manager
Cc: Justin Merritt, Assistant City Manager
Bernadette Parduski, City Clerk
From: Charlie Holtzclaw, Director Parks & Recreation
Date: November 29, 2020
Subject: Parks and Recreation Sports Tournament Recommendations

Executive Summary of issue – Background

Over the last 10 years City Council has invested heavily in developing athletic facilities to benefit the local community, as well as creating championship caliber facilities to draw regional visitors through youth and adult sports tournaments. This began in 2011 with the opening of the Shelby City Park Recreation & Sports Complex, followed by Hanna Park Multi-Purpose Sports Complex which opened for play in 2019. A presentation demonstrating the impact of sports tournaments was previously given to Council in October 2019.

During these year's tournament organizers have paid a long standing set fee for individual field rentals, and associated staffing costs that can add up to a significant cost.

A good example would be the Matthews, NC based Carolina Champions League Soccer organization held a 92-team event at Hanna Park in October bringing over 2,000 people to our community. While we cannot pinpoint exactly how many dined at our restaurants or stayed in our hotels, it is safe to conclude a significant number did. Without discounts, it would have cost the organizers \$3,275 in rental and staffing fees to use our facilities.

Review and comments

Times have changed as relates to costs passed on to sports tournaments to bring their events to a community. Many of our neighboring competitors are seeing the value of having dozens of events in their communities and have begun offering very significant discounts and incentives to the organizers. This is due to recognizing that the visitor impact of having sports tournaments are much more than rental fees collected by the facility, but rather the economic impact potential for local businesses. The City of Shelby has long understood this value by supporting the American Legion World Series, and the semi-annual Tar Heel Leagues State Tournaments held at

City Park. The City also supports the Sharks Aquatics Club and their efforts to bring very large regional swim events to Shelby

In 2019 Shelby City Park hosted over 30 sports tournaments with over 400 teams, and some 15,000 visitors to our community that undoubtedly had a positive impact on our local businesses.

As we look toward 2021, I am convinced we are sitting in great position to continue building and increasing the number and size of sports tournaments. This is based on several things that are very important to the players, parents, coaches and organizers. Our facilities and customer service are viewed by people to be outstanding, they have taken notice of the other things they can do while at City Park such as the carrousel, train, playground, pool and take in a quick round of golf when they have a break, and our close proximity to a beautiful Uptown with several good dining options. In other words, we check all the boxes except for our current fees as compared to some other competitors. Organizers have a lot of other options in the surrounding area, and our total package needs to be inviting to them. In addition to the fee recommendation, we are working closely with the Chamber, Uptown Shelby, Cleveland County Tourism, and local hotel managers to provide all of our visitors with information about restaurants, motels, things to do and discount programs to make people feel appreciated and entice them to come back to Shelby.

Tie in to current policy and/or adopted planning documents

- Action 11.4.1: Actively seek partnerships with the hospitality industry to host more regional athletic events
- Action 11.4.2: Look specifically to the City's Park and Recreation amenities as a tourism draw

Recommendation

It is my request to you that consideration be given to the proposed Shelby Parks and Recreation Sports Tournament fee recommendations, and time be allowed in the near future on a City Council agenda to be considered for adoption.

Shelby Parks & Recreation Sports Field Rental Fees
Tournaments Only

Current	Rental	Staff	Total	Proposed	Rental	Day 2	
One field	\$100	\$216	\$316	One field	\$200	\$150	
Two fields	\$200	\$216	\$416	Two fields	\$250	\$200	
Three Fields	\$300	\$216	\$516	Three Fields	\$375	\$300	
Four Fields	\$400	\$216	\$832	Four Fields	\$500	\$400	
Five Fields	\$500	\$432	\$932	Five Fields	\$625	\$500	
Six Fields	\$600	\$432	\$1,032	Six Fields	\$750	\$600	
Seven Fields	\$700	\$432	\$1,132	Seven Fields	\$875	\$700	
* Includes initial field prep				* Includes initial field prep			
* Includes lights				* Includes lights			
* Does not include staff. \$18/hr				* Includes one staff			
** Additional field prep \$35/field				** Additional field prep - \$25/field			
** Additional staff \$18/hr				** Additional staff - \$18/hr			
** Security \$25/hr				** Security - \$25/hr			
** Hourly Rental \$25/hr				** Hourly Rental - \$25/hr			
** No discounts				*** 20 or more teams - 20% Discount of Total Fee			
*** Day 2 Same costs as day 1							

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

Agenda Item: E-2

- 2) Consideration of a resolution approving the submission of City of Shelby's application for North Carolina Civil Rights Trail Marker Program: Resolution No. 60-2020

New Business Item: (Shelby Holmes, Lead for North Carolina Fellow)

- Memorandum dated November 30, 2020 from Shelby Holmes, Lead for North Carolina Fellow to Justin Merritt, Assistant City Manager
- Draft of Application
- Resolution No. 60-2020

City Manager's Recommendation / Comments

Resolution No. 60-2020 is presented for City Council for consideration at this time. If approved this resolution would authorize the submittal of an application to the NC African American Heritage Commission for consideration that an historical marker be erected as part of the NC Civil Rights Trail. The marker would commemorate the sit in protests that took place in February 1960 in businesses that refused service to African American patrons on an equal footing with others. My understanding is that approximately 50 markers will be placed throughout the state to commemorate civil rights protests and events. The marker would be placed and dedicated no later than December 31, 2021. Details regarding the appearance, wording and location of the marker would be developed if the application is ultimately accepted and approved by the Commission.

It is recommended that Resolution No. 60-2020 be adopted and approved by City Council at this time.



To: Justin Merritt, Assistant City Manager
From: Shelby Holmes, Lead for North Carolina Fellow
Date: November 30, 2020
Subject: North Carolina Civil Rights Trail Application

Background:

In early August 2020, the North Carolina African American Heritage Commission announced the launch of the North Carolina Civil Rights Trail. The program, funded by the William G. Pomeroy Foundation, seeks to recognize up to 50 sites significant to the organization and protest to advance the civil rights of people of color across the State.

Working with the Earl Scruggs Center and Uptown Shelby Association, City staff have drafted an application (attached) to recognize the sit-in protests that took place along E Warren St. on February 18 and February 25, 1960. The application is due January 1st, 2021, with notification in February 2021. If the application is successful, the placement of the trail marker and a dedication ceremony must take place by the end of 2021.

Recommendation:

The recommendation from staff is to adopt the attached resolution, which will allow the City Manager to submit the application to the North Carolina African American Heritage Commission.

Application

A. Subject of proposed marker (Who or what place do you wish to commemorate?):

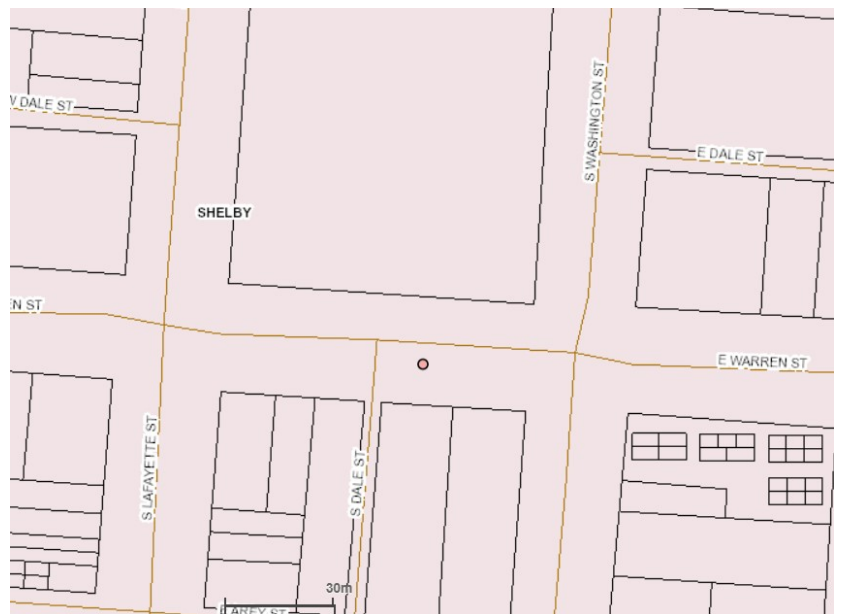
The City of Shelby requests that the North Carolina African American Heritage Commission consider our application for a North Carolina Civil Rights Trail marker commemorating the sit-ins that took place in Uptown Shelby in February 1960.

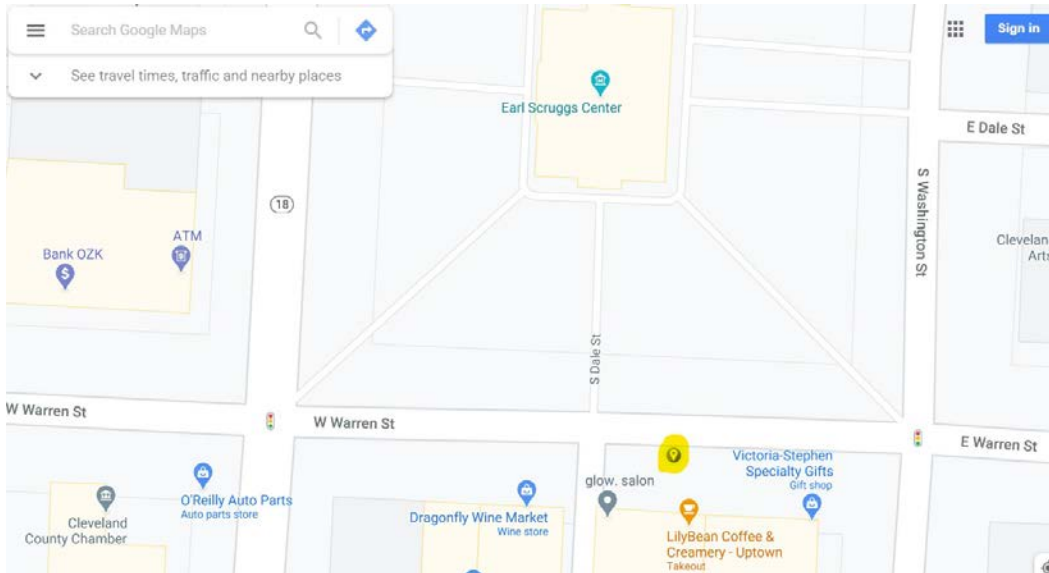
B. Site to be marked (What contemporary space do you aim to mark to recognize the marker subject?):

Smith's Drug Store (now site of Buffalo Creek Gallery), which was a target of sit-in protests in 1960.

C. Proposed location of marker (Where will the marker be placed? Be specific. Please provide a street address or closest intersection. Note whether the site lies within the corporate limits of a city or town. An attached map of the location would be useful.):

104 E Warren St, Shelby, NC 28150. City-owned sidewalk in front of Buffalo Creek Gallery, within corporate limits of Shelby.





D. Historical essay (Tell us more! Use this space to help us understand the marker subject and the context. This is also the place to establish statewide and/or regional significance.):

The sit-in campaigns of 1960 demonstrated the strength of grassroots organizing for achieving civil rights. Beginning in Greensboro on February 1, 1960, the sit-in movement spread to cities across the South and galvanized Black youth to demand equal treatment in their communities' establishments. Seventeen days after the Greensboro Four sat down at Woolworth's lunch counter, the protest strategy was taken up by Shelby youth. On February 18, 1960, a group of twenty-five to thirty Black youth sat down at Smith's Drug Store and the lunch counter of the local bus station.¹ Most were students from Cleveland High School, with some reports estimating as many as seventy-five students present.² The make-up of the protestors is of particular interest as many other similar protests were organized by older activists, typically university students. This was acknowledged by one member of the African-American community at the time who voiced their concern about whether the high-school students would have the maturity to carry out such protests.³ When denied service at Smith's and the bus depot, most protestors dispersed. Three young Black men, however, were forcibly removed from the bus depot by police.⁴ An unnamed young man serving as spokesperson for the group told the *Greensboro Daily News*, "We as a group of intelligent young people only desire our equal rights under the Constitution. We feel that we are American citizens because we were born here."⁵

Following the February 17th sit-in, the City of Shelby arranged a meeting to try and settle the community's concerns. On February 25, 1960, Black community leaders, Shelby City Council, a group of drug store owners, and members of the

¹ "Negro Protest Is Spreading," *Statesville Record and Landmark* (Statesville, NC), Feb. 19, 1960.

² "Three," *Daily Times-News* (Burlington, NC), Feb. 19, 1960; "Shelby Hit by Sitdown Movement.," *Greensboro Daily News* (Greensboro, NC), Feb. 19, 1960.

³ "Three."

⁴ "Shelby Hit by Sitdown Movement."

⁵ *Ibid.*

Shelby Ministerial Association met.⁶ The store owners were reportedly encouraged to integrate their counters, but remained adamant that they “would not break segregation custom,” and no agreement was reached.⁷

Two days later, on February 27, 1960, another sit-in occurred drawing approximately fifty protestors, some of whom picketed the businesses with signs.⁸ Sources place the group’s initial gathering outside of a “large department store,” most likely the J.C. Penney on the corner of W. Warren & S. Lafayette St. on the same block at Smith’s Drug Store, before moving to two unnamed Uptown drug stores where they were denied service.⁹ During the protest, a group of white people, mostly teenagers, heckled and jeered at picketers. A group of three took a sign from a Black teenager, beat him with it, and repeatedly kicked him. This attack was the first reported occurrence of racially motivated violence during the sit-in movement in North Carolina.¹⁰ As February ended, protests began to subside as local governments across the state began issuing harsher legal punishment to protesters.

The protests that took place in Shelby were a significant part of local and North Carolinian history but have remained largely unrecognized. The powerful exceptions to the white-centric historic narrative, including the sit-in protests in Shelby, have been repressed to perpetuate a more positive story of race relations. Secondary sources, therefore, are incredibly limited though some acknowledge that the protests in Shelby occurred.¹¹ Although they were not the first to implement this form of nonviolent protest, the young members of Shelby’s Black community made it their own in a way that upset societal norms for Black teenagers in the South. The student-protesters in Shelby sought to highlight and disrupt racial oppression in their immediate community, while also tapping into the growing protest movement across the Carolinas¹² to raise support for equal rights for people of color through direct action. Being able to recognize their story through a marker program such as the African American Heritage Commission’s Civil Rights Trail not only allows for the City of Shelby to begin a discussion of the contributions of Black community members to the City but also places those contributions within the larger story of how progress was achieved in North Carolina through a multitude of organized efforts to create a more free and just state.

E. Bibliography: (Primary and secondary sources.)

⁶ The Associated Press, “Race Picket In Shelby Beaten,” *Greensboro Daily News* (Greensboro, NC), Feb. 28, 1960.

⁷ The Associated Press, “Sitdown Strikes Move to Conference Tables But Protests Continue,” *Daily Tar Heel* (Chapel Hill, NC), Feb. 28, 1960.

⁸ The Associated Press, “Tensions Mount in Tar Heel Cities,” *High Point Enterprise* (High Point, NC), Feb. 28, 1960.

⁹ “Race Picket In Shelby Beaten.”

¹⁰ The Associated Press, “Race Picket”; The Associated Press, “Tensions Mount.”

¹¹ Aldon Morris, “Black Southern Sit-In Movement: An Analysis of Internal Organization,” *American Sociological Review* 46, no. 6 (1981); Christopher W. Schmidt, *The Sit-Ins: Protest and Legal Change in the Civil Rights Era* (Chicago: The University of Chicago Press, 2018): 22.

¹² Morris.

Annual Report of the North Carolina Board of Pharmacy [1882-]. Vol. 1961. Chapel Hill, NC: North Carolina History of Health Digital Collection, 1961.

The Associated Press. "Race Picket In Shelby Beaten." *Greensboro Daily News* (Greensboro, NC). February 28, 1960.

----- . "Sitdown Strikes Move To Conference Tables But Protests Continue." *Daily Tar Heel* (Chapel Hill, NC). February 27, 1960.

----- . "Tension Mounts In Tar Heel Cities." *High Point Enterprise* (High Point, NC). February 28, 1960.

"Page Three." *Daily Times-News* (Burlington, NC). February 19, 1960.

"Negros Protest at Shelby Station." *Gastonia Gazette* (Gastonia, NC). February 19, 1960.

"Shelby Hit By Sitdown Movement." *Greensboro Daily News* (Greensboro, NC). February 19, 1960.

Morris, Aldon. "Black Southern Sit-In Movement: An Analysis of Internal Organization." *American Sociological Review* 46, no. 6 (1981).

Schmidt, Christopher W. *The Sit-Ins: Protest and Legal Change in the Civil Rights Era*. Chicago: University of Chicago Press, 1981.

"Shelby City Directory." Shelby, NC, 1961.

Southern Regional Council. "The Student Protest Movement, Winter, 1960." SRC-13 (April 1, 1960).

"Negro Protest Is Spreading." *Statesville Record and Landmark* (Statesville, NC). February 19, 1960.

F. Proposed marker text (*Optional*; Each marker's title line will allow 15 characters. The five body lines can have 27 characters each, including spaces and punctuation.):

G. Applicant Checklist

- I represent a non-profit group with a 501(c)3 designation, an academic institution, or a government entity
 - If so, please share what group you are affiliated with:

 The City of Shelby
 - If not, tell us more about you or your group:

- I have included a letter from the landowner granting permission for the marker to be installed
- I represent a Hometown Strong County (County: Cleveland)
- I want to mark a:
 - Protest, rally, or sit-in site
 - Birthplace, childhood home, or primary residence of a civil rights icon
 - Church or space where people organized
 - Space or place where a civil rights icon visited, stayed, or spoke
 - Educational institution
 - Legal site or courthouse
(Check all that apply)

H. SUBMITTED BY:

Justin Merritt
 Justin.merritt@cityofshelby.com
 P.O. BOX 207
 Shelby, NC 28150
 (704)484-6834
DATE OF SUBMISSION

Return address:
NC Civil Rights Trail Marker Program
NC African American Heritage Commission
4632 Mail Service Center
Raleigh, NC 27699-4632
 To email application, please submit to: nccivilrightstrail@ncdcr.gov

RESOLUTION NO. 60-2020

A RESOLUTION APPROVING THE SUBMISSION OF CITY OF SHELBY'S
APPLICATION FOR NORTH CAROLINA CIVIL RIGHTS
TRAIL MARKER PROGRAM

WHEREAS, groups of Cleveland High School students led sit-ins and pickets in protest of segregated service by businesses in Uptown Shelby in February 1960; and,

WHEREAS, the protests were of both local and state significance, noted for their high school student leaders and for being the target of the first reported incidence of violence in the state's sit-in movement; and,

WHEREAS, the City of Shelby's City Council has indicated its desire to recognize Shelby's civil rights history; and,

WHEREAS, the City Council wishes the City to pursue a formal application for North Carolina's African American Heritage Commission's Civil Rights Trail Marker Program to recognize and honor those students who gathered to advance the civil rights of people of color in Shelby and North Carolina.

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 desires for the City Manager, to execute and submit the completed application to the North Carolina's African American Heritage Commission's Civil Rights Trail Marker Program.

Section 2. The City Manager of the City is hereby authorized and directed to execute the application set forth in Section 1 of this resolution.

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

Adopted this the 7th day of December 2020 in Shelby, North Carolina.

O. Stanhope Anthony III
Mayor

ATTEST:

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

City of Shelby
Agenda Item Summary
December 7, 2020
(via electronic meeting)

Agenda Item: F

City Manager's Report

I will report to Mayor and Council on a number of ongoing projects and issues. The projects and issues reported upon are intended to be for your information and do not require action by Council.

Agenda Item: G

Council Announcements and Remarks

H. Adjournment:

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

- 1) Motion to adjourn