

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

*Invocation*

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) Public Art in Shelby – Shelby Holmes, Lead for North Carolina Fellow 1

C. Public Comment: 12

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

D. 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 March 1, 2021 13
- 2) Approval of Special Event Permit Application:
  - a. Shelby High School Homecoming Parade, requested date: March 26, 2021 24
- 3) Acceptance of the Certificate of Sufficiency regarding Petition for Annexation of applicant, Jason Lowery of North Point Custom Builders 31
- 4) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby’s CDBG-CV Grant Project: Ordinance No. 8-2021 40

5) Approval of a resolution accepting and approving assignment of an aircraft hangar used by Danny Bridges to Broad River Holdings LLC: Resolution No. 19-2021	57
<b>E. Unfinished Business:</b>	
1) Consideration of appointments to City advisory boards and commissions:	
a. Shelby Housing and Redevelopment Housing Board	75
2) Consideration of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's Airport Grant T-Hangar No. 4 Project: Ordinance No. 10-2021	80
<b>F. New Business:</b>	
1) Consideration of a resolution approving a marketing agreement for National League of Cities Service Line Warranty Program between the City of Shelby and Utility Service Partners Private Label, Inc.: Resolution No. 20-2021	114
2) Consideration of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's General Obligation Bond Referendum Project: Ordinance No. 11-2021	138
3) Consideration of an ordinance creating the City of Shelby's Public Art Advisory Board: Ordinance No. 9-2021	150
4) Consideration of a resolution adopting the 2021 City of Shelby Public Art Plan: Resolution No. 18-2021	154
<b>G. City Manager's Report</b>	157
<b>H. Council Announcements and Remarks</b>	157
<b>I. Adjournment:</b>	
<i>To adjourn a meeting of City Council, a majority of the Council Members must vote for a motion to adjourn.</i>	
1) Motion to adjourn	157

**B. Special Presentation:**

**Agenda Item B-1**

- 1) Public Art in Shelby – Shelby Holmes, Lead for North Carolina Fellow

**Presenting: (Mayor Stan Anthony)**

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- Memorandum dated March 1, 2021 from Shelby Holmes, Lead for North Carolina Fellow to Rick Howell, City Manager
- Copy of slides of PowerPoint presentation

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**City Manager's Recommendation / Comments**

This time is scheduled on City Council agenda to hear a presentation from Ms. Shelby Holmes on the general topic of public art in the City. Ms. Holmes is a Lead for North Carolina Fellow that has been working with the City for the past several months on a variety of issues. One topic selected for her to research and develop policy for is public art. The purpose of this presentation is to inform and recommend a formal policy and plan for the future development of a public art program.

# Public Art in Shelby

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Shelby Holmes, LFNC Fellow

# What is public art?


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- Free
- Accessible to all
- Direct or indirect public process of :
  - creation: helps *make*
  - procurement: helps *fund*
  - maintenance: helps *preserve*
  - meaning-making: helps *interpret or define*
- Sculpture, murals, bus stops, manhole covers, lighting, street furniture, architecture, play equipment, public performances, etc.





# **Why public art?**



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**Access to all regardless of background**

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**Reflects community values & history**

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**Interaction with public spaces**

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**Potential destinations (tourists or residents)**

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**Highlights & stimulates local creative economy**

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**Revitalizes deteriorated/underutilized spaces**

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**Builds place-based identity**

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**Community participation in design of public space--  
increasing sense of ownership & efficacy**

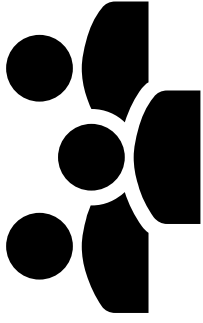
# **Public art advisory board (PAAB)**

- Responsible for advising council on matters related to public art policies, programming, resources, & acquisitions
- Composition:
  - 7 members—1 rep from CCAC, 1 rep from KSB, 1 youth rep, & at least 2 arts professionals
  - Should intentionally reflect diversity of community
- May serve for 2 consecutive 3-year terms followed by min. 1 year off

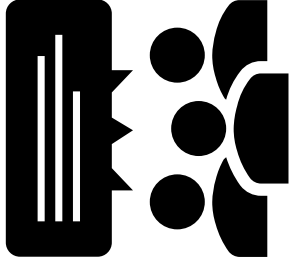


# Proposed administration structure

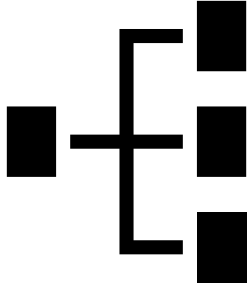
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Public Art  
Advisory Board



Review  
Committees



Staff  
Liaison

## STEP

01

### The Project

PAAB & Council define the project-- either as a subject matter, artform, and/or location. Staff prepares a prospectus.



## STEP

06

### Council Approval

PAAB makes recommendation to Council. If Council does not approve, the process returns to the Review Committee & PAAB. If they approve, the artist is formally selected and the project moves forward.



## STEP

02

### Review Committee

PAAB appoints a Review Committee (up to 5). Ideal composition is 1 subject-related person, 1 location-related person, and at least 1 PAAB member.



## STEP

07

### Contract & Final Design

The City Attorney will prepare an artist contract, including schedule of delivery & payment. The artist will prepare a final design proposal, with required **public input/engagement**.



## STEP

03

### The Method

Review Committee & PAAB determine best method of selection

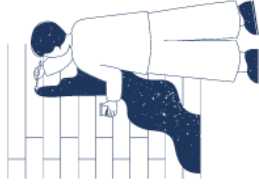


## STEP

08

### Installation

Artist completes the agreed upon design in a timely manner.



## STEP

04

### Call to Artists

Staff works to publicize the project to appropriate audiences. The call must provide sufficient time for artists to prepare materials.



## STEP

09

### Continuing Impact

Staff will document the artwork in an accession record and will incorporate it into a care & maintenance schedule. The staff will also organize media releases, artwork dedication, & public engagement strategies



## STEP

05

### The Review

Review committee reviews proposals & makes a recommendation to the PAAB. If PAAB disapproves, the Review Committee may submit a second recommendation.

## STEP


10


### THEN REPEAT!


# Possible funding strategies

- **Public:**
  - **Percent for Art:** setting aside 1% of general fund-funded CIPs
  - **Administration funding** - general fund / standard budget approval process
  - **Travel & tourism appropriation**
  - **Raper-Roark Trust appropriation** (in consultation with the RRTF board)
- **Private**
  - **Gifts**
  - **Performance zoning** for private developers (e.g. increased density bonus with public art project or financing)
  - **Significant grant opportunities**

# See full plan for...


 Public engagement strategies

 Gift & loan process

 Deaccession process

 City considerations for non-City projects

 Maintenance planning

 Examples of successful programs

 Drafted documents

 Opportunities for public art in Shelby

# Thank you!

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Questions?

**C. Public Comment:**

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

**D. 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: D-1**

- 1) Approval of the Minutes of the Regular Meeting of March 1, 2021

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

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Summary of Available Information:

Please read and offer changes as you deem necessary.

- Minutes of the Regular Meeting of March 1, 2021

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City Manager's Recommendation / Comments

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

## MINUTES

Regular Meeting  
Don Gibson Theatre

March 1, 2021  
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, Director of Human Resources Deborah C. (Deb) Jolly, Director of Energy Services Julie R. McMurry, Police Chief Jeffrey H. (Jeff) Ledford, Fire Chief William P. Hunt, MPA, EFO, Director of Parks and Recreation Charlie Holtzclaw, Director of Planning and Development Services Walter (Walt) Scharer, AICP, Lead for North Carolina Fellow Shelby Holmes; 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 of City Council was present. It was noted the meeting was being held electronically pursuant to General Statute 166A-19.24. A location for public access to the meeting was established at the Don Gibson Theatre in accordance with 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.

1) 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.

2) Special Presentation:

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

Mrs. Godfrey previously provided Council with USA's 2020 report outlining their work over the past year. The vision, goals, and objectives were identified at the 2020 USA Board retreat which took place before the onset of the COVID-19 pandemic. The projects and tasks implemented from March 2020 through February 2021 were highlighted in that report.



In a recent survey of business owners and property owners in the Municipal Service District, Mrs. Godfrey reported one of the primary themes that arose was enthusiasm about the City's streetscape improvements. There was also a good deal of excitement about the proposed Rail Trail and Depot Park Projects.

Mrs. Godfrey said several events were held during the fall and winter of 2020, all with COVID safety measures in place. She elaborated that USA celebrated the completion of the Uptown Improvement Project with a month-long "Open Streets, Open Hearts" event centered around the spirit of community and giving back. The celebration included a community public art activation, blood drive, school supply drive, sidewalk sale, storybook stroll, and an art drive for isolated elders.

Mrs. Godfrey announced several upcoming events have been planned and will be held including the March Storybook Stroll and Second Saturdays. Other events will be scheduled as plans develop.

Regarding business news, Mrs. Godfrey was encouraged that during the pandemic 26 businesses have opened in Uptown Shelby and three existing Uptown Shelby businesses expanded to larger locations in the district. During the same period, 13 businesses have closed, moved to online-only, or moved out of Uptown, leaving a net growth of 13 new businesses, which is still as strong as USA's strongest pre-pandemic years.

### 3) Consent Agenda:

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

- 1) Approval of the Minutes of the Regular Meeting of February 15, 2021
- 2) Approval of a resolution directing the City Clerk to determine sufficiency of a voluntary annexation petition from North Point Custom Builders: Resolution No. 13-2021
- 3) Approval of a resolution authorizing the selection of Rummel, Klepper, Kahl, LLC (RK&K) based on qualifications for corrosion control remediation on the City of Shelby Natural Gas Pipeline: Resolution No. 14-2021
- 4) Approval of a resolution honoring Steve Ashley Canipe on the occasion of his retirement from employment with the City of Shelby: Resolution No. 15-2021

**4) Unfinished Business:**

**1) Consideration of appointments to City advisory boards and commissions:**

**a. Keep Shelby Beautiful Commission**

Mrs. Parduski reported the terms of five incumbents, Patrick McMurry, Wiley Smith, Don Costner, Patti Ellis McMurry, and Dana White, concluded in January 2021. All five incumbents wish to continue their service on this board.

There is one application on file in the Clerk's Office:

- Cheryl Yates

Mr. White nominated Patrick McMurry, Wiley Smith, Don Costner, Patti Ellis McMurry, and Dana White for reappointment.

**ACTION TAKEN:** Upon a motion made by Mr. Hopper, City Council voted unanimously to close the nominations and accept the nominees for reappointment by acclamation.

**2) Consideration of a resolution and order permanently closing an unopened right-of-way between Textile Street and East Shannonhouse Street:  
Resolution No. 2-2021**

Mr. Scharer reintroduced Resolution No. 2-2021 for Council's consideration. Previously, the City received a request and petition from abutting property owners to permanently close an unopened right-of-way between Textile Street and East Shannonhouse Street. If approved, the resolution and order would permanently close this unopened right-of-way, returning ownership to the abutting property owners. Mr. Scharer stated the request is part of the proposed Cambridge Commons multi-family development.

Mr. Scharer further stated a public hearing for this proposed street closure was held on February 15, 2021 with no public comment submitted. State law authorizes public bodies to conduct public hearings during a remote meeting and act based on those hearings. It adds a requirement that written comments may be submitted at any time between the notice of the public hearing and 24 hours after the public hearing. A consequence of this requirement is that Council was not be able to act on the matter immediately following the public hearing.

Therefore, Council's consideration of the approval and adoption of Resolution No. 2-2021 is presented for action as recommended.

**ACTION TAKEN:** Upon a motion made by Mr. Webber, City Council voted unanimously to approve and adopt Resolution No. 2-2021 entitled, “A RESOLUTION AND ORDER PERMANENTLY CLOSING AN UNOPENED RIGHT-OF-WAY BETWEEN TEXTILE STREET AND EAST SHANNONHOUSE STREET”.

- 3) Consideration of a proposed ordinance to amend the Unified Development Ordinance of the City of Shelby: Ordinance No. 4-2021

Mr. Scharer reintroduced Ordinance No. 4-2021. This proposed text amendment to the City of Shelby’s Unified Development Ordinance (UDO) follows the requirements found in the new 160D land development statute. This amendment eliminates Conditional Use District Zoning and replaces it with Conditional Zoning. These zoning districts are similar, but the new Conditional Zoning eliminates the need for a quasi-judicial hearing which was previously necessary with Conditional Use District Zoning.

Mr. Scharer stated a public hearing for this proposed Zoning Text Amendment was held on February 15, 2021 with no public comment submitted. State law authorizes public bodies to conduct public hearings during a remote meeting and act based on those hearings. It adds a requirement that written comments may be submitted at any time between the notice of the public hearing and 24 hours after the public hearing. A consequence of this requirement is that City Council was not able to act on the matter immediately following the public hearing.

Therefore, Council’s consideration of the approval and adoption of Ordinance No. 4-2021 is presented for action as recommended.

**ACTION TAKEN:** Upon a motion made by Mr. Hendrick, City Council voted unanimously to approve and adopt Ordinance No. 4-2021 entitled, “A PROPOSED ORDINANCE TO AMEND THE UNIFIED DEVELOPMENT ORDINANCE OF THE CITY OF SHELBY”.

5) **New Business:**

- 1) Consideration of a resolution adopting the 2021 Parks and Recreation Comprehensive Master Plan and Capital Improvement Plan: Resolution No. 16-2021

Mr. Howell introduced Resolution No. 16-2021 for Council’s consideration. As background information, he stated the 2020 Shelby on the Move Comprehensive Parks and Recreation Master Plan served as a guide for park and recreation facility development and ensured grant competitiveness by adhering to planning guidelines set forth by the North Carolina Parks and Recreation Trust Fund (PARTF). The Plan considered past planning efforts, existing recreational assets, community recreation preferences, and public

input to guide recommendations for future facility enhancements and development. Plan recommendations focused on capital infrastructure development and connectivity between existing and new parks.

Mr. Howell further stated adoption of the 2021 Shelby on the Move Recreation Master Plan is also necessary for the City to qualify for valuable points when submitting grant applications to the NCPARTF grant program as well as others. He added that an update to the City's overall General Fund Capital Improvement Plan (CIP) that incorporates recommendations from the 2021 Parks Master Plan is also included.

Next, Mr. Holtzclaw recalled that ultimately the PARTF grant request was not funded in 2020 and it was later determined to make certain revisions to the previously adopted Master Plan consisting of additional Parks and Recreation facility inventory such as schools and other nearby recreational facilities not located within the City limits to better the application submission for the next PARTF grant request. Additionally, the PARTF scoring system awards additional points for applications that have an adopted Citywide Capital Improvement Plan as part of their grant request.

Mr. Holtzclaw requested and recommended the adoption of Resolution No. 16-2021 thereby approving the 2021 Comprehensive Parks and Recreation Master Plan and the City of Shelby Capital Improvement Plan.

Mr. Webber left the meeting at approximately 6:26 p.m.

**ACTION TAKEN:** Upon a motion made by Mrs. Arth Dukes, City Council voted 5 (Hendrick, White, Causby, Arth Dukes, and Hopper) to 0 (Webber) to approve and adopt Resolution No. 16-2021 entitled, "A RESOLUTION ADOPTING THE 2021 PARKS AND RECREATION COMPREHENSIVE MASTER PLAN AND CAPITAL IMPROVEMENT PLAN".

Mr. Webber returned to the meeting at approximately 6:30 p.m.

2) Consideration of a resolution authorizing submittal of an application for a Parks and Recreation Trust Fund Grant: Resolution No. 17-2021

Mr. Howell introduced Resolution No. 17-2021 for Council's consideration. If approved, this resolution would authorize the City to submit a grant application to the North Carolina Parks and Recreation Trust Fund (PARTF) grant program for the purpose of design and construction of the Shelby Rail Trail Depot Park.

Next, Mr. Holtzclaw recalled that ultimately the PARTF grant request was not funded in 2020 for the Shelby Rail Trail Depot Park Segment Phase 1 Project.

After conferring with the City's consultants and North Carolina Recreation and Resource Services, it was decided to update the 2020 Parks and Recreation Comprehensive Master Plan to include other local recreational facilities and to prepare a City of Shelby Capital Improvement Plan with the goal to secure additional points on the PARTF grant scoring system.

In addition, presentations specific to the Shelby Rail Trail Depot Park Segment Phase 1 Project were again made to local civic organizations, Parks and Recreation Advisory Board, and a public meeting was held on January 26, 2021 at Shelby City Park for questions and comments from the public.

Mr. Holtzclaw concluded by stating with the pending approval of the new 2021 Parks and Recreation Master Plan and the City of Shelby Capital Improvement Plan, the City is in position to make a new request for matching funds from Parks and Recreation Trust Fund for the Shelby Rail Trail Depot Park Segment Phase 1 Project.

**ACTION TAKEN:** Upon a motion made by Mr. Causby, City Council voted unanimously to approve and adopt Resolution No. 17-2021 entitled, "A RESOLUTION AUTHORIZING SUBMITTAL OF AN APPLICATION FOR A PARKS AND RECREATION TRUST FUND GRANT".

**3) Consideration of an ordinance amending the City of Shelby's Schedule of Fees: Ordinance No. 7-2021**

Mr. Howell introduced Ordinance No. 7-2021 for Council's consideration. If approved, this recommendation would amend the current Schedule of Fees and Charges to allow electric customers additional options for outdoor rental.

To summarize, Mr. Howell outlined the changes as follows:

The City of Shelby Energy Services Department offers rental lighting. Rental lights are available for private streets and/or back yard security lighting. Currently the rental lighting option for private streets is a wooden pole and a current fixture available for City streets. The choices other than that standard was handled in one of two ways:

- 1) Purchased by the person requesting, installed by purchaser/owner, and usage was calculated through their existing meter or a meter specifically for the lights (maintenance was the responsibility of light owner).
- 2) Purchased by the person requesting, installed by City staff, and billed a fee per light for the energy costs and maintenance.

The cost of decorative poles and fixtures are more expensive than the City's standard wooden poles and fixtures, however, staff has found that the City's customers would like to have more options. Staff has had several requests over the last few months to rent decorative lights like those along the City streets in Uptown Shelby and in neighborhoods that have decorative lights along their streets.

Staff has selected poles and fixtures that can be interchanged to allow multiple options for City customers without adding to the City's current stock options. The poles and fixtures selected are based on inventory of the styles of fixtures and poles that are in neighborhoods and in Uptown Shelby. All fixtures selected are LED while those currently in the field are not, with exception of Uptown Shelby. Staff gathered current pricing to determine the monthly fee to be associated with each combination that will allow for a reasonable payback period and to determine the monthly charges included in the revised fee schedule.

To conclude, Mr. Howell recommended the adoption of the additional rental light options for City customers and the associated monthly fee based on selection of pole and fixture.

**ACTION TAKEN:** Upon a motion made by Mr. Hopper, City Council voted unanimously to approve and adopt Ordinance No. 7-2021 entitled, "AN ORDINANCE AMENDING THE CITY OF SHELBY'S SCHEDULE OF FEES".

**6) City Manager's Report:**

- 1) Regarding the Monthly Financial Summary for January 2021 previously provided to Council, Mr. Howell reported the City is having a reasonably good year financially considering the pandemic and the resulting economic downturn. He encouraged Council members to contact him with specific questions.
- 2) Mr. Howell previously provided Council with an example of a business starter packet which is essentially a guide for businesses startup in Shelby. The project is headed up by Mr. Merritt and he will be working with an organization called NC Growth that is housed at the University of North Carolina Kenan Flagler School of Business.
- 3) Regarding the Cleveland County 2021 property revaluation, Mr. Howell reminded Council that they may hear from citizens about the process and values; however, the City is not directly involved, and those matters should be referred to Cleveland County for review.
- 4) Regarding the Transportation Alternatives Program (TAP) Grant from the

North Carolina Department of Transportation (DOT) for the City's Rail Corridor Acquisition, Mr. Howell informed Council that he and staff continue to pursue the DOT and the Federal Highway Administration (FHA) to secure the \$4,160,000 locally administered federal grant awarded to the City of Shelby.

- 5) Regarding the Railroad Depot area lease terminations, Mr. Howell reminded Council they authorized the termination of the two remaining leases for the depot area that were assigned by Norfolk Southern to the City at the December 2019 property closing. These leases are held by JB Ellis Locksmith and Shelby Farm and Garden. Both businesses were sent letters notifying them that their leases would terminate on June 30, 2021 and that the City may, at its discretion, consider month to month extensions thereafter. A follow up letter will remind them they must contact the City.
- 6) Mr. Howell anticipates the final engineering design and construction proposal for the two phases of the City of Shelby portion of the Rail Trail to be completed for the bidding process soon.
- 7) Regarding the First Broad River Wastewater Treatment Plant Biosolids Facility Project, the ribbon cutting ceremony was scheduled for Monday, March 15, 2021, at 4:45 p.m.
- 8) Mr. Howell mentioned several critical projects listed on the City's Capital Improvement Plan including:
  - City Hall – Replace slate roof; replace HVAC unit
  - Samuel A. Raper Public Works Facility – Replace roof in three segments over a three-year period
  - Fire and Rescue Department – Replace fire engine
  - Aquatics Center pool – Repair or replace leaking pool
- 9) Regarding Shell Building No. 3, Mr. Howell continues to be cautiously optimistic about the sale of the building based on the interest by potential clients.
- 10) Mr. Howell mentioned Council's annual planning retreat dates. The format would include three sessions comprised of staff presentations and discussions along with an updated video of City projects. A final follow-up meeting would be scheduled to allow for Council's 2021-2022 goal-setting discussion.
- 11) To celebrate Black History Month in February, Mr. Howell mentioned the City of Shelby collaborated with the Earl Scruggs Center and Uptown Shelby Association in highlighting local Black leaders and their impacts

on Shelby and Cleveland County, commending their collective work on the project.

- 12) Mr. Howell announced the City of Shelby's application for a North Carolina Civil Rights Trail Marker was recently approved by the North Carolina Civil Rights Trail Advisory Committee and a dedication ceremony will be planned.

**G. Council Announcements and Remarks:**

- 1) Mayor Anthony suggested Council return to in-person meetings beginning April 5, 2021 at the Don Gibson Theatre, utilizing the function area, and following the current Executive Orders of Governor Cooper and the North Carolina Department of Health and Human Services COVID-19 guidelines.
- 2) Mr. Webber requested clarification regarding the subject of The Shelby Star's recent article comparing the salaries of local law enforcement officers.

Mr. Howell responded by explaining the discrepancies in the published numbers. He added the City plans to implement Phase 3 of the Pay Plan to relieve salary compression and provide a pay increase for employees in the upcoming budget for Fiscal Year 2021-2022. The third year of the Pay Plan was delayed due to the financial uncertainty caused by the pandemic. Going forward, the City will review one-third of its positions, including law enforcement officers, over the next three years, comparing those positions to market rate and adjusting accordingly.

- 3) As a developer, Mr. White concurred with Mrs. Godfrey's Uptown Shelby business report that there is a keen interest in property which has developed over the last three months.
- 4) Mrs. Arth Dukes announced that March is Women's History Month. Happy first day of Women's History Month!

**H. Adjournment:**

- 1) Motion to adjourn

**ACTION TAKEN:** Upon a motion made by Mr. Hendrick, City Council voted unanimously to adjourn the meeting at 7:07 p.m.

Respectfully submitted,



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

**O. Stanhope Anthony III  
Mayor**

**Minutes of March 1, 2021**

**DRAFT**

City of Shelby  
Agenda Item Summary  
March 15, 2021  
Electronic Meeting

Agenda Item: D-2

1) Approval of Special Event Permit Application:

- a. Shelby High School Homecoming Parade, requested date: March 26, 2021

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

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Summary of Available Information:

- Memorandum dated March 9, 2021 from Bernadette A. Parduski, City Clerk to Rick Howell, City Manager
- Memorandum 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, Parks and Recreation Director Charlie Holtzclaw, Planning and Development Services Director Walter Scharer, and Director of Engineering Services Ben Yarboro
- Special Event Permit Application

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City Manager's Recommendation / Comments

**This event is 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:** March 9, 2021  
**Re:** Special Event Permit Application

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## BACKGROUND:

A Special Event Permit Application has been submitted for the following:

- ✓ Shelby High School Homecoming Parade, requested date: March 26, 2021

## REVIEW:

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

## RECOMMENDATION:

Please place the attached Special Event Permit Application on the Consent Agenda of March 15, 2021 for Council's review and approval.

## ATTACHMENT:

- A. Special Event Permit Application packet received March 1, 2021

# Memo

**To:** Police Chief Jeff Ledford, Fire Chief William Hunt, Fire Marshal Phil Lane, Public Works Director Danny Darst, Assistant Director of Public Works Scott Black, Parks & Recreation Director Charlie Holtzclaw, 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:** March 2, 2021

**Re:** Special Event Permit Application

All:

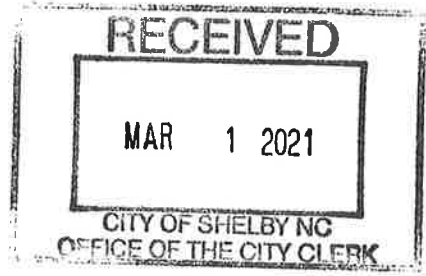
Attached you will find a Special Event Permit Application submitted by David Allen, Principal, Shelby High School, as follows:

- ✓ Shelby High School Homecoming Parade, requested date: March 26, 2021

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 March 15, 2021 meeting and recommended for approval unless you advise otherwise. If I do not hear from you by March 8, 2021, it will be assumed that you agree with the application as presented.

As always, thanks for your attention and consideration.

Attachment



**CITY OF SHELBY  
SPECIAL EVENT PERMIT APPLICATION**

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

**1. EVENT NAME:**

Shelby High Homecoming Parade

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

Homecoming Parade - about 60 units.

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

Start @ corner of Lafayette and Sumter.  
Finish @ corner of Lafayette and Graham.

**4. PLEASE INDICATE:**

Approximately how many people will attend the event? 500

Approximately how many vehicles will be present? 60-65

Approximately how many animals will be present? none

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

Single lane \_\_\_\_\_

All lanes in travel direction \_\_\_\_\_

Whole street ✓ - Lafayette from Dorton St. to Graham

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

Name: David Allen Shelby High School

Address: 230 E. Dixon Blvd.

Phones: 704-476-8325 (Daytime) 704-477-0175 (Evening)

E-mail address: drallen@clevelandcountyschools.org

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

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

Phones: \_\_\_\_\_ (Daytime) \_\_\_\_\_ (Evening)

E-mail address: \_\_\_\_\_

**6. PLEASE LIST THE FOLLOWING:**

Requested day(s) and date(s) Friday, March 26

Alternate day(s) and date(s) Thursday, March 25

Requested hours of operation, from 3:30 AM/PM to 5:00 AM/PM

**7. EVENT NOTIFICATION TO RESIDENTS AND BUSINESSES:** As an event planner, you are responsible for notifying the neighbors and businesses in the surrounding area of your event. The City requires notifying as many businesses and residents around the event site as possible as early as possible. Please provide your plan of notification at the time you submit your permit application.

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

**9. 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.

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.

**10. 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: \_\_\_\_\_  
DOCTOR (S): \_\_\_\_\_  
PARAMEDICS: \_\_\_\_\_

11. CITY SERVICES/EQUIPMENT REQUESTED FOR THIS EVENT:

Block Streets  
Police Presence

12. ANY ADDITIONAL COMMENTS:

We will provide signage on each vehicle to wear masks and maintain social distancing. We can also use sidewalk chalk to mark off the sidewalk for patrons if you want us to.

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

Shelby High School                      704-476-8325  
APPLICANT    PHONE

230 E. Dixon Blvd.  
PHYSICAL ADDRESS

drallen@clevelandcountyschools.org  
E-MAIL ADDRESS

3/1/21  
DATE



City of Shelby  
Agenda Item Summary  
March 15, 2021  
Electronic Meeting

Agenda Item: D-3

- 3) Acceptance of the Certificate of Sufficiency regarding Petition for Annexation of applicant, Jason Lowery of North Point Custom Builders

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

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- Memorandum dated March 9, 2021 from Bernadette A. Parduski, City Clerk to Rick Howell, City Manager
- Petition of Annexation
- General Statute 160A-58.1 and 160A-58.2
- Certificate of Sufficiency

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City Manager's Recommendation / Comments

**Acceptance and acknowledgement of the Certificate of Sufficiency by the City Clerk is all that is required of City Council at this time. It is my recommendation that that this be done via the Consent Agenda.**

It is anticipated that this voluntary satellite annexation petition will be on City Council's agenda for final action on Monday, April 5<sup>th</sup>.

**OFFICE OF THE CITY CLERK  
SHELBY, NORTH CAROLINA**

**MEMO**

To: Rick Howell, City Manager

From: Bernadette A. Parduski, City Clerk

Date: March 9, 2021

Re: North Point Custom Builders – Petition for Voluntary Annexation

**BACKGROUND:**

Jason Lowery of North Point Custom Builders submitted a Petition of Satellite Annexation dated January 28, 2021. City Council adopted and approved Resolution No. 13-2021 on March 1, 2021 directing the City Clerk to determine sufficiency of the satellite annexation petition from Jason Lowery of North Point Custom Builders as agent for Cameron Corder, President of River Bend Acres Inc.

**REVIEW:**

In accordance with North Carolina General Statute 160A-58.1, staff has investigated the petition submitted by Jason Lowery of North Point Custom Builders and prepared a certificate in this matter, finding the petition sufficient for further annexation proceedings.

**RECOMMENDATION:**

Staff recommends proceeding with the annexation process for this property. A public hearing is scheduled to receive public comment on said petition in accordance with North Carolina General Statute (NCGS) 160A-58.2 on Monday, April 5, 2021.

**Attachments:**

- Petition for Annexation
- NCGS 160A-58.1 and 160A-58.2
- Certificate of Sufficiency



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:

1105 River Road

Applicant(s) Name: Jason Lowery - North Point Custom Builders

Address: 1531 South Post Road  
Shelby, NC 28152

Email: jason@northpointcustombuilders.com

Phone: 704-252-6714

Owner(s) Name: River Bend Acres Inc.

Email: ccorder@clevecoymca.org

Phone: 704-473-8830

\* 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.

92.25 acres, Tax Parcel ID 2551

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: River Bend Acres Inc.

Registered Name of Corporation

Chana Cole

(Corp. Seal)

Signature of President/Vice President

Attested by: Alan McWhorter

Signature of Secretary/Assistant Secretary

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

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public for said County and State, do hereby certify that \_\_\_\_\_, 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 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:**

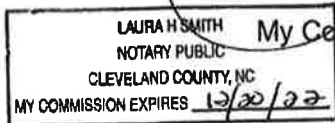
I, Laura H Smith, a Notary Public for said County and State, do hereby certify that Cameron Corder, personally appeared before me this day and acknowledged he (or she) is President of River Bend Acres Inc, a corporation, and that by authority duly given and as the act of the corporation, the foregoing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

Witness my hand and official seal, this the 28<sup>th</sup> day of January, 2021.

(SEAL)

Laura H Smith  
\_\_\_\_\_  
Notary Public

My Commission Expires: 12/20/22





City of Shelby  
Planning and Development Services

Appointed Agent Form

Address of Subject Property:

1105 River Road

I, Cam Corder, President of River Bend Acres Inc., owner of the property located at said address and identified by the Cleveland County Tax Assessor's Office as PIN: 2551, located in Cleveland County, North Carolina, do hereby appoint Jason Lowery to represent me in filing an application for a permit with the City of Shelby Planning and Development Services Department.

I further authorize Jason Lowery to act as my agent in all matters, formal and informal, and to receive all official correspondence as it relates to the ZONING PERMIT REVIEW and APPROVAL PROCESS.

Cameron Corder

Signature of Property Owner

1/28/21

Date

Applicant(s) Name: Jason Lowery  
Address: 1531 South Post Road  
Shelby, NC 28152  
Email: jason@northpointcustombuilders.com  
Phone: 704-252-6714

STATE OF North Carolina  
COUNTY OF Cleveland

I, Laura H Smith, a Notary Public for said County and State, do hereby certify that Cameron Corder, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 28<sup>th</sup> day of January, 2021.

(SEAL)

LAURA H SMITH  
NOTARY PUBLIC  
CLEVELAND COUNTY, NC  
MY COMMISSION EXPIRES 12/20/22

Laura H Smith  
Notary Public  
My Commission Expires: 12/20/22

**§ 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

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-58.2. 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 a satellite annexation to the City of Shelby primary corporate limits, as defined by North Carolina General Statute 160A-58.1 (b).
- c. The petition is signed by and includes the address of the owner 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 5<sup>th</sup> day of March 2021.

(SEAL)

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

City of Shelby  
Agenda Item Summary  
March 15, 2021  
Electronic Meeting

Agenda Item: D-4

- 4) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's CDBG-CV Grant Project: Ordinance No. 8-2021

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

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- Memorandum dated March 8, 2021 from Justin S. Merritt, Assistant City Manager to Rick Howell, City Manager
- Letter dated October 27, 2020 from NC Department of Commerce to Honorable Stan Anthony, Mayor
- Documentation from the United Way, CCCDC, and Isothermal Planning and Development Commission
- Ordinance No. 8-2021

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City Manager's Recommendation / Comments

Ordinance No. 8-2021 is presented for Council consideration via the Consent Agenda. If approved this ordinance would establish a project budget recognizing the \$900,000 in revenue to be received from the State of NC CDBG CV program and appropriating these funds to be spent for the benefit of qualifying low to moderate income persons. These funds will be specifically spent to provide utility payment assistance as well as access to broadband internet service.

The City as required by the grant will be working with non profit entities to deliver these services. They include the United Way of Cleveland County for applicant intake and qualification services, the Cleveland County Community Development Corporation for applicant review, verification and payment processing on behalf of approved persons and finally the Isothermal Planning and Development Commission for review and CDBG CV compliance assurance.

There are a lot of checks and balances as this money is being allocated. Money is not given directly to eligible persons but is paid directly to the utility company and/or internet provider. The intent of the grant program is to provide relief from burdensome utility bills since the pandemic began as well as to provide access to broadband internet services for both students and those that may have had to work from home.

**It is recommended that Ordinance No. 8-2021 be adopted and approved via the Consent Agenda.**



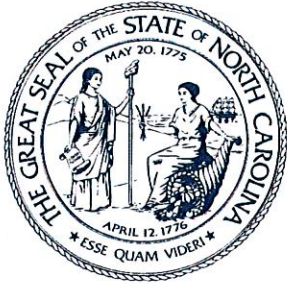
To: Rick Howell, City Manager  
From: Justin S. Merritt, Assistant City Manager  
Date: March 8, 2021  
Subject: CDBG-CV Grant Project Budget Ordinance

Background:

As you know, the City was awarded a CDBG-CV grant in the fall of 2020. Per the grant requirements, the City must work with local non-profit agencies to qualify applicants and disburse funds. The City must also establish a budget to recognize the revenues and establish the expenditure accounts for the project. The City will be working with United Way of Cleveland County, Cleveland County Community Development Corporation, and Isothermal Planning & Development Commission to administer the grant program. The attached project budget ordinance will establish the required budgets and allow the City to engage with the aforementioned organizations to distribute the grant funds in the community. The grant funding will be used to assist qualifying residents with utility payments and access to broadband internet.

Recommendation:

Seek Council approval of the Project Budget Amendment.



ROY COOPER  
*Governor*

ANTHONY M. COPELAND  
*Secretary*

KENNY FLOWERS  
*Assistant Secretary*

October 27, 2020

The Honorable Stan Anthony, Mayor  
City of Shelby  
300 South Washington Street  
Shelby, North Carolina 28151-0207

Dear Mayor Anthony:

It is my pleasure to officially notify you that the City of Shelby has been awarded \$900,000 of Community Development Block Grant (CDBG) funds for the NC CDBG Coronavirus (CDBG-CV) Program. I commend you on your efforts to provide community development assistance as a response to the public health emergency.

Please note that under CDBG program regulations, project funds may not be obligated or spent until certain grant conditions are met. Rural Economic Development Division (REDD), which administers the CDBG Program, will contact you about these conditions and help you implement your grant.

Congratulations on this award. We look forward to working with you and other officials. Should you have any questions regarding this grant, please contact Ms. Valerie D. Moore, Rural Economic Development Division at (919) 814-4673.

Sincerely,

Kenny Flowers  
Assistant Secretary

KF/vdm

cc: Mr. Rick Howell, City Manager  
Mr. Justin Merritt, Assistant City Manager



## **United Way of Cleveland County**

February 9, 2021

Reference: CDBG-CV Grant

To: Mr. Justin Merritt, MPA  
Assistance City Manager  
City Of Shelby

The responsibilities of both parties outlines the work to be completed during the term of the above reference grant. All the items necessary for successful administration and completion of the grant may not be included and each party agrees to perform any additional responsibilities that are required but not listed.

### **Responsibilities of United Way of Cleveland County**

- Generate intake form for the grant
- Place link on United Way’s website for client to access
- Verify the applications by checking to make sure client qualifies with grant requirements
- Forward verified applications to Cleveland County Community Development Corporation (CCDC)

### **Responsibilities of City of Shelby**

- Advance funds for direct payments for qualified and approved applicants
- Review and respond to information in a timely manner in order to facilitate the completion of tasks
- Communicate any additional requirements or documentation needed in a timely manner

### **Fee for Service**

The fee for service is \$20,000.00 to cover the staff needed to perform the required services for approximately 1,500 or more applicants that are anticipated to apply for assistance.

### **Commencement of Work**

United Way is prepared to commence work immediately or within 7 days after the receipt of your written acceptance, whichever is latest.

This letter of agreement represents the entire agreement between the two parties referenced. Both parties indicate its acceptance by having an authorized official sign below. Each party will retain a copy for their records.

Accepted by: \_\_\_\_\_ Accepted by: \_\_\_\_\_

Sign: \_\_\_\_\_ Sign: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_ Title: \_\_\_\_\_

# CCCDC

## Cleveland County Community Development Corporation

February 4, 2021

Reference: CDBG-CV Grant

To: Mr. Justin Merritt, MPA  
Assistance City Manager  
City Of Shelby

The responsibilities of both parties outlines the work to be completed during the term of the above reference grant. All the items necessary for successful administration and completion of the grant may not be included and each party agrees to perform any additional responsibilities that are required but not listed.

### Responsibilities of Cleveland County Community Development Corporation

- Review applications for assistance
- Contact client and perform intake
- Input data into Client Management system for tracking (LMI, demographic)
- Determine eligibility and contact client for supporting documentation
- Verify and Process supporting documentation
- Pre-Approve Clients for Assistance (Final approval following review form City of Shelby)
- Process and submit payments for approved clients
- Generate monthly payment reports

### Responsibilities of City of Shelby

- Advance funds for direct payments for qualified and approved applicants
- Review and respond to information in a timely manner in order to facilitate the completion of tasks
- Communicate any additional requirements or documentation needed in a timely manner

### Fee for Service

The fee for service is \$70,000.00 to cover the staff needed to perform the required services for approximately 1,500 or more applicants that are anticipated to apply for assistance.

### Commencement of Work

Cleveland County CDC is prepared to commence work immediately or within 7 days after the receipt of your written acceptance, whichever is latest.

This letter of agreement represents the entire agreement between the two parties referenced. Both parties indicate its acceptance by having an authorized official sign below. Each party will retain a copy for their records.

Accepted by: Karla E. Haynes Accepted by: \_\_\_\_\_

Sign: Karla E. Haynes Sign: \_\_\_\_\_

Date: 2/4/2021 Date: \_\_\_\_\_

Title: Executive Director Title: \_\_\_\_\_

AGREEMENT BETWEEN THE  
ISOTHERMAL PLANNING AND DEVELOPMENT COMMISSION AND  
THE CITY OF SHELBY  
FOR THE PROVISION OF  
GRANT MANAGEMENT ASSISTANCE:  
SHELBY PUBLIC SERVICES ASSISTANCE  
COMMUNITY DEVELOPMENT BLOCK GRANT – CORONAVIRUS (CDBG-CV)  
FEBRUARY 1, 2021 – SEPTEMBER 17, 2023

This AGREEMENT, entered on this the \_\_\_\_\_ day of \_\_\_\_\_, 2021 by and between the Isothermal Planning and Development Commission (hereinafter referred to as the "Planning Agency") and The City of Shelby, North Carolina (hereinafter referred to as the "Local Government"); WITNESSETH THAT:

WHEREAS, the Planning Agency is empowered to provide technical assistance by the North Carolina General Statutes and by a resolution passed by the Planning Agency on April 17, 1972. Technical assistance shall consist of the provision of services as described in Attachment A, which is herein made a part of this Contract;

WHEREAS, the Local Government has requested the Planning Agency to provide such technical assistance to the Local Government; and

WHEREAS, the Planning Agency desires to cooperate with the Local Government in every way possible to the end that the proposed activities are carried out efficiently and professionally;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. **Personnel.** That during the period of this Contract, the Planning Agency will furnish the necessary trained personnel to the Local Government.
2. **Travel/Printing.** The Local Government will pay for expenses related to conferences, conventions, seminars, local travel, etc. of the personnel when the Local Government requests or approves travel related to the Local Government's planning program, or if it is beneficial to both parties, the costs will be shared on an agreed-upon ratio.

The Local Government will also pay for expenses related to the printing of report(s), mailings to advisory boards, and other costs not related to normal travel and staffing costs associated with personnel furnished by the Planning Agency.

3. **Compensation.** The Local Government will pay the Planning Agency an amount not to exceed \$45,000 (forty-five thousand) for the satisfactory performance of all services related to administration of the project including all work associated with the application preparation, environmental review, and release of funds as defined

in the attached Scope of Services. Planning Agency personnel will keep an accurate record of time spent, which will serve as the basis for the amount charged to the Local Government per month. The Local Government will reimburse the Planning Agency monthly at a rate per hour for each of the personnel involved, which includes the salary, fringe benefits, travel, and indirect costs, plus travel and other approved expenses. It is expressly understood and agreed that total compensation shall not exceed the maximum sum specified without prior approval of both agencies.

All other costs associated with the administration of the CDBG-CV grant will be expended from the grant administration allowance budgeted for the Local Government.

4. **Termination/Modifications.** The Local Government may terminate this Contract by giving the Planning Agency a thirty-day written notice. Furthermore, if there is a need to amend the proposal outlined in Attachment A, either party may do so with the written approval of the other.
5. **Time of Performance.** The Planning Agency shall ensure that all services required herein shall be completed and all required reports, maps, and documents submitted during the period beginning February 1, 2021, and ending September 17, 2023.
6. **Key Personnel.** The Planning Agency shall not substitute key personnel assigned to the performance of this contract without prior written approval by the County and the grantor agency, the North Carolina Department of Commerce. Individuals designated as key personnel for proposes of this contract are those specified in the Planning Agency's proposal.
7. **Subcontracting.** Work proposed to be performed under this contract by the Planning Agency or its employees shall not be subcontracted without prior written approval by the Agency's Contract Administrator and the grantor agency, the North Carolina Department of Commerce. Acceptance of an offeror's proposal shall include any subcontractor(s) specified therein.
8. **Interest of Members, Officers, or Employees of the Planning Agency, Members of the Local Government, or Other Public Officials.** No member, officer, or employee of the Planning Agency or its agents; no member of the governing body of the locality in which the program is situated; and no other public official of such locality or localities who exercises any functions or responsibilities concerning the program during his tenure or for one year thereafter, shall have any financial interest, either direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this Agreement. Immediate family members of said members, officers, employees, and officials are similarly barred



from having any financial interest in the program. The Planning Agency shall incorporate, or cause to be incorporated, in all such contracts or subcontracts, a provision prohibiting such interest according to the purpose of this section.

9. **Nondiscrimination Clause.** No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination with any program or activity funded in whole or in part with funds available under the Housing and Community Development Act of 1974, Section 109.
10. **Age Discrimination Act of 1975, as amended.** No qualified person shall on the basis of age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.
11. **Section 504, Rehabilitation Act of 1973, as amended.** No qualified disabled person shall, on the basis of handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.
12. **Access to Records and Record Retainage.** Per 24 CFR Subtitle A 85.36 Procurement Contract Provisions. Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions. Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.
13. **Liquidated Damages Clause.** If the project fails to be carried out within the time frame outlined in the administrative proposal due to activities attributed to the Planning Agency, the Local Government may assess the Planning Agency a sum in the amount of \$100 per week for any subsequent weeks until completion.
14. **Termination of Agreement for Cause.** If through any cause, the Planning Agency shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or violate any of the covenants, conditions, or stipulations of this Agreement, the Local Government shall thereupon have the right to terminate this Agreement by giving written notice of such termination and specifying the effective date thereof. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared under this Agreement shall, at the option of the Local Government, become its property, and the Planning Agency shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials in direct proportion to the extent of services

completed.

15. **Grantee Assurances.** In the performance of this Agreement, the Planning Agency shall comply with all applicable federal rules and procedures outlined on the attached pages as E.O. 11246 Clause, the Section 3 Clause, and Lobbying Clause (Attachments B, C, and D).

IN WITNESS WHEREOF, the Planning Agency and the Local Government have executed this Agreement as of the date first above written.

LOCAL GOVERNMENT:  
RUTHERFORD COUNTY

PLANNING AGENCY:  
ISOTHERMAL PLANNING AND DEVELOPMENT  
COMMISSION.

By: \_\_\_\_\_  
Rick Howell, City Manager

By: \_\_\_\_\_  
Steve Lockett, Interim Executive Director

Pre-audit statement:

This instrument has been audited in the manner prescribed by the Local Government Budget and Fiscal Control Act.

By: \_\_\_\_\_  
Local Government Finance Officer

**ATTACHMENT A**  
**SCOPE OF SERVICES**  
**CITY OF SHELBY**  
**SHELBY PUBLIC SERVICES ASSISTANCE**  
**WORK PROGRAM/BUDGET**  
**FEBRUARY 1, 2021 – SEPTEMBER 17, 2023**

**A. Summary**

The North Carolina Department of Commerce (DOC), Rural Economic Development Division (REDD) is the HUD designated agency to administer the State of North Carolina’s CDBG Coronavirus (CDBG-CV) Program. All approved activities must adhere to the CDBG-CV program requirements as outlined under the CARES Act. Recipients must adhere to the policies, procedures, and form documentation created by REDD.

All activities must meet the national objective of Low-to-Moderate Income (LMI) as required by the Federal Register Notice.

If technical assistance is needed, the Recipient may contact REDD regarding monitoring, compliance, or any other questions.

**B. Geographical Service Area of Activity**

Recipient shall serve low-to-moderate income persons as defined by HUD residing in the State of North Carolina, in the **City of Shelby**.

**C. Designated Activities**

The Recipient shall only perform the following approved activities:

ACTIVITY	ACTIVITY TYPE	NATIONAL OBJECTIVE	DESCRIPTION
Public Service	Subsistence Payments	LMI Direct Benefit	Provide emergency utility payments to vendors on behalf of LMI households in partnership with United Way of Cleveland County and Cleveland County Community Development Corporation.
Public Services	Other Public Services	LMI Direct Benefit	Provide broadband and communication support by providing internet access to LMI households who received laptops or handheld device from the schools. The City will partner with United Way of Cleveland County and Cleveland CDC.

The following work program and budget are presented as descriptive of the work and dollar amounts requested in the Agreement concerning planning activities by the Isothermal Planning and Development Commission (IPDC) for the City of Shelby. This contract was included in the grant budget and 100% of the contract will be paid for with grant funds. The contract covers application preparation, environmental assessment, project reporting, financial management, work write-ups, federal compliance plans, procurement in compliance with grant guidelines, and other administration in compliance with federal requirements through the closeout of the project.

Steve Lockett, Interim Executive Director will be responsible for administering this project.

Work Program

Professional services necessary to administer all aspects of the project will include but not be limited to the following:

- Administration and coordination of all activities involved in the City of Shelby CDBG-CV

Milestones Established by North Carolina Department of Commerce

○ Environmental Review completed	April 17, 2021
○ Equal Employment & Procurement Plan submitted	April 17, 2021
○ Fair Housing Plan	April 17, 2021
○ Section 3 Plan submitted	April 17, 2021
○ Section 504 Plan submitted	April 17, 2021
○ Language Access Plan submitted	April 17, 2021
○ Duplication of Benefits Policy and Plan	April 17, 2021
○ Request for Release of Funds Approved	May 17, 2021
○ All CDBG funds obligated	March 17, 2023
○ All CDBG funds expended	June 17, 2023
○ All closeout documents submitted	September 17, 2023

- Set up and maintenance of all community development project files and records following program and audit guidelines.
- Develop forms to meet State CDBG requirements to document CDBG activities from start to finish.
- Provide all compliance activities, including outreach, according to the required compliance plans including the Equal Opportunity and Procurement Plan, Section 3 Plan, Language Access Plan, Section 504, Fair Housing Plan, and the Duplication of Benefits Policy and Plan in coordination with the City of Shelby Finance Department.
- Coordination of the community development program with federal, state, and local officials.
- Coordination and communication with project partners: United Way of Cleveland County and Cleveland County Community Development Corporation (CDC)
- Coordination of all fiscal and legal activities relating to the community

development program, in coordination with the City of Shelby Finance Department.

- Compliance with all federal and grant requirements. Preparation and submission of all financial reports, in coordination with the City of Shelby Finance Department.
- Conducting project closeout and assisting the City of Shelby at audits and monitoring visits. This does not assume, however, responsibility for payment of fees levied by auditors or accountants.

The City of Shelby will be responsible for the following:

- Direct payment of CDBG funds for legal and audit services and general administrative costs.
- Setting public hearing dates, publishing agendas and minutes, providing copies of certified meeting minutes.
- Processing and approving invoices and requisitions, tracking all expenditures, meeting with the state agency for monitor review of the project, submitting final audit to NC Department of Commerce.
- Assist in ensuring compliance issues about complaints or assistance needed.
- Preparation and submission of all financial reports, in coordination with Isothermal Planning and Development Commission.
- All administrative costs are not specifically identified as IPDC responsibilities.

#### Time of Performance

The IPDC will complete all activities involved in the administration of this project in 30 months beginning February 1, 2021 – September 17, 2023.

#### Administrative Budget

The IPDC will provide these administrative services for a fee not to exceed \$45,000. The budget is broken down as follows:

#### Assurances

Assurances are attached as a part of the Agreement

#### Amendments

This scope of services and budget may be amended as desired by mutual consent of the Local Government and Planning Agency.

## ASSURANCES OF COMPLIANCE

### ATTACHMENT B

#### Executive Order 11246

During the performance of this Contract, the contractor agrees as follows:

- 1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, or national origin. The contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment, without regard to their race, color, religion, sex, age, or national origin. Such action shall include, but not be limited to the following: recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- 2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, or national origin.
- 3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, notice advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965 and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and the rules, regulations, and relevant orders of the Secretary of Labor.
- 5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- 6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies involved as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

## ATTACHMENT C

### Section 3 Clause

#### "Section 3" Compliance in the Provision of Training, Employment, and Business Opportunities

- a. The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower-income residents of the project area and contracts for work in connection with the project be awarded to business concerns that are located in or owned in substantial part by persons residing in the area of the project.
- b. The parties to this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- c. The contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment and training.
- d. The contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant or recipient of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135. The contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
- e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued hereunder prior to the execution of the contract, shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors, and subcontractors, its successors or assigns to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.



## ATTACHMENT D

### Lobbying Clause

No Federal appropriated funds have been paid or will be paid, by or on behalf of the Planning Agency or the Local Government, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative, agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

If any funds other than Federal appropriated funds have been paid or will be paid any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Planning Agency and/or the Local Government shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

ORDINANCE NO. 8-2021

AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGETS FOR THE CITY OF SHELBY'S CDBG-CV GRANT 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 CDBG-CV Grant 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 administer grant funds, such as CDBG-CV grants, 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 been awarded a CDBG-CV grant and must recognize the revenue and expenditure budgets to properly administer the program. 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	11001000-39900	\$45,000
Transfer to General Capital Projects	110495-49111	\$45,000

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

Revenues:		
Transferred from General Fund	11101000-39110-CDBGC	\$ 45,000
Pass Through Grants	11101000-34502-CDBGC	\$900,000
Appropriation:		
Professional Services	111412-42000-CDBGC	\$135,000
Pass Through Grants	111412-85002-CDBGC	\$810,000

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 15th day of March 2021.

\_\_\_\_\_  
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  
March 15, 2021  
Electronic Meeting

Agenda Item: D-5

- 5) Approval of a resolution accepting and approving assignment of an aircraft hangar used by Danny Bridges to Broad River Holdings LLC: Resolution No. 19-2021

**Consent Agenda Item: (Ben Yarboro, Director of Engineering Services)**

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- Memorandum dated March 8, 2021 from Ben Yarboro, Director of Engineering Services to Justin S. Merritt, Assistant City Manager and Rick Howell, City Manager
- Copy of Resolution No. 32-2006
- Site Plan and Agreement dated April 17, 2006 and Conveyance and Assignment Agreement
- Resolution No. 19-2021

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City Manager's Recommendation / Comments

Resolution No. 19-2021 is presented for Council consideration via the Consent Agenda. If approved this resolution would simply authorize the assignment of the current lease between the City of Shelby and Richard Phillips to Broad River Holdings, LLC. As a reminder to Council some of the hangars at the Shelby airport are constructed by private individuals/businesses and conveyed to the City which then leases the hangar to them rent free for a period of 25 years. After that period the City, as owner, is able to offer the hangar for lease and receive compensation for such.

**It is recommended that Resolution No. 19-2021 be adopted and approved via the Consent Agenda.**



## *Memorandum*

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

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

**RE:** Shelby-Cleveland County Regional Airport  
Airport Hangar Assignment Request by Danny Bridges

**Date:** March 8, 2021

### Background

The Shelby-Cleveland County Regional Airport has eight 50'x75' aircraft hangars that were built by private parties on the airport property. Upon completion of each of these hangars, a conveyance agreement was executed that gives the City of Shelby ownership of the new hangar. The builder of the hangar will retain a rent-free lease for a period of 25 years beginning on the date of the conveyance.

### Review

Richard Phillips was given approval by City Council in April 2006 via Resolution 32-2006 to construct a 50'x75' aircraft hangar at the airport (resolution and site plan attached for reference). An "Agreement for Airport Hangar Construction and Operation" was executed with Mr. Phillips on April 17, 2006 (attached for reference) and the hangar was completed March 9, 2007. Per the requirements of the agreement, Mr. Richard Phillips and Mr. Danny Bridges transferred the ownership of the hangar to the City on September 1, 2006 via a "Conveyance and Assignment of Interest in Airport Hangar Facility Improvement to Real Property" that was recorded at the Cleveland County Register of Deeds (attached for reference). As specified in the agreement, Mr. Phillips' and Mr. Bridges' 25 year rent-free lease began on the day of conveyance (September 1, 2006) and therefore will expire on September 1, 2031.

Recently Mr. Bridges has contacted the City about transferring his rights to this hangar to Broad River Holdings, LLC of Shelby, NC. The agreement executed by Mr. Bridges states: "10. Assignment. Builder shall not assign, convey, lease, sub-let or otherwise alienate any interest in this agreement or any rights arising from it to any other part at any time hereafter without the express knowledge and advance consent of Shelby and then, if consented to, only under the terms and conditions imposed by Shelby in connection therewith." In accordance with this agreement, Mr. Bridges and Broad River Holdings, LLC have submitted a written request for the City's consent to assign the rights granted via the agreement from Mr. Bridges to Broad River Holdings,

LLC (attached for reference). The rent-free lease term and all other conditions of the agreement will not be affected if this assignment is completed.

**Recommendation**

City Staff recommends that the Shelby City Council approve the assignment of the rights granted by the “Agreement for Airport Hangar Construction and Operation” executed by Danny Bridges dated April 17, 2006 to Broad River Holdings, LLC per the written request from both parties (attached for reference).

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

**Attachments:**

Resolution No. 32-2006 adopted and approved 4/17/2006

Richard Phillips Site Plan

AGREEMENT FOR AIRPORT HANGAR CONSTRUCTION AND OPERATION

Dated - 4/17/2006

CONVEYANCE AND ASSIGNMENT OF INTERET IN AIRPORT HANGAR FACILITY

Dated – 10/1/2006

Letter of Request to Transfer Hangar Rights

**COPY**

RESOLUTION NO. 32-2006

**A RESOLUTION ACCEPTING AND APPROVING A PROPOSAL FOR THE CONSTRUCTION, MAINTENANCE AND USE OF AN AIRCRAFT HANGAR BY RICHARD PHILLIPS AT THE SHELBY MUNICIPAL AIRPORT**

**WHEREAS**, the Shelby Airport Commission has received a proposal by Richard Phillips of Shelby, NC offering to build and maintain a small duplex aircraft hangar at the Shelby Municipal Airport at no cost to the City of Shelby under certain terms and conditions; and,

**WHEREAS**, upon review and consideration of this proposal the Airport Commission has offered a favorable recommendation to the Shelby City Council to accept offer by way of entering into an agreement to accomplish said arrangement, and as attached to and made a part of this resolution,

**WHEREAS**, after due consideration of the proposal before City Council as to the legal terms and conditions of the proposed agreement, it is the desire of the governing body to accept said offer and proceed with approval of the subject proposal;

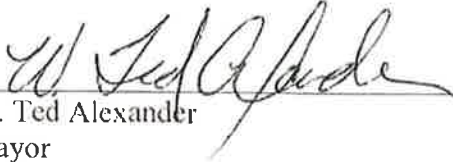
**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHELBY NORTH CAROLINA:**

Section 1. The March 28, 2006 request and proposal from Richard Phillips for the construction of a small duplex aircraft hangar at the Shelby Municipal Airport is hereby accepted and approved based on the terms and location set forth in the attached agreement to this resolution.

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

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

Adopted and approved this the 17th day of April A. D. 2006.

  
W. Ted Alexander  
Mayor

ATTEST:

  
Bernadette A. Parduski  
City Clerk



Richard Phillips  
Site Plan

NORTH CAROLINA

**AGREEMENT FOR AIRPORT HANGAR  
CONSTRUCTION AND OPERATION**

CLEVELAND COUNTY

**THIS AGREEMENT**, entered into this the 17th day of April, 2006, by and between **THE CITY OF SHELBY**, a North Carolina municipal corporation (hereinafter referred to as "Shelby"), Party of the First Part, and Richard Phillips, (hereinafter referred to as "Builder"), Party of the Second Part;

**WITNESSETH:**

That for and in consideration of the mutual promises, covenants and expenditures of funds as described hereinbelow, the parties hereby agree as follows:

1. **PURPOSE.** The purpose of this agreement is to provide for the construction, ownership, operation, maintenance and disposition of a new 50' x 75' (3750 square feet) aircraft hangar facility to be located upon property of Shelby which is currently known as and occupied by the "Shelby Municipal Airport".

2. **CONSTRUCTION.**

(a) **Funding.** All costs of any kind related to the construction of the hangar facility and all accessory improvements to it which may be incurred as a part of the initial construction shall be paid solely by the Builder without temporary or permanent financial contribution by Shelby. Upon the completion of construction, Builder will promptly provide to Shelby a written summary and certification of the total cost of the construction of the facilities as of their completion. Such certification shall be used as the basis for any subsequent pro-ration of Builder's term of use of the said facilities prior to the expiration of the agreed term of usage as provided in paragraph 8 hereinbelow.

(b) **Location.** The hangar facility and any adjacent improvements planned in connection with it shall be located upon Shelby's airport property at a site containing not less than 5760 square feet and located generally southwest of Shelby's existing terminal building at a specific site designated in accordance with Shelby's most recent airport layout master plan. The configuration of the construction site shall be as shown upon the layout sketch attached hereto and incorporated herein as **Exhibit A** by this reference.

(c) **Adjacent accessory space.** Shelby agrees to incorporate into the specific area to be used by the Builder for the hangar facility, a sufficient area of property adjacent to it so that the aircraft of the users of the hangar may be properly parked outside during stacking and unstacking of hangared aircraft.

(d) **Construction standards.** The hangar building to be constructed by the Builder pursuant to this agreement shall be constructed to standards not less than those provided for such construction by the State of North Carolina, the Federal Aviation Administration, the City of Shelby and its Airport Commission, the State of North Carolina and the City of Shelby Building Codes and the City of Shelby's current airport layout plan. The construction of the hangar facility, when completed, shall be consistent with design characteristics of its existing airport structures and facilities and shall at all times meet or exceed the provisions of the "Minimum Standards Of Construction For Airport Hangars - Shelby Municipal Airport", except for the minimum square footage of floor space, a copy of which is attached hereto as **Exhibit B** and incorporated herein in by this reference.

(e) Builder shall begin construction of the hangar within six (6) months of the date of this Agreement and shall complete construction of the said hangar within eighteen (18) months following the date of execution of this Agreement. Completion shall constitute the issuance of a Certificate of Occupancy for the hangar so constructed.

3. **OWNERSHIP OF COMPLETED HANGAR FACILITY.** Upon completion of the hangar facility and accessories as approved by Shelby, and before any occupancy of such facility, the Builder will promptly execute and deliver to Shelby all necessary instruments required to transfer to Shelby the complete ownership of said facilities. Shelby will affirmatively accept title to and ownership of the said hangar facility and all other



improvements constructed by the Builder upon Shelby's real property at the designated site not more than fourteen (14) days following the date upon which Shelby has issued a "Certificate of Occupancy" as to said facility after completion of its construction. Shelby's acquisition of ownership shall be solely in consideration of the covenants and terms provided herein, and will be without cost or financial obligation to Shelby.

4. USE OF FACILITIES

(a) **Use by Builder.** From and after the transfer of the ownership of the completed hangar facility to the City of Shelby, Builder shall be allowed the exclusive use and possession of the said hangar and its adjacent accessory improvements for a period of twenty-five (25) consecutive years without payment of rental or other cost for such use. During said period, Builder and his assignees, contractees, lessees, agents, permittees, invitees and other parties authorized by him may use said hangar facility for the general storage and protection of private aircraft and related parts and equipment and for other lawful non-commercial purposes related to private aviation. No other use of the said facility may be made without the prior specific permission of Shelby.

(b) **Use after expiration of contract term.** Upon the expiration of the aforesaid twenty-five (25) year term of the Builder's use as provided next above, the full use, control and possession of the aforesaid hangar facility shall revert exclusively to the City of Shelby and all rights to the use thereof by the Builder or his permittees shall cease, subject only to agreements for extended rental pursuant to sub-section (c) next below.

(c) **Rental after expiration of contract term.** Not less than six (6) months prior to the expiration of the aforesaid contract term, Shelby will present a proposal to the Builder and/or other groups or parties who have used the aforesaid facility by arrangement with the Builder in months recently prior to the expiration of said term, and will seek to achieve a lease or other use agreement with said parties for their continued use of all or some portion of the said facility under terms deemed appropriate by Shelby at that time.

(d) **Temporary loss of use during term.** In the event of a temporary loss of the use of the aforesaid hangar facility and/or any of its appurtenant improvements by reason of a casualty loss to the said facility or by reason of damage to or the loss of use of any other portion or facility of Shelby's total municipal airport property and operation, such loss of use shall not suspend the running of the term of this agreement in any manner and shall not create in the Builder a claim for reimbursement, extension of the contract term or other benefits or accommodations of any kind.

5. INSURANCE.

(a) **Casualty Insurance.** Shelby will carry fire, extended casualty coverage and such other physical damage coverage upon the hangar facilities as it may deem prudent, and shall at all times maintain such coverage so long as it may operate a municipal airport facility during the period of twenty-five (25) years following its acquisition of ownership of the said facilities.

(b) **Cost of insurance.** Builder will, within thirty (30) days of receipt of a statement for the premium costs thereof, reimburse the City in full for all costs attributable to maintenance of the fire and extended casualty insurance coverage upon the hangar facility.

(c) **Casualty insurance claims proceeds.** In the event of a casualty loss involving the facility during the initial twenty-five (25) year term, Shelby agrees to apply all proceeds which it may receive from the aforesaid casualty and extended insurance coverage to the costs of repair or replacement of the facility.

(d) **Liability.** Shelby will provide liability insurance coverage on the aforesaid hangar facilities and accessory improvements in such amount and of such type as it may deem proper and will bear the sole expense thereof. The Builder shall at all times maintain liability insurance coverage on the aforesaid hangar facility and the use thereof by associates, assignees, lessees, contractees, invitees, permittees and any other parties using the facilities by its permission. The total cost of the provision of such insurance by the Builder shall be borne alone by the Builder. All such liability insurance policies provided by the Builder shall designate the City of Shelby, by name, as an additional insured, and certification of such coverage shall be provided to Shelby at the time of the transfer of the ownership of said facility to Shelby and immediately upon each successive renewal, revision or

modification of such coverage. Such liability coverage as maintained by the Builder shall at all times contain liability benefit limits of not less than One Million (\$1,000,000.00) Dollars per occurrence as to any individual claim and not less than Two Million (\$2,000,000.00) Dollars in the aggregate as to multiple claims from any one claim incident.

(e) **Personal property.** The Builder shall provide, at his option, such casualty and/or other insurance as he may from time to time deem necessary or prudent as to any aircraft, vehicles, equipment or other personal property of any type which he or any party using or occupying the facility with his permission shall deem advisable. Any and all such insurance so provided shall be at the sole cost and expense of the party providing it, or as otherwise agreed by or among such parties. Shelby shall be in no way responsible for providing any insurance upon, or for any damage to, any personal property of any kind located in or about the hangar facility during the Builder's term of use and possession of the facility pursuant to this agreement.

6. **MAINTENANCE.**

(a) **General maintenance.** During the term during which the hangar facility shall be subject to the use and possession of the Builder or his authorized user(s), Builder shall, at his sole costs, provide all necessary and proper maintenance to the said facility and all appurtenant improvements. Builder agrees to maintain the said facility and improvements in the same condition as that in which he delivered ownership to Shelby, reasonable wear and tear and normal obsolescence excepted.

(b) **Laborers/Materialmen's Liens.** Builder agrees to allow no lien to be filed upon the premises as a result of alleged or actual non-payment of any expenses relating to the repair, maintenance or improvement of the aforesaid facility and, should such a lien be filed, Builder will promptly take the necessary steps to resolve or remove such lien and the claim thereof within seven (7) days after the service of notice of such claim of lien upon the Builder or within seven (7) days following notice of the existence of such a claim of lien provided to the Builder by Shelby, whichever shall first occur.

(c) **Failure to remove or resolve Lien.** In the event that any such Claim of Lien is filed upon the said property and not so removed or resolved by the Builder as aforesaid, Shelby may take any necessary action to satisfy or remove such Claim of Lien, and Builder shall fully reimburse Shelby for any costs thereof within seven (7) days following its receipt of notice from Shelby of the costs of such removal. In the event that such costs are not paid in full as aforesaid, Shelby shall have the right to terminate the use of said facility by the Builder after providing not less than thirty (30) days notice of such termination to the Builder and, as reasonably possible, after providing similar notice to the owners or parties in possession and control of any and all aircraft then stored or situated in or upon the hangar facility at the time of such notice.

7. **ALTERATIONS, IMPROVEMENTS.** During the term of the Builder's right to use and possession of the facility, Builder shall make no alterations, additions or improvements to the hangar facility or appurtenant improvements without the specific advance permission of Shelby. Any and all such improvements, modifications, alterations or additions shall, upon their completion, become the sole and absolute property of Shelby, in fee simple, and shall be fully subject to the provisions of this agreement.

8. **CONTINUITY OF AIRPORT OPERATIONS.**

(a) **Continuance, Notice.** Shelby cannot and does not guarantee to the Builder that it will intend or be able to continue to operate the Shelby Municipal Airport as such for the entire period of twenty-five (25) years following its acceptance of the aforesaid hangar facility for ownership under this agreement. Shelby does, however, represent to the Builder that, at the present time, it has no plans to discontinue the present use of the Shelby Municipal Airport facility, and foresees no circumstance or condition which would, in its opinion, make it probable that it would be unable or reasonably unwilling to continue the operation of such facility in its generally present form for the duration of the said contractual period. In the event, however, that Shelby should hereafter find it necessary or prudent in its legislative discretion, to discontinue the use of the said airport facility as a local or regional municipal airport or to otherwise substantially alter the beneficial nature of its use as to the owners and operators of private aircraft, Shelby will provide as much advance notice as reasonably possible to the Builder of such impending alteration or discontinuance.

(b) **Reimbursement of investment in hangar facilities.** Upon such closure of the said facility or such major alteration in its use which, in the City's sole discretion shall deprive the Builder, or his assigns of substantially all of the beneficial use of the hangar facility, Shelby will return to the Builder, or his successors or assigns, a sum of money based upon and determined by a pro-ration of the previously stipulated cost of construction of the said hangar facility and appurtenant improvements as amortized over the aforesaid twenty-five year period of anticipated use by the Builder or his assigns. Said pro-ration shall be at the rate of Four (4%) Percent of the aforesaid total cost for each year of the twenty-five year period as to which the Builder is deprived of continued and anticipated use of the said facility. In the event of such a closure or alteration during a calendar year, said pro-ration shall be by calendar quarters as necessary, which shall each be attributable to 1.00% of said cost. Any sums which may become due to the Builder from Shelby by reason of such closure or modification of its airport facility shall be paid by Shelby in full in a lump sum within one hundred and eighty (180) days following the effective date of Shelby's discontinuance or substantial diminution of the Builder's use of the hangar facilities. Payment of such reimbursement by Shelby shall not be secured by collateral property and shall bear no interest prior to payment.

9. **LIABILITY, HOLD HARMLESS.** The Builder acknowledges the known and obvious risks which are inherent in the operation by Shelby of an airport facility open to the public and to his operation of an airport hangar facility and its accessory improvements. Accordingly, the Builder hereby knowingly assumes all such known or obvious risks of mental and physical injury, including death, and the risk of damage to or destruction of aircraft, vehicles and personal property which might occur as a result of said operations. Further, the Builder, and all parties using the aforesaid hangar facilities and appurtenant improvements which are the subject of this agreement, agree to hold Shelby harmless from any costs, expense, liability, cause of action, damages or other financial detriment of any kind, including costs of settlement or defense, arising from any claim of any type against Shelby or any of its agents or employees resulting in any manner from the Builder's use of the aforesaid facilities pursuant to this contract. Builder agrees to inform any and all of its lessees or assigns of the provisions of this agreement relating to its aforesaid pledge to hold Shelby harmless from liability or financial detriment arising out of this agreement. The Builder further agrees to require all parties which are not principals (such as its lessees, invitees, permittees, guests, contractees and other parties using or coming upon the aforesaid facilities with its knowledge and permission or with the knowledge and permission of any of its members or principals) to execute a written acknowledgment of assumption of risks and waiver of rights to assert claims of liability against Shelby to the same extent as undertaken by the Builder by the provisions hereinabove.

10. **ASSIGNMENT.** Builder shall not assign, convey, lease, sub-let or otherwise alienate any interest in this agreement or any rights arising from it to any other party at anytime hereafter without the express knowledge and advance consent of Shelby and then, if consented to, only under the terms and conditions imposed by Shelby in connection therewith.

11. **BREACH/TERMINATION.** In the event that the Builder, his heirs, successors or assigns should hereafter abandon the use of any part of the said hangar or their performance under this Agreement, or otherwise become unidentifiable, then Shelby may give written notice to all last known successors or assigns thereof at their last known addresses and to all parties who are known (or can through reasonable diligence become known) to own property in or upon the aforesaid hangar facility, that this agreement will terminate within ninety (90) days after the provision of such notice. Such notice shall be deemed to have been provided when said notices are mailed by Certified Mail to the last known addresses of all parties to this agreement or to the last known addresses of the last known participants of the Builder. Upon the expiration of said notice, this contract shall be deemed terminated and any further rights to the use or possession of the aforesaid hangar facility by any party other than the City of Shelby shall be deemed to have been terminated with prejudice.

12. **FORCE MAJEUR.** Neither party will be held responsible for any breach of this agreement which is caused by forces beyond the control of the party.

13. **ENTIRE AGREEMENT.** This document contains the entire agreement and understanding between and among each and all of the parties hereto; and there are no verbal or other written terms of any kind, other than the applicable provisions of the General Statutes of North Carolina, regulations promulgated pursuant to such statutes, the terms of Shelby's Federal Grant Agreements, U. S. Department of Transportation FAA regulations

and the codes and regulations specifically mentioned or incorporated herein, which are part of this agreement or which in any way alter or modify it.

14. **BINDING AGREEMENT.** This Agreement shall be and remain binding on all of the heirs, successors, personal representatives and assigns of the Builders.

15. **AMENDMENTS.** This Agreement may be amended or supplemented only by a written document executed by both parties under proper authority and dated and attached to this agreement.

**IN WITNESS WHEREOF,** the parties hereto have duly authorized the execution of this Agreement and have hereto affixed their official hands and seals in duplicate originals, one of which is retained by each of the parties, the day and year first above written.

**THE CITY OF SHELBY, NORTH CAROLINA**

BY:

W. Ted Alexander  
Mayor

ATTEST:

Bernadette A. Parduski  
City Clerk



**DRAFTED AND APPROVED AS TO FORM BY**

W. A. Kennedy  
Shelby City Attorney

**BUILDER**

RICHARD C. PHILLIPS

Richard C. Phillips

STATE OF NORTH CAROLINA

COUNTY OF CLEVELAND

I, BRAD P. CORNWELL, a Notary Public for the said County and State, do certify that before me personally appeared W. Ted Alexander, Mayor of the City of Shelby, North Carolina, who being by me duly sworn, says that he is the Mayor, and Bernadette A. Parduski is the Clerk to the City of Shelby, North Carolina, the municipal corporation described in and which executed the forgoing Agreement; that the Seal affixed to the foregoing instrument is the common seal of said municipal corporation; that the said Mayor and Clerk subscribed their names thereto, and said common seal was affixed, all by order of the City Council of the City of Shelby, North Carolina, and that said instrument is the act and deed of said municipal corporation. WITNESS my hand and official seal, this 18<sup>th</sup> day of April, 2009.

Brad P. Cornwell  
Notary Public

My Commission Expires: 6/13/2009

(SEAL)

STATE OF NORTH CAROLINA

COUNTY OF CLEVELAND

I, BRAD R. CORNWELL, a Notary Public for the said County and State, do certify that before me personally appeared RICHARD C. PHILLIPS, who being by me duly sworn, says that he has read the foregoing Agreement and has subscribed his name thereto.

WITNESS my hand and official seal, this 26<sup>th</sup> day of April, 2006.

My Commission Expires: 6/13/2009

Brad R. Cornwell  
Notary Public

(SEAL)

78376

RECORDING FEE \$ 20.00

Mail after recording to:  
City of Shelby P.O. Box 207  
Attn: Brad Cornwell  
Shelby, NC 28151-0207



FILED in CLEVELAND County, NC  
on Sep 01 2008 at 03:28:52 PM  
by: BONNIE E. REECE  
REGISTER OF DEEDS  
BOOK 1497 PAGE 919

NORTH CAROLINA

CLEVELAND COUNTY

**CONVEYANCE AND ASSIGNMENT OF INTEREST IN AIRPORT  
HANGAR FACILITY IMPROVEMENTS TO REAL PROPERTY**

PURSUANT TO the terms of Paragraph Three and other pertinent provisions of that certain contractual agreement between **THE CITY OF SHELBY**, a North Carolina municipal corporation, and **Richard Phillips**, an individual party, dated April 17, 2006, Richard Phillips and a co-investor have completed construction of an airport hangar structure upon real property owned solely by the City of Shelby at the City of Shelby's municipal airport. Pursuant to the aforesaid contractual provisions, Richard Phillips and Danny Bridges, hereby conveys, transfers, assigns and forever releases to the City of Shelby all of their right, title, ownership and interest of any kind in and to the said completed aircraft hangar structure and affirms that said structure is now, by the previous and present intent of both parties, permanently affixed to the real property of the City of Shelby and has become an integral and inseparable part and improvement thereof.

Richard Phillips and Danny Bridges have retained no specific or implied ownership interest of any kind in and to the said aircraft hangar structure but does, however, specifically retain all rights to the use of said facility as contained and described in Paragraph Four of the aforesaid contractual agreement and further retains all alternative and contingent rights to potential reimbursement of his investment in said aircraft hangar structure and facilities pursuant to the terms and contingencies described in Paragraph Nine of the said contractual agreement relating to continuity of airport operations by the City of Shelby.

All rights and obligations of both the City of Shelby and Richard Phillips and the named predecessor in interest, Danny Bridges, as contained in the said contractual agreement of April 17, 2006, between said parties which have not been heretofore fully satisfied and completed shall survive this conveyance and transfer of ownership interest by Richard Phillips and Danny Bridges and such rights and obligations of each of the respective parties shall hereafter remain in full force and effect according to the stated terms of the said agreement.

Richard Phillips and Danny Bridges covenants to the City of Shelby that they have the full and unencumbered right to transfer and assign to it the full and complete ownership interest in the said aircraft hangar structure herein assigned and conveyed and they further covenant that the said improvements hereby transferred are free and clear of any and all liens or encumbrances by any party whatsoever and that they will, upon the request of the City of Shelby warrant and defend the title and ownership interest herein transferred to the City of Shelby against the lawful claims of any parties whatsoever which may challenge, impair or encumber the full and complete ownership by the City of Shelby of the said aircraft hangar facilities and improvements hereby conveyed and assigned.

IN WITNESS WHEREOF, Richard Phillips and Danny Bridges have affixed their hands and seals to this Conveyance and Assignment of Interest.


The City of Shelby, by the signature of its Mayor and Clerk hereby accepts on behalf of the City of Shelby the foregoing conveyance and assignment to it by Richard Phillips and Danny Bridges of the aircraft hangar facility improvements as described herein and in the contractual agreement of April 17, 2006, and confirms its rights and obligations as to said improvements and as to the parties as contained in said contractual agreement and ratifies that said agreement remains binding upon it and survives this transfer and assignment of the ownership of said improvements.

IN WITNESS WHEREOF, the City of Shelby has caused this instrument to be signed by its Mayor and attested by its Clerk pursuant to the action and authority of the Shelby City Council as will appear of record in the Official Minutes of said body.

  
Richard Phillips

  
Danny Bridges

THE CITY OF SHELBY, NORTH CAROLINA

BY:   
Mayor

ATTEST:  
  
City Clerk

(Corporate Seal)



NORTH CAROLINA

CLEVELAND COUNTY

I, a Notary Public of the County and State aforesaid, certify that **Richard Phillips and Danny Bridges** personally appeared before this day and acknowledged the due execution of the foregoing Conveyance and Assignment of Interest. Witness my hand and official seal this the 18<sup>th</sup> day of August, 2006.

My Commission Expires: 6/13/2009

Brad R. Cornwell  
Notary Public



NORTH CAROLINA

CLEVELAND COUNTY

I, a Notary Public of the County and State aforesaid, certify that **Bernadette A. Parduski** personally came before me this day and acknowledged that she is the Clerk of The City of Shelby, a North Carolina municipal corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Mayor, sealed with its corporate seal and attested by her as its Clerk. Witness my hand and official seal this the 24<sup>th</sup> day of August, 2006.

My Commission Expires: 6/13/2009

Brad R. Cornwell  
Notary Public



The foregoing certificate(s) of \_\_\_\_\_, Notary(ies) Public for said County and State, is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

Register of Deeds Cleveland County, NC

BY: \_\_\_\_\_  
Deputy/Assistant Register of Deeds



February 22, 2021

Shelby-Cleveland County Regional Airport  
Attn: Jack Poole, Airport Supervisor  
830 College Avenue  
Shelby, NC 28152

Mr. Poole,

As we have discussed I am interested in assigning the rights for Hangar #12, granted by an agreement dated April 17, 2006 and a subsequent conveyance dated September 1, 2006 between the City of Shelby, Richard Phillips, and myself. Bob Cabaniss will be retaining his 1/2 portion (Hangar 16), as well as his Assignment Rights. Per Item 10 of the Agreement (Assignment), I am requesting the consent of the City of Shelby to assign my 1/2 portion rights of Hangar 12 for the remaining lease term ending 9/1/2031 to:

Name Broad River Holdings, LLC

Address 107 Cherryville Road

City State Zip Shelby, NC 28150

Please let me know if you need any more information on this request.

Sincerely,

  
Danny Bridges

2-23-21  
Date

  
Dennis Beam – Managing Partner

2/23/2021  
Date

  
Drew Beam – Managing Partner

02/23/2021  
Date

NOTARY PAGE

Shelia M. Smart  
Cleveland County, NC  
My Commission Expires  
December 4, 2022

This day  
January 23, 2021

Shelia M. Smart  
NOTARY PUBLIC  
Cleveland County, North Carolina  
My Commission Expires  
December 4, 2022

DEB

**RESOLUTION NO. 19-2021**

**A RESOLUTION ACCEPTING AND APPROVING ASSIGNMENT OF AN  
AIRCRAFT HANGAR USED BY DANNY BRIDGES  
TO BROAD RIVER HOLDINGS LLC**

**WHEREAS**, the Shelby City Council approved pursuant to Resolution 32-2006 for Richard Phillips to construct and convey to the City of Shelby an aircraft hangar located at the Shelby-Cleveland County Regional Airport in accordance with the agreement dated April 17<sup>th</sup>, 2006; and,

**WHEREAS**, upon completion of construction, Richard Phillips and co-investor Danny Bridges, conveyed and assigned their ownership interest in said hangar to the City of Shelby as found in Deed Book 1497 Page 919 and effectively dated September 1<sup>st</sup>, 2006; and,

**WHEREAS**, pursuant to the terms and conditions of the agreement and conveyance, Danny Bridges retained a 25-year rent free lease from the date of conveyance, thus ending on September 1<sup>st</sup>, 2031; and;

**WHEREAS**, Danny Bridges no longer has need for the use of his said hangar previously described, and wishes to assign his lease rights for the remainder of the lease term and in accordance with the agreement dated April 17<sup>th</sup>, 2006 and subsequent conveyance effective September 1<sup>st</sup>, 2006 to Broad River Holdings LLC. of 107 Cherryville Road, Shelby, NC 28150; and,

**WHEREAS**, Broad River Holdings LLC has acknowledged and understands that he will have the same rights and interest as Danny Bridges under the agreement dated April 17<sup>th</sup>, 2006 and conveyance of ownership as found in Deed Book 1497 Page 919 and dated September 1<sup>st</sup>, 2006, with his lease rights ending effective on September 1<sup>st</sup>, 2031.

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

Section 1. The City Council approves the assignment of the lease term of the hangar constructed by Richard Phillips pursuant to Resolution 32-2006 and agreement dated April 17<sup>th</sup>, 2006 and subsequently conveyed to the City of Shelby by Deed Book 1497 Page 919 dated September 1<sup>st</sup>, 2006 to Broad River Holdings LLC with an effective ending lease date of September 1<sup>st</sup>, 2031.

Section 2. The City Manager or his designee are hereby authorized and directed to provide to Danny Bridges and Broad River Holdings LLC in writing that the Shelby City Council concurs with and approves the assignment of the remainder of the lease terms as mentioned above to Broad River Holdings LLC with an ending date of September 1<sup>st</sup>, 2031.

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

Adopted and approved this the 15<sup>th</sup> day of March 2021.

Resolution No. 19-2021  
March 15, 2021  
Page 2

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O. Stanhope Anthony III  
Mayor

ATTEST:

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

City of Shelby  
Agenda Item Summary  
March 15, 2021  
Electronic Meeting

**E. Unfinished Business**

**Agenda Item E-1**

- 1) Consideration of appointments to City advisory boards and commissions:
  - a. Shelby Housing and Redevelopment Housing Board

**Unfinished Business Item: (Bernadette A. Parduski, City Clerk)**

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- Memorandum dated March 9, 2021 from Bernadette A. Parduski, City Clerk to Rick Howell, City Manager
- Shelby Housing and Redevelopment Housing Board Roster 2021
- Application for Peter Potemkin

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**City Manager's Recommendation / Comments**

Volunteers are an essential part of the work the City performs each year. As always this is just a reminder that we all should work to recruit qualified and quality people to serve whenever possible. Solicitation of both qualified and interested citizens to serve on these important advisory boards remains a priority for 2021. I would challenge each of you to recruit viable candidates that possess the knowledge and willingness to serve during the coming months.

I cannot emphasize enough the importance of appointing quality people to these very important citizen boards and commissions. It is incumbent upon Council as the appointing authority to ensure members are responsible members of the community who will make decisions that reflect the established and recognized values of the City. These appointees after all reflect upon Council as the appointing authority as well as the City as they conduct business month to month.



# Memo

To: Rick Howell, City Manager  
From: Bernadette A. Parduski, City Clerk  
Date: March 9, 2021  
Re: Appointments to City Advisory Boards

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## **BOARD REVIEW:**

### SHELBY HOUSING AND REDEVELOPMENT ADVISORY BOARD –

The terms of three incumbents, Darrell Gerald, Brenda Marable, and Michael Shawn Collins conclude this month, March 2021. All three incumbents wish to continue their service.

There is one application on file in the Clerk's Office:

- Peter Potemkin

## **POSSIBLE ACTION:**

### SHELBY HOUSING AND REDEVELOPMENT ADVISORY BOARD –

Council can begin the nominating process or take appointive action for three new terms concluding March 2024.

## **Attachments:**

- A. Shelby Housing and Redevelopment Advisory Board Roster
- B. Application of Peter Potemkin

**SHELBY HOUSING AND REDEVELOPMENT ADVISORY BOARD 2021**

<b>MEMBERS</b>	<b>ADDRESS</b>	<b>TERM</b>	<b>PHONE</b>
Keith Hawkins Chair <a href="mailto:khawkins15@carolina.rr.com">khawkins15@carolina.rr.com</a>	1307 Wesson Road Shelby, NC 28152	March 2023	H: 704 406-9279 C: 704 472-8048
Sharon Leigh <a href="mailto:sleigh@peoplesbanknc.com">sleigh@peoplesbanknc.com</a>	1031 Hunter Valley Road Shelby, NC 28150	March 2023	H: 704 484-8663 W: 704 484-6200
Tanzy Wallace <a href="mailto:tanzybw@gmail.com">tanzybw@gmail.com</a>	1104 South Lafayette Street Shelby, NC 28150	March 2023	C: 704 300-5439
Darrell Gerald <a href="mailto:gerald78@carolina.rr.com">gerald78@carolina.rr.com</a>	124 Brookhill Road Shelby, NC 28150	March 2021	H: 704 406-9650 W: 704 477-0482
Brenda Marable <a href="mailto:bmarable@bellsouth.net">bmarable@bellsouth.net</a>	1804 Troy Road Shelby, NC 28150	March 2021	H: 704 487-7057 C: 704 473-6722
Michael Shawn Collins <a href="mailto:shawn.collins@ncdps.gov">shawn.collins@ncdps.gov</a>	100 Buck Landing Shelby, NC 28150	March 2021	H: 704 472-2694 W: 704 480-5698 Ext. 201
Talmadge C. Strickland IV <a href="mailto:tcstrickland4@carolina.rr.com">tcstrickland4@carolina.rr.com</a>	1803 Arbor Way Drive Shelby, NC 28150	March 2022	H: 704 473-9170 W: 704 482-3031
Dr. Kevin Prime <a href="mailto:kevinprime@yahoo.com">kevinprime@yahoo.com</a>	812 McGowan Road Shelby, NC 28150	March 2022	C: 704 473-4653
Derrick L. Haynes <a href="mailto:Dhay1257@yahoo.com">Dhay1257@yahoo.com</a>	300 Atlantic Avenue Shelby, NC 28150	March 2022	C: 704 974-8195

Meetings are held February, May, August, and November on the second Tuesday of the month at noon, or as necessary, at the Housing Department Center, 801 Logan Street, Shelby, NC.

Board is comprised of nine members as of September 15, 1991, each serving three (3) year terms.

City Council Liaison: Charles Webber – Ward 5  
1018 Mark Drive  
Shelby, NC 28152  
704 466-4708; 704 473-8070  
[charles.webber@cityofshelby.com](mailto:charles.webber@cityofshelby.com)

Staffed by:

Bryan Howell, Director of Housing  
P O Box 1192  
Shelby, NC 28151-1192  
Office: 704 669-6590  
Cell: 704 473-6490  
[bryan.howell@cityofshelby.com](mailto:bryan.howell@cityofshelby.com)

Michelle Hudson, Secretary to the Board  
P O Box 1192  
Shelby, NC 28151-1192  
Office: 704 669-6592  
Cell: 704 477-2156  
[michelle.hudson@cityofshelby.com](mailto:michelle.hudson@cityofshelby.com)



**APPLICATION FOR APPOINTMENT TO BOARDS AND COMMISSIONS**

The Shelby City Council believes that all citizens should have the opportunity to actively participate in governmental decisions. One way of participating is by serving as a voluntary member of one of the City’s Boards, Commissions or Committees as outlined below. If you have interest in being considered for appointment, please complete the form below and mail it to the City Clerk, City of Shelby, and P.O. Box 207, Shelby, North Carolina 28151-0207.

- Shelby-Cleveland County Regional Airport Advisory Commission
- Shelby Alcoholic Beverage Control Board
- Shelby Appearance Advisory Commission
- Shelby Zoning Board of Adjustment
- Shelby Community Relations Council
- Shelby Fireman’s Relief Fund Board of Trustees
- Shelby Housing & Redevelopment Advisory Board
- Shelby Parks & Recreation Advisory Commission
- Shelby Planning & Zoning Advisory Board
- \*Other committees that may be formed by the Mayor and City Council

DATE March 4 2019

NAME Peter Potemkin

ADDRESS (No PO Boxes, please) 711 Ridgeview Drive *2401*

CITY / STATE / ZIP Shelby NC 28150

TELEPHONE (Home) 704 600 5990 (Work) \_\_\_\_\_

EMAIL ADDRESS ppotemkin@gmail.com

OCCUPATION Real Estate Broker

EDUCATIONAL BACKGROUND Queens College



BOARD OR COMMISSION INTERESTED IN:

1. Shelby Alcoholic Beverage Control Board

2. Shelby Housing and Redevelopment

3. \_\_\_\_\_

OTHER COMMENTS:

SIGNATURE Peter Potemkin

DATE 03/04.2019

City of Shelby  
Agenda Item Summary  
March 15, 2021  
Electronic Meeting

Agenda Item E-2

- 2) Consideration of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's Airport Grant T-Hangar No. 4 Project:  
Ordinance No. 10-2021

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

- Memorandum dated March 8, 2021 from Ben Yarboro, Director of Engineering Services to Justin S. Merritt, Assistant City Manager and Rick Howell, City Manager
- Letter dated October 1, 2020 from NC DOT to Rick Howell, City Manager
- Work Authorization #2 from W.K. Dickson & Co., Inc.
- Ordinance No. 10-2021

**City Manager's Recommendation / Comments**

Ordinance No. 10-2021 is presented for Council consideration at this time. If approved this ordinance would establish a project budget ordinance recognizing \$130,000 is grant funding from the NCDOT Division of Aviation and appropriating such for Phase 2 design, bidding and construction inspection services for the project. This project would ultimately add a fourth 10 unit T Hangar to the airport. This additional hangar would generate monthly rental income for the City in support of airport operations and future capital projects.

**It is recommended that Ordinance No. 10-2021 be adopted and approved by Council at this time.**



## Memorandum

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

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

**RE:** Shelby-Cleveland County Regional Airport  
Project Budget Ordinance Request for T-Hangar and Taxilane  
– Phase 2 (Design/Bidding and Construction Phase Services)

**Date:** March 8, 2021

### Background

In November 2019, the City of Shelby completed a construction project at the Shelby-Cleveland County Regional Airport that resulted in site preparation for four T-Hangar buildings and the construction of three (3) 10-unit T-Hangars. The 30 hangar units that were constructed were fully occupied by March 2020 and a waiting list of 18 aircraft currently exists. City staff is confident that the additional proposed 10-unit T-Hangar can be fully rented prior to completion of construction.

### Review

On October 1, 2020, the City of Shelby received notification of our annual federal NPE grant for use on eligible airport projects in the amount of \$166,667 (attached for reference). These annual NPE grants typically have a 10% local match; however, due to the CARES Act, there is no local match on this grant funding. City staff has discussed this T-Hangar project with the NC Division of Aviation and the proposed design/bidding has been determined to be an eligible project for reimbursement.

Our airport consultant, W.K. Dickson & Co., Inc. (WKD) has provided a Work Authorization for the T-Hangar and Taxilane – Phase 2 (Design/Bidding and Construction Phase Services) project as requested by the City. This scope of work includes the following:

- Project Development
- Design Survey
- Design/Contract Documents
- Permitting Assistance

- Bidding Assistance
- Construction Administration
- Construction Observation
- QA/QC Materials Testing
- Grant Administration
- Project Close-Out

The total cost of the professional services related to the Design/Bidding of this T-Hangar is \$126,757. Following the execution of the contract, WKD, will complete the design, advertise, and make a recommendation of award for the construction of T-Hangar #4. The award recommendation that WKD makes on the project will be brought back to City Council for consideration at a future date. The annual NPE grant funding that the airport receives (\$166,667 annually with a 10% local match) will be utilized for construction of T-Hangar #4 if approved by City Council.

The construction of T-Hangar #4 will generate approximately \$38,000 annually based on rental revenue and estimated taxes which results in a payback period of approximately 1.6 years.

The design and bidding process for T-Hangar #4 is anticipated to be completed within approximately 90 days of contract execution with WKD. If City Council makes the decision to award a construction contract at the conclusion of this design and bidding process, construction of T-Hangar #4 is anticipated to be completed in the winter of 2021-2022. The construction of this project would also utilize future NPE funds if City Council ultimately awards a construction contract at a later date.

### **Recommendations**

City staff recommends that a project budget ordinance be established in the amount of \$130,000 for the T-Hangar and Taxilane – Phase 2 (Design/Bidding and Construction Phase Services) project. As stated above, annual federal NPE grant funding with a 0% local match will be utilized to reimburse the expenses related to the Design/Bidding of this T-Hangar project. A Grant Agreement is expected from the NC Division of Aviation in the near future and will be presented to City Council as a separate agenda item upon receipt related to the reimbursement of these professional service expenses.

Please let me know if more information is required.

### **Attachments:**

- NC Division of Aviation Notification of Award Letter dated October 1, 2020
- Work Authorization #2 by W.K. Dickson dated February 16, 2021



STATE OF NORTH CAROLINA  
DEPARTMENT OF TRANSPORTATION

ROY COOPER  
GOVERNOR

J. ERIC BOYETTE  
SECRETARY

10/1/2020

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

**RE: NOTIFICATION OF AWARD**

Dear Mr. Howell:

On behalf of Governor Roy Cooper, Transportation Secretary J. Eric Boyette, and the NC Board of Transportation, please be advised that FAA Federal Fiscal Year (FFY) 2020 *Non-Primary Entitlement* funds have been allocated under the State Block Grant Program for **Shelby-Cleveland County**.

These funds are intended for airside safety needs first, after which other needs can be considered. The NCDOT Division of Aviation requires effective airport planning and management for all projects to ensure that funds are expended within the performance period of this grant. **Therefore, this award must be fully expended before July 31, 2024, or any unspent funds will be relinquished.**

The specific funding allocation is noted below:

<b>Award ID</b>	<b>Description</b>	<b>Federal Funds</b>	<b>Federal Match</b>
36237.NPE.20	Airfield Improvements	\$150,000	\$16,666

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

Sincerely,

DocuSigned by:  
  
59C6E3EBB04E410...  
Bobby L. Walston, P.E.  
Director of Aviation

BLW/sg

ec: Jack Poole, Airport Supervisor  
Ben Yarboro, Engineering Services Director  
Caleb Whitby, Airport Project Manager

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

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

Website: [www.ncdot.gov/aviation](http://www.ncdot.gov/aviation)

Location:  
RDU AIRPORT  
1050 MERIDIAN DRIVE  
MORRISVILLE, NC 27560

**SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT**  
**Work Authorization #2**  
**T-Hangar and Taxilane – Phase 2**  
**(Design/Bidding and Construction Phase Services)**  
**February 16, 2021**  
**Revised March 1, 2021**

**CONTRACT FOR PROFESSIONAL**  
**SERVICES**  
**Dated July 30, 2019**

**I. PROJECT DESCRIPTION**

The OWNER wishes to construct one new, 10-unit T-Hangar building which is to be positioned on the north-west side of the three T-Hangar buildings which were constructed one year ago under a separate contract. Design for the new T-Hangar building under this work authorization will be performance based. The previous construction project provided rough grading and drainage for this proposed facility. Consequently, site preparation will be limited to fine grading, excavation of the pavement box, and paving. See Exhibit No 1.

The project grading and limits of disturbance will be addressed in an erosion control submittal package to NCDEQ.

A CatEx was submitted approved for development of this site during the previous project.

Design considerations will include:

1. Design shall be in accordance with the current FA AC 150/5300-13A
2. Due to the lightweight aircraft, state mix asphalt will be used in lieu of P-401 with approval from NCDOA.

The construction time for this project is intended to be 120-calendar days. Construction observation will be part time with a focus on critical work items. Much of the building erection will not require full-time observation.

All proposed project costs are Grant eligible and are reimbursable to the OWNER at a ratio of 90% State/Federal and 10% Local participation.

Shelby-Cleveland County Regional Airport  
T-Hangar and Taxilane – Phase 2  
(Design/Bidding, CA/CO)  
Work Authorization No.2



## II. SCOPE OF SERVICES

### Basic Services

The CONSULTANT will provide the General Basic Services listed below and in accordance with Section I of the General Provision of the General Services Agreement for Professional Services, dated July 30, 2019.

### PROJECT DEVELOPMENT PHASE

1. **Project Development:** Project Development shall generally consist of the following; consultation with OWNER, state and federal government agencies to clarify and define the requirements for the project and review available data; sub-consultant coordination; and assistance to the OWNER with the administration of project.

### DESIGN PHASE

1. **Design / Contract Documents:** The CONSULTANT will provide the following Services.
  - a. In consultation with the OWNER and other government agencies through conferences, meetings, or submission of preliminary reports as appropriate, determine the extent of the Project and the design.
  - b. Design shall be accordance with the following FAA Advisory Circulars:
    - i. 150/5300-13A Airport Design
  - c. Preparation of the Engineer's report, results of preliminary engineering evaluations for the manner that the work will be accomplished; and a project cost estimate based upon the final design.
  - d. CONSULTANT will submit 90% drawings and specifications to OWNER and NCDOA for review and approval prior to bidding. The anticipated list of drawings are as follows:
    - Cover
    - General Notes and Index of Sheets

Shelby-Cleveland County Regional Airport  
T-Hangar and Taxilane – Phase 2  
(Design/Bidding, CA/CO)  
Work Authorization No.2



- Project Safety Plan
  - Existing Conditions / Demolition Plan
  - Grading, Drainage, and Erosion Control Plan
  - Geometric Layout Plan and Utility Plan
  - Taxilane Plan and Profile
  - Asphalt Pavement Warping Plan
  - Marking Plan
  - Pavement Details
  - Grading, Drainage, and Erosion Control Details (2 sheets)
  - Hangar Details
- e. Prepare final design, contract drawings, specifications and contract documents for review and approval by OWNER, his legal counsel and other advisors; contract agreement forms, general conditions and supplementary conditions, bid forms, invitation to bid and instructions to bidders, and assist in the preparation of other related documents.
- f. CONSULTANT will perform internal quality review of plans, specifications, and contract documents prior to advertising project.
- g. CONSULTANT will submit the 90% construction estimate to NCDOA for determination of minority goals prior to developing bid documents and advertisements.
- h. CONSULTANT will Submit 7460-1, Notice of Proposed Construction & Construction Safety and Phasing Plan (CSPP) and required checklist to NCDOA for review. CONSULTANT will facilitate review process and address review comments to achieve NCDOA concurrence prior to submitting to FAA for approval.
- i. CONSULTANT will update documents to reflect Owner and NCDOA review comments and issue final documents for bidding.

**2. Permitting Assistance:** The CONSULTANT will provide the following Services.

- a. Complete Erosion Control Design and submittal of a permit application to the Land Quality Section of NCDEQ.





**3. Bidding Assistance:** The CONSULTANT will provide the following Bidding services:

- a. Advertise project in local publication and CONSULTANT'S online plan room. The actual cost of the advertisements in the newspapers shall be paid for by the OWNER.
- b. Conduct a pre-bid conference in accordance with FAA Advisory Circular AC 150/5370-12B.
- c. Assist the OWNER in obtaining bids, preparing bid tabulations, and analysis of bid results, and furnishing recommendations in connection with the award of construction contracts.
- d. Assistance in preparation of formal contract documents for the award of construction contract.
- e. Maintain a complete and accurate record of all documents related to obtaining, preparing, analyzing bids submitted. All such records shall be made available upon request of the Owner or at the end of the project; whichever occurs first.

**4. Construction Administration:** The CONSULTANT will conduct the following Construction Administration Services:

- a. Review and approve (or take other appropriate action in respect of) shop drawings and samples, the results of test and inspections and other data which each Contractor is required to submit.
- b. Make weekly site visits to observe the progress of the work and conduct Bi-weekly progress meetings with the contractor and stake-holders.
- c. Review Contractor's applications for payment and recommend in writing payments to Contractor(s) in such amounts.
- d. Conduct a pre-final inspection to develop a punch list and conduct a final inspection of the project for acceptance.



5. **Grant Administration:** The CONSULTANT will provide the following Services.
  - a. Assist OWNER with grant document preparation and submittal, complete grant reporting forms & subsequent requests for reimbursement.
  
6. **Project Close-Out:** The CONSULTANT will assemble, review, coordinate and submit final project documentation to NCDOA as per FAA guidelines.

**Special Services**

The CONSULTANT will provide the Special Services listed below and in accordance with Section II of the General Provision of the General Services Agreement for Professional Services, dated July 30, 2019.

1. **Construction Observation:** The CONSULTANT will provide the following Services:
  - a. Perform part-time Resident Construction Observation based on a 120-calendar day Construction Contract to observe and document construction work progress.
  
2. **Design Survey:** The CONSULTANT will provide the following Services:

Perform survey necessary to collect information needed for design of the proposed improvements and associated drainage components. Survey will be completed by Lawrence Associates, as a subconsultant to CONSULTANT. Subconsultant proposal is shown in Attachment.

Information collected will generally consist of the following:

- a. Topographic survey with vertical tolerance of 0.01' on existing pavement.
- b. Existing features including but not limited to, fencing, drainage features, pavement, above ground utilities, power poles.
- c. Storm sewer and sanitary sewer locations and inverts within the survey area.
- d. Underground utility locations within the survey area.



3. **QA/QC Materials Testing:** The CONSULTANT will oversee the services of a qualified materials testing Sub-contractor to perform quality assurance testing to ensure adherence to contract documents and specifications. Quality assurance testing will be completed by ECS Southeast, as a subconsultant to CONSULTANT. Subconsultant proposal is shown in Attachment.

### **DELIVERABLES**

In general, deliverables will be provided in accordance with NCDOT Checklists for grant deliverables (as may be applicable) AV100 (10/2020 revision). The CONSULTANT will provide the following project deliverables to the OWNER:

1. Electronic copies of all Grant Documents
2. Electronic copies, in PDF and/or AutoCAD format, of all surveys.
3. Electronic copies, in PDF and/or AutoCAD format, of drawings, reports and specifications produced under this contract.
4. Hard copies of design plans and CSPP for 90% submittals
5. Bid Tabs and recommendation of contractor Award
6. Construction Contract Documents
7. Close out documents shall be provided in accordance with NCDOA AV-100 and AV-103.

### **SCHEDULE**

Estimated duration to complete the work authorization approval and grant set up process is 2 to 3 months. The above noted scope of services is estimated to take approximately 2 months. See Exhibit No 2 for detailed schedule. The CONSULTANT will discuss options to expedite the schedule with the OWNER.



**Fee Schedule**

The OWNER will pay, and the CONSULTANT agrees to accept as full compensation for services under this Work Authorization a fee of One Hundred Twenty-Six Thousand Seven Hundred Fifty-Seven Dollars (\$126,757) as indicated

**Basic Services**

1. Project Development	Lump Sum	\$ 6,774
2. Design and Contract Documents	Lump Sum	\$ 24,240
3. Permitting Assistance	Lump Sum	\$ 1,349
4. Bidding Assistance	Lump Sum	\$ 9,807
5. Construction Administration	Lump Sum	\$ 40,533
3. Grant Administration	Lump Sum	\$ 7,184
3. Project Close-Out	Lump Sum	\$ 6,028

**Special Services**

1. Construction Observation	Hourly, NTE	\$ 21,142
2. Design Survey	At Cost	\$ 4,800
2. Quality Assurance Testing	At Cost	\$ 4,900

Any Additional Services requested shall be approved by the Owner in writing and will be completed in accordance with the Rate Schedule in effect at the time of services.

**Owner:**

City of Shelby

**Engineer:**

W.K. Dickson & Co., Inc.



\_\_\_\_\_  
Rick Howell  
City Manager

\_\_\_\_\_  
Brian L. Tripp, PE, BCEE  
Vice President

Date: \_\_\_\_\_

Date: 3/1/21

This instrument has been pre-audited in the manner required by the local government budget and fiscal control act.

\_\_\_\_\_  
Justin Merritt, Finance Officer

Shelby-Cleveland County Regional Airport  
T-Hangar and Taxilane – Phase 2  
(Design/Bidding, CA/CO)  
Work Authorization No.2





616 COLONNADE DRIVE  
CHARLOTTE, NC 28205  
(t) (704) 334-5348  
(f) (704) 334-0078

WWW.WKDICKSON.COM  
NC LICENSE NO. F-0374

**WORK AUTHORIZATION**

PROJECT NAME: T-HANGAR DEVELOPMENT  
FOR THE SHELBY-CLEVELAND COUNTY REGIONAL AIRPORT  
SHELBY, NORTH CAROLINA  
DRAWING TITLE:

PROJ. MGR.:	GMK
DESIGN BY:	JLB
DRAWN BY:	JLB
PROJ. DATE:	JAN 2021
DRAWING NUMBER:	1 OF 1
WKD PROJ. NO.:	-

PRELIMINARY DRAWING - FOR REVIEW AND COORDINATION ONLY

**Exhibit No. 1**



SCALE: 1" = 100'

PROPOSED PAVEMENT EDGE

PROPOSED  
T-HANGAR NO. 4

EXISTING T-HANGAR NO. 3

EXISTING T-HANGAR NO. 2

EXISTING T-HANGAR NO. 1

HANGAR 13  
FFE 829.25

HANGAR 14  
FFE 829.75

HANGAR 15  
FFE 829.45

HANGAR 16  
FFE 829.20

EXISTING ASPHALT APRON

EXISTING ASPHALT

ACCESS

UTCRIPPING

Water Vault

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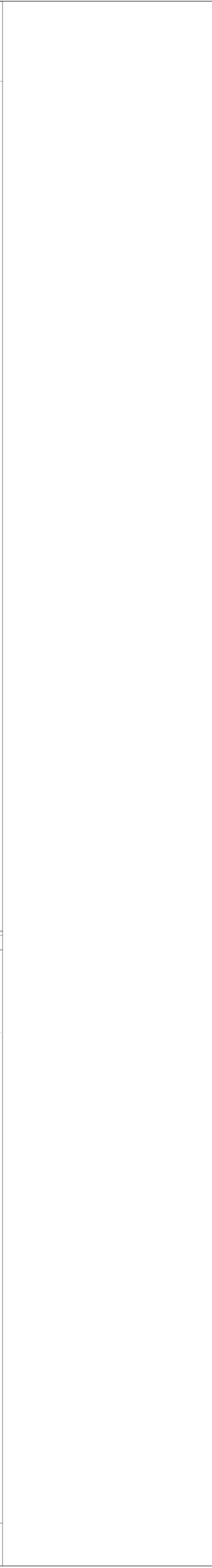
ID	Task Name	Duration	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
1	<b>WA Review and IFE</b>	45 days																
2	<b>Request for Aid (RFA) Process</b>	17 days																
3	APM reviews and Approves Request for Aid	12 days																
4	Grant Admin Reviews and Approves request	1 wk																
5	<b>Grant Agreement Process</b>	32 days																
6	Paper Grant Created and Sponsor Notified	1 wk																
7	Grant Agreement mailed to Airport Sponsor	5 days																
8	Sponsor has agreement signed by Governing Board	1 wk																
9	Sponsor Mails agreement back to DoA	5 days																
10	GA sends agreement to Deputy Secretary of Transit	2 wks																
11	Agreement signed by Deputy Secretary of Transit	0 days																
12	GA issues Design Notice to Proceed and sends to Airport Sponsor	2 days																
13	<b>Design</b>	64 days																
14	<b>Preliminary Design Tasks</b>	5 days																
15	Surveying	2 days																
16	Geotechnical Investigations	3 days																
17	Schedule and Hold Initial Design Meeting	5 days																
18	Initial Design Meeting (Include QC Reviewer)	0 days																



Project: Shelby, T-Hangar Taxila  
Date: Wed 2/10/21

ID	Task Name	Duration	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
19	90% Design	3 wks																Qtr 2, 2022
20	90% Design Meeting	0 days																Apr
21	Submit Design w/ CSPP to APM for Comments	1 day																Mar
22	Consultant Performes Internal QC Review	2 days																Feb
23	APM sends comments For CSPP back to Sponsor	3 days																Jan
24	Cost Estimate developed off of Design	3 days																Dec
25	<b>DBE/MBE/WBE Goal Determination</b>	<b>14 days</b>																Nov
26	Send Cost Estimate to DoA for DBE/MBE/WBE Goal	2 days																Oct
27	APM sends estimate to Contractual Services Unit	1 day																Sep
28	CSU returns goal determination to APM	10 days																Aug
29	APM sends goal determination to Sponsor	1 day																Jul
30	Sponsor/Consultant sends 7460 and CSPP w/ APM Comments to FAA using OE/AAA	40 days																Jun
31	<b>Bid Process</b>	<b>37 days</b>																May
32	Advertise project	2 days																Apr
33	Hold Pre-Bid Meeting	5 days																Mar
34	Bid Period	2 wks																Feb
35	Publish Meeting Minutes and Respond to RFIs	2 wks																Jan
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Project: Shelby, T-Hangar Taxila Date: Wed 2/10/21</p> </div> <div style="width: 45%; text-align: right;"> <p>Manual Progress</p> </div> </div>																		

ID	Task Name	Duration	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
36	Review bids/proposals	5 days																Qtr 2, 2022
37	Determine bid winner	0 days																
38	Sponsor gains approval from Governing Board to award construction contract and requests Certification of Local Funds for Construction	3 wks																
39	<b>Construction</b>	<b>150 days</b>																
40	Schedule and Hold Pre-Construction Meeting/Send out Minutes	1 wk																
41	Hangar Building Procurement	12 wks																
42	Construction Process w/ regular progress meetings	4 mons																
43	Pre-final and Final Inspection Process	10 days																
44	<b>Project Closeout</b>	<b>25 days</b>																
45	As-Builts to DoA	2 wks																
46	Final Resolution of Invoices	2 wks																
47	Submit Final Project Documents to DoA including DBE Statements Etc	15 days																
48	<b>Warranty Period</b>	<b>1 year</b>																



Project: Shelby, T-Hangar Taxila  
Date: Wed 2/10/21

Task	Inactive Task	Manual Summary Rollup	External Milestone	Manual Progress
Split	Inactive Milestone	Manual Summary	Deadline	
Milestone	Inactive Summary	Start-only	Critical	
Summary	Manual Task	Finish-only	Critical Split	
Project Summary	Duration-only	External Tasks	Progress	





















## DIRECT EXPENSES, Construction Administration

PROJECT TITLE: Shelby, T-Hangar & Taxilane Development (Design/Bid, CA/CO)

PREPARED BY: GMK

AVIATION NUMBER:

TIP NUMBER:

WBS NUMBER:

DATE PREPARED: 02/16/2021

REVIEWED BY UNIT HEAD ON:

GENERAL PROJECT WORK:	ITEM	QTY	DESCRIPTION		UNIT COST		
	Travel:						
	Sedan (Engineer)	18	Trip(s) @	85	miles @	\$0.575	\$879.75
	Sedan (Construction Observer)		Trip(s) @		miles @	\$0.575	\$0.00
	Carry All		Trip(s) @		miles @	\$0.595	\$0.00
	Carry All		Trip(s) @		miles @	\$0.595	\$0.00
	Car Rental				days @	\$45.00	\$0.00
	Gas for Rental				miles @	\$0.20	\$0.00
	Per Diem:		Breakfast			\$8.60	\$0.00
			Lunch			\$11.30	\$0.00
			Dinner			\$19.50	\$0.00
			Lodging (on lump sum Incl. taxes)			\$84.11	\$0.00
	Reproduction:		8 1/2 x 11 Xerox Copies @			\$0.04	\$0.00
			11 x 17 Xerox Copies @			\$0.10	\$0.00
			Blueprints - 8 1/2 x 11 @			\$0.35	\$0.00
			Blueprints - 42 x 72 @			\$1.30	\$0.00
			Bond - 8 1/2 x 11 @			\$0.42	\$0.00
			Bond - 34" x 68" @			\$3.50	\$0.00
			Vellum			\$3.00	\$0.00
			Stick-Ons			\$1.00	\$0.00
			Cover(s) @			\$0.50	\$0.00
			Binder(s) @			\$0.50	\$0.00
			Mylar - 8 1/2 x 11 @			\$5.90	\$0.00
			Mylar - 3' x 4' @			\$21.00	\$0.00
	Film and Developing:		Roll(s) @			\$20.00	\$0.00
				<b>Subtotal</b>			<b>\$879.75</b>
MAPS AND DOCUMENTS:	ITEM	QTY	DESCRIPTION		UNIT COST		
	County Tax Maps:	0	Map(s) @		\$7.00	\$0.00	
	USGS Maps:	0	Map(s) @		\$7.00	\$0.00	
				<b>Subtotal</b>		<b>\$0.00</b>	
Miscellaneous Other	Item	Amount	Description		Cost Per		
						\$0.00	
						\$0.00	
						\$0.00	
						\$0.00	
						\$0.00	
						\$0.00	
				<b>Subtotal</b>		<b>\$0.00</b>	
				<b>TOTAL</b>		<b>\$879.75</b>	

\* Sum of all plots

## DIRECT EXPENSES, Construction Observation

PROJECT TITLE: Shelby, T-Hangar & Taxilane Development (Design/Bid, CA/CO)

PREPARED BY: GMK

AVIATION NUMBER:

TIP NUMBER:

WBS NUMBER:

DATE PREPARED: 02/16/2021

REVIEWED BY UNIT HEAD ON:

GENERAL PROJECT WORK:	ITEM	QTY	DESCRIPTION		UNIT COST	
	Travel:					
	Sedan (Engineer)		Trip(s) @	miles @	\$0.575	\$0.00
	Sedan (Construction Observer)	18	Trip(s) @	85 miles @	\$0.575	\$879.75
	Carry All		Trip(s) @	miles @	\$0.595	\$0.00
	Carry All		Trip(s) @	miles @	\$0.595	\$0.00
	Car Rental			days @	\$45.00	\$0.00
	Gas for Rental			miles @	\$0.20	\$0.00
	Per Diem:		Breakfast		\$8.60	\$0.00
			Lunch		\$11.30	\$0.00
			Dinner		\$19.50	\$0.00
			Lodging (on lump sum Incl. taxes)		\$84.11	\$0.00
	Reproduction:		8 1/2 x 11 Xerox Copies @		\$0.04	\$0.00
			11 x 17 Xerox Copies @		\$0.10	\$0.00
			Blueprints - 8 1/2 x 11 @		\$0.35	\$0.00
			Blueprints - 42 x 72 @		\$1.30	\$0.00
			Bond - 8 1/2 x 11 @		\$0.42	\$0.00
			Bond - 34" x 68" @		\$3.50	\$0.00
			Vellum		\$3.00	\$0.00
			Stick-Ons		\$1.00	\$0.00
			Cover(s) @		\$0.50	\$0.00
			Binder(s) @		\$0.50	\$0.00
			Mylar - 8 1/2 x 11 @		\$5.90	\$0.00
			Mylar - 3' x 4' @		\$21.00	\$0.00
	Film and Developing:		Roll(s) @		\$20.00	\$0.00
			<b>Subtotal</b>			<b>\$879.75</b>
MAPS AND DOCUMENTS:	ITEM	QTY	DESCRIPTION		UNIT COST	
	County Tax Maps:	0	Map(s) @		\$7.00	\$0.00
	USGS Maps:	0	Map(s) @		\$7.00	\$0.00
			<b>Subtotal</b>			<b>\$0.00</b>
Miscellaneous Other	Item	Amount	Description		Cost Per	
						\$0.00
						\$0.00
						\$0.00
						\$0.00
			<b>Subtotal</b>			<b>\$0.00</b>
			<b>TOTAL</b>			<b>\$879.75</b>

\* Sum of all plots

## DIRECT EXPENSES, Survey & QA Testing

PROJECT TITLE: Shelby, T-Hangar & Taxilane Development (Design/Bid, CA/CO)

PREPARED BY: GMK

AVIATION NUMBER:

TIP NUMBER:

WBS NUMBER:

DATE PREPARED: 02/16/2021

REVIEWED BY UNIT HEAD ON:

GENERAL PROJECT WORK:	ITEM	QTY	DESCRIPTION		UNIT COST	
	Travel:					
	Sedan (Engineer)		Trip(s) @	miles @	\$0.575	\$0.00
	Sedan (Construction Observer)		Trip(s) @	miles @	\$0.575	\$0.00
	Carry All		Trip(s) @	miles @	\$0.595	\$0.00
	Carry All		Trip(s) @	miles @	\$0.595	\$0.00
	Car Rental			days @	\$45.00	\$0.00
	Gas for Rental			miles @	\$0.20	\$0.00
	Per Diem:		Breakfast		\$8.60	\$0.00
			Lunch		\$11.30	\$0.00
			Dinner		\$19.50	\$0.00
			Lodging (on lump sum Incl. taxes)		\$84.11	\$0.00
	Reproduction:		8 1/2 x 11 Xerox Copies @		\$0.04	\$0.00
			11 x 17 Xerox Copies @		\$0.10	\$0.00
			Blueprints - 8 1/2 x 11 @		\$0.35	\$0.00
			Blueprints - 42 x 72 @		\$1.30	\$0.00
			Bond - 8 1/2 x 11 @		\$0.42	\$0.00
			Bond - 34" x 68" @		\$3.50	\$0.00
			Vellum		\$3.00	\$0.00
			Stick-Ons		\$1.00	\$0.00
			Cover(s) @		\$0.50	\$0.00
			Binder(s) @		\$0.50	\$0.00
			Mylar - 8 1/2 x 11 @		\$5.90	\$0.00
			Mylar - 3' x 4' @		\$21.00	\$0.00
	Film and Developing:		Roll(s) @		\$20.00	\$0.00
			<b>Subtotal</b>			<b>\$0.00</b>
MAPS AND DOCUMENTS:	ITEM	QTY	DESCRIPTION		UNIT COST	
	County Tax Maps:	0	Map(s) @		\$7.00	\$0.00
	USGS Maps:	0	Map(s) @		\$7.00	\$0.00
			<b>Subtotal</b>			<b>\$0.00</b>
Miscellaneous Other	Item	Amount	Description		Cost Per	
						\$0.00
						\$0.00
	Field Survey				\$4,800.00	\$4,800.00
						\$0.00
	QA Testing				\$4,900.00	\$4,900.00
						\$0.00
			<b>Subtotal</b>			<b>\$9,700.00</b>
			<b>TOTAL</b>			<b>\$9,700.00</b>

\* Sum of all plots



February 11, 2021

WK Dickson & Co., Inc.  
Attn. Greg Kershaw, PE  
1213 W. Morehead Street  
Suite 300  
Charlotte, NC 28208

Reference: Shelby Airport  
Lawrence Associates Job No. 5241

Dear Greg,

Lawrence Associates, P.A. is pleased to submit to you a proposal for professional surveying at Shelby Airport. Shown below are the services to be provided by Lawrence Associates.

**Scope of Services**

Utility/Topographic Survey

- Complete a physical, topographic, and utility survey of the requested area identified in red on the attached exhibit (+/- 3 Acres). Location to include 25'x25' grid on paved areas, pavement markings, all above ground structures / utilities, underground utilities (include locate services), storm drainage pipe sizes, rims, and inverts.
  - A vertical tolerance of 0.01' will be provided on existing pavement spot shots.
- Set three benchmarks.
  - Benchmarks must be set with a vertical tolerance of 0.01' and a horizontal tolerance of 0.1'.
  - Benchmarks will be provided outside the limits of construction/disturbance so as not to be displaced during construction.
  - Benchmarks must be included in the electronic and hard copy deliverables.
  - Data deliverable will be in CAD or XML format compatible with Civil 3D along with a signed/sealed PDF.

Not to Exceed 3,800

Utility Sub-Consultant

- Contract with utility sub-consultant to mark underground utilities within the requested area.

Not to Exceed \$1,000

**Fee Schedule**

Lawrence Associates proposes to provide the above services for the following fee:

**Not to Exceed                      \$4,800**

**Elements and Assumptions**

- This proposal does not include a boundary survey.
- All data will be provided on NC Grid.

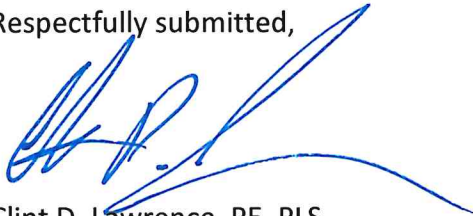
**Additional Services**

Any item not contained in the Scope of Services and/or listed, as an exclusion will be deemed as an Additional Service. Lawrence Associates will provide Additional Services beyond the scope of this proposal where authorized in writing by the client on an hourly basis. Additional Services can also be provided on a negotiated fee basis.

**Conditions**

If acceptable, please execute and return one original copy of this proposal. Please contact Lawrence Associates if you have any questions about the scope of services. We look forward to working with you on this project.

Respectfully submitted,



Clint D. Lawrence, PE, PLS  
Principal

The scope of services, terms and conditions of this Letter Agreement are accepted:

\_\_\_\_\_

Print (Type) Individual, Firm, or Corporate Name

\_\_\_\_\_

Signature of Authorized Representative

\_\_\_\_\_

Date

\_\_\_\_\_

Print (Type) Name of Authorized Representative and Title



# ECS Southeast, LLP

Proposal for Construction Materials Testing Services

Shelby Airport – 4<sup>th</sup> T-Hangar - CMT

Shelby, North Carolina

ECS Proposal Number 08-25766PR

February 16, 2021



February 16, 2021

Greg Kershaw, PE  
WK Dickson & Co., Inc.  
616 Colonnade Drive  
Charlotte, North Carolina 28205

Reference: Proposal for Construction Materials Testing Services  
Shelby Airport – 4<sup>th</sup> T-Hangar - CMT  
Shelby, North Carolina  
ECS Proposal Number: 08-25766PR

Dear Mr. Kershaw:

ECS Southeast, LLP (ECS) is pleased to present this revised proposal for Construction Materials Testing (CMT) Services for the above referenced project. We have formulated a scope of service based on our experience performing similar services for other projects located at the Shelby Regional Airport.

ECS field technicians utilize our proprietary Field Report and Electronic Distribution (FRED) system. This is a completely digital method of construction materials testing information transmittal. The FRED system is a quick, efficient and accurate process. Using a hand-held tablet computer, the Field Technician writes the report on the construction site and transmits it to the office. The Project Manager/Principal Engineer then reviews and approves the report. The Client will then receive the report via email, within hours of completion. These reports can also be faxed or mailed as needed. Everyday construction problems in the field can be resolved quickly by the project engineer, thus saving the client time and money.

We feel certain that ECS can offer unparalleled service and value to your project. If you have any questions or comments regarding our proposal, please contact us. We look forward to hearing from you.

Respectfully,

**ECS SOUTHEAST, LLP**

Fritz J. Rothen  
Project Manager

James “Trey” Landis, P.E.  
Principal Engineer

## PROJECT UNDERSTANDING

It is our understanding that the proposed project is located at 830 College Avenue in Shelby, North Carolina. This portion of construction will include the construction of a fourth T-Hangar. ECS anticipates the scope of services to include the following Quality Assurance Services in general accordance with Federal Aviation Requirements:

### P-152 Proofrolling of Exposed Subgrades

1. Observe excavated subgrades and evaluate for general stability via proofroll for future support of pavement structure.

### P-209 Crushed Aggregate Base Course:

1. Perform in-place density tests (ASTM D-1556 or D-6938) as required by the project specifications to document specified compaction levels are achieved.
2. Observe a proofroll of placed P-209 material for future support of pavement structure.
3. Perform thickness measurements in accordance with the project specifications to document required thickness has been achieved.
4. Provide a daily field report documenting the events in the field and notify the appropriate persons upon recognition of deficiencies.

### P-400 Hot Mix Asphalt (HMA) Pavements:

1. Provide in-place density testing (ASTM D-2950) and temperature observations during asphalt placement onsite.
2. Provide a daily field report documenting the events in the field and notify the appropriate persons upon recognition of deficiencies.

## ESTIMATED FEE

Our estimated fee for providing the services mentioned above will be on the order of **\$4,900**. For the preparation of this proposal, we based our cost and time estimates on our correspondence with you. Therefore, this estimate is for an assumed cumulative timeframe of **2 calendar weeks** of on-call, part time testing services. Any services in addition to the assumed **2 calendar weeks** of on-call, part time testing services will be billed in accordance with the unit rate schedule provided.

Our actual fee may be greater or less than the estimate based upon actual quantities calculated using the enclosed schedule of rates. Additional site visits for specific tasks of retesting failed tests or technician hours in excess of 8 hours per day have not been included in our fee estimate. It is our understanding that the required services have been included in our unit price list and accounted for in our fee estimate. Should supplemental services be deemed necessary at a later date, they will be invoiced at the rate noted on the fee schedule in effect at that time, unless otherwise agreed upon in advance. The unit prices listed herein shall remain as stated throughout the project.



The services described above will be rendered portal-to-portal from our office, with a mileage charge of \$0.56 per mile. Our unit rates are based on a normal 8 hour workday, Monday through Friday. Overtime beyond 40 hours/week, outside of the hours of 7:30 am and 5:30 pm, and on Saturday, Sunday and Holidays will be invoiced at a rate of 1.5 times the normal hourly rate indicated above.

### **REPORTING, BILLING, AND CONTRACT CONDITIONS**

You will be issued daily field reports and laboratory test reports as part of our service. Because our reporting systems are fully computerized, we are generally able to submit field reports and laboratory results within 48 hours of testing. If deficiencies in procedures or materials are recognized in the field, the general contractor will be verbally notified as soon as possible so that the problem may be resolved prior to the performance of additional work. Deficient laboratory results are reported by e-mail to the client, structural engineer, and general contractor by the Project Engineer. Copies of reports will be forwarded to each party by e-mail as requested by the client, at no extra charge, as part of our service. Upon request, ECS will provide a separate invoice for services provided outside the scope of services for the estimated cost.

Invoices will be issued on a monthly basis and will provide a week by week breakdown of billing units, unless modified by request of the client. They are normally processed on or around the 10th of each month and represent costs incurred during the previous month. These invoices will also display a monthly cumulative summary of project costs to date. This monthly summary will serve as a means of monitoring job expenses as they relate to job progress. We request that payment be rendered within 30 days of receipt of the invoice. ECS reserves the right to assess a finance charge of 1.5% per month on the outstanding balance over 30 days. ECS also reserves the right to withhold final certifications until outstanding balances have been paid in full.

### **SUMMARY AND ACCEPTANCE**

Attached to this letter, and an integral part of our proposal, are our "General Conditions of Service". These conditions represent the current recommendations of the ASFE Professional Firms Practicing in the GeoSciences, the Consulting Engineers' Council, and the Geo-Institute of the American Society of Civil Engineers.

Our insurance carrier requires that we receive written authorization prior to initiation of work, and a signed contract prior to the release of any work product. This letter is the agreement for our services. Your acceptance of this proposal may be indicated by signing and returning the enclosed copy to us. We are pleased to have this opportunity to offer our services and look forward to working with you on the project.

## ECS SOUTHEAST, LLP

## FEE SCHEDULE

## CONSTRUCTION MATERIALS TESTING (CMT) AND SPECIAL INSPECTION (SI) SERVICES

<b>Field Services</b>	<b><u>UNIT RATE</u></b>
1. Engineering Technician.....	\$ 55.00/hour
2. Senior Engineering Technician .....	\$ 65.00/hour
3. DOT Technician.....	\$ 75.00/hour
4. Specialty Technician	
a. Reinforcing Steel, Masonry, Fireproofing.....	\$ 90.00/hour
b. Structural Steel/CWI.....	\$ 100.00/hour
c. Ultrasonic Tech/Senior CWI .....	\$ 115.00/hour
<b>Professional &amp; Administrative Services</b>	
1. Principal Level.....	\$ 175.00/hour
2. Senior Project Level .....	\$ 145.00/hour
3. Project Level .....	\$ 125.00/hour
4. Staff Professional Level .....	\$ 90.00/hour
5. Administrative Level .....	\$ 55.00/hour
<b>Laboratory Services/Miscellaneous</b>	
1. Compressive strength of concrete cylinders (ASTM C-39).....	\$ 18.00/each
2. Compressive strength of grout prisms (ASTM C-1019) .....	\$ 18.00/each
3. Standard Proctor Moisture Density Relationships (ASTM D-698).....	\$ 175.00/each
4. Atterberg Limits Tests (ASTM D-4318).....	\$ 90.00/each
5. Washed Sieve Analyses (ASTM D-1140).....	\$ 90.00/each
6. Natural Moisture Contents (ASTM D-2216) .....	\$ 30.00/each
7. Spray-Applied Fire Resistant Material Density Tests.....	\$ 75.00/each
8. Equipment Maintenance Fees	
a. General Equipment .....	\$ 25.00/day
b. Nuclear Gauge .....	\$ 75.00/day
c. Ultrasonic Testing Equipment and Supplies.....	\$ 150.00/day
d. Magnetic Particle Testing Equipment and Supplies .....	\$ 100.00/day
e. Floor Flatness (Dipstick) .....	\$ 250.00/day
9. Mileage.....	\$ 0.56/mile

1.0 The services described above will be rendered portal-to-portal from our office, with a mileage charge of \$0.56 per mile. Our unit rates are based on a normal 8 hour workday, Monday through Friday. Overtime beyond 8 hours/day, outside of the hours of 7:30 am and 5:30 pm, and on Saturday, Sunday and Holidays will be invoiced at a rate of 1.5 times the normal hourly rate indicated above. Scheduling should occur prior to 3:00 p.m. on the business day before services are required.

ORDINANCE NO. 10-2021

AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGET FOR THE CITY OF SHELBY’S AIRPORT GRANT T-HANGAR NO. 4 PROJECT

WHEREAS, in accordance with applicable provisions of the North Carolina Budget and Fiscal Control Act the City of Shelby finds it advisable and necessary to establish a capital project ordinance and budget for the City of Shelby’s Airport T-Hangar #4 Project

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

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

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

Section 1. It is estimated that the following revenues will be available for the Airport T-Hangar #4 Project:  
11105000-34501-APTH4                      State Grants                      \$130,000

Section 2. The following amounts are hereby appropriated for the Airport T-Hangar #4 Project:

111453-42004-APTH4                      Engineering                      \$130,000

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 15th day of March 2021.

\_\_\_\_\_  
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  
March 15, 2021  
Electronic Meeting

**F. New Business**

**Agenda Item F-1**

- 1) Consideration of a resolution approving a marketing agreement for National League of Cities Service Line Warranty Program between the City of Shelby and Utility Service Partners Private Label, Inc.: Resolution No. 20-2021

**New Business Agenda Item: (Justin Merritt, Assistant City Manager)**

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- Memorandum dated March 8, 2021 from Justin S. Merritt, Assistant City Manager to Rick Howell, City Manager
- Residential Water and Sewer Service Line Warranty Program Overview
- Marketing Agreement
- Resolution No. 20-2021

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**City Manager's Recommendation / Comments**

Resolution No. 20-2021 is presented for Council consideration at this time. If approved this resolution would simply authorize the City Manager to enter into an agreement allowing for the marketing of the proposed service line warranty program in cooperation with the City. The City's only obligation is to allow use of the city logo in marketing material and access to the utility customer data base if the City chooses to do so. This program is endorsed by the National League of Cities and is already in place in a number of North Carolina cities including Charlotte, Hendersonville, Sanford, Albemarle, and others.

This program is a low cost insurance program that affords residents an affordable option should the replacement of their water service line or sewer lateral need replacement. There is no cost to the City and the transaction is wholly between the resident and Utility Service Partners Private Label, LLC.

**It is recommended that Resolution No. 20-2021 be adopted and approved by Council.**



To: Rick Howell, City Manager

From: Justin Merritt, Assistant City Manager

Date: March 8, 2021

Subject: National League of Cities Service Line Warranty Program

Background:

The City owns and operates a Water and Sewer Utility, which includes treatment plants, water and sewer mainlines, pumping stations and various additional infrastructure and equipment, which is the responsibility of the City to maintain. The City maintains and repairs this infrastructure in accordance with federal and State regulations.

The residential customer has the responsibility of maintaining the service connection between the mainline and the residence. Failures of the service line may result in large out-of-pocket costs for the homeowner, many times with little warning.

The NLC Service Line Warranty Program seeks to allow residential customers to voluntarily contract with Utility Service Partners Private Label, Inc. to purchase a warranty that will help offset these costs, should a failure occur. An overview is presented in the attached PDF.

There is no cost to the City for this program and it is completely voluntary for a residential customer to participate.

Recommendation:

The recommendation from staff is to approve the attached resolution approving the City Manager to execute the contract with Utility Service Partners Private Label, Inc.

# Residential Water and Sewer Service Line Warranty Program

## Overview



11  
6  
MLC Service Line  
Warranty Program

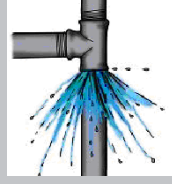
— by —  
 HomeServe



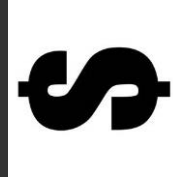
# INFRASTRUCTURE CHALLENGES... A NATIONAL PROBLEM



2013 ASCE NATIONAL PUBLIC  
INFRASTRUCTURE RATING



OVER 850 WATER MAIN BREAKS  
EVERY DAY ACROSS THE U.S.



EPA ESTIMATES THAT CITIES WILL SPEND HEAVILY  
ON INFRASTRUCTURE OVER THE NEXT 20 YEARS

- **\$77 billion** for repair or replacement of public water distribution systems
- **\$10 billion** for wastewater collection system upgrades
- **\$22 billion** for new sewer construction
- **\$45 billion** to control combined sewer overflows
- **\$7 billion** to control municipal storm water



# CHALLENGES FOR HOMEOWNERS

## LATERAL LINES ARE SUBJECTED TO THE SAME ELEMENTS AS PUBLIC LINES

- ground shifting, fluctuating temperatures, tree root penetration, corrosion and more

## OUT OF SIGHT, OUT OF MIND

- water and sewer lines located outside, usually underground

## FAILED LINES WASTE THOUSANDS OF GALLONS OF WATER

- and present an environmental hazard

## COMMON HOMEOWNER MISCONCEPTIONS

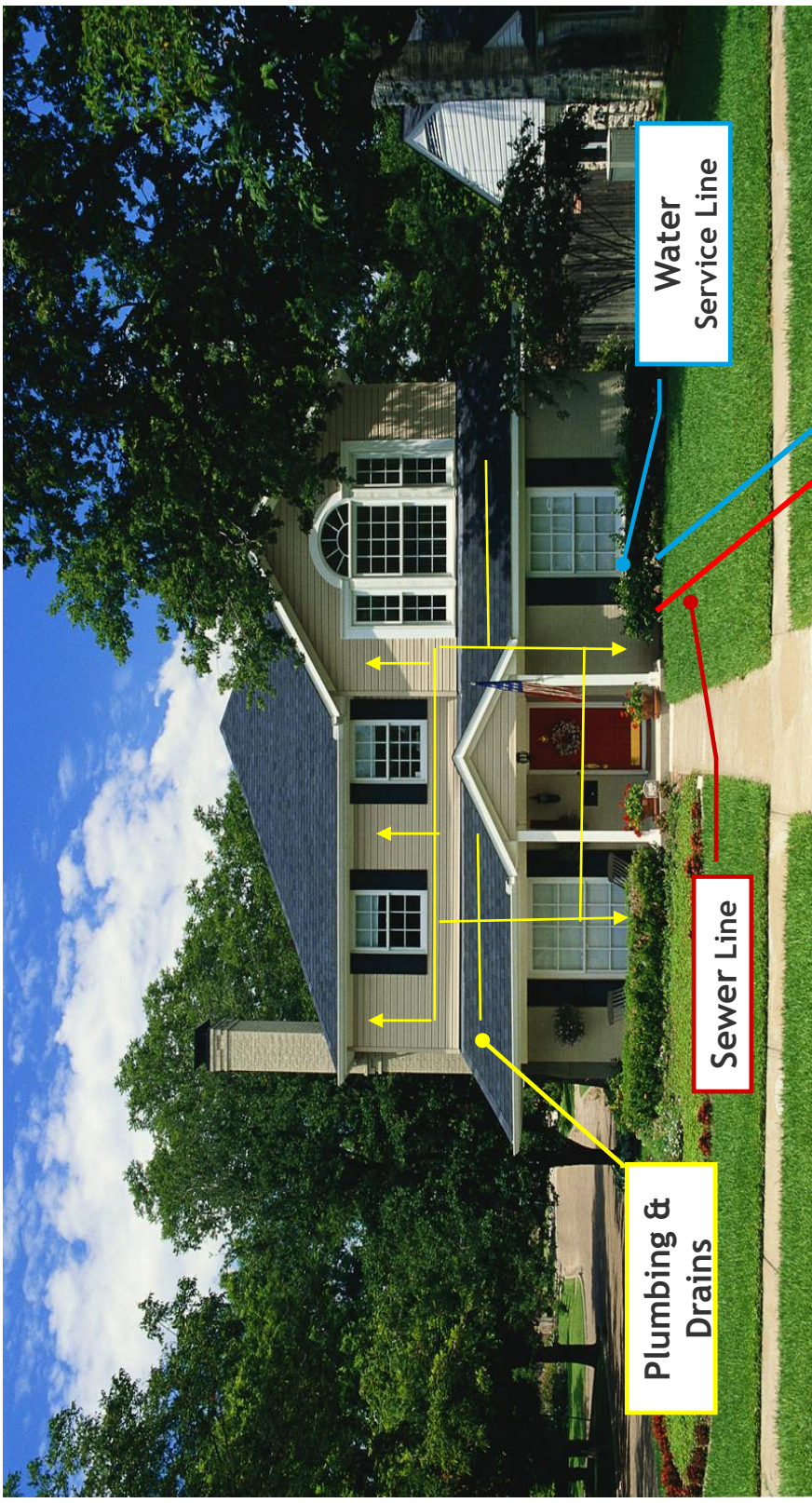
- the City is responsible for maintenance of the water and sewer lines on their property
- repairs are covered by their homeowner's policy (*some now offer coverage as an add-on to the HO policy but a high deductible is still in place*)





# Overview

“Our mission is to free our members from the worry of home emergencies”



# HOMEOWNERS ARE NOT PREPARED

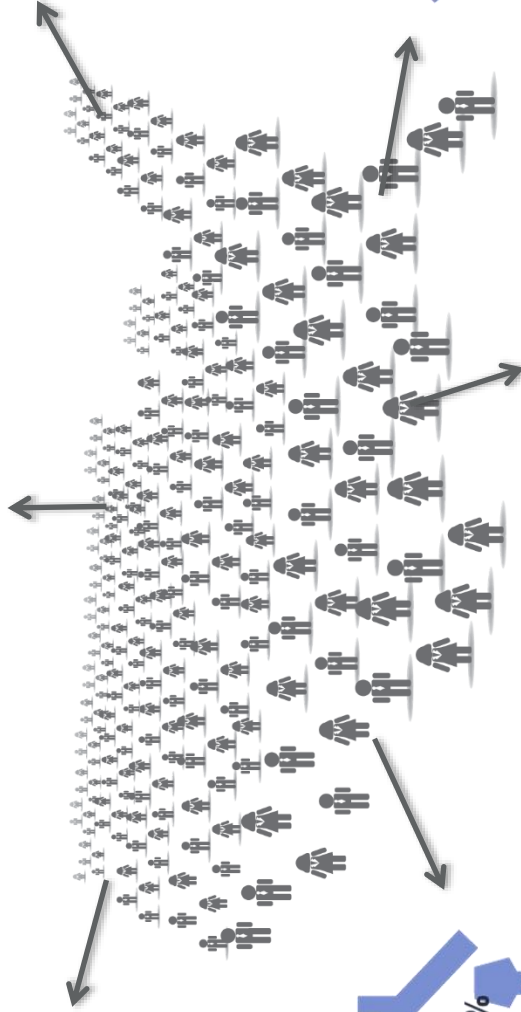
**1 in 5 households are putting off repairs** because they don't have the money



Ipsos Public Affairs

**60% of utility customers** don't know their responsibility for service for line repairs

Ipsos Public Affairs



**56% of homeowners** have \$1,000 or less set aside for home repairs

Harris Poll

**72% of utility customers** would appreciate a recommendation on home emergency repair services

Ipsos Public Affairs

**44% of homeowners** say it's hard to find a reliable repair service

Ipsos Public Affairs

**59% of homeowners** have had a home repair emergency in the last year

Harris Poll

## PROGRAM BENEFITS

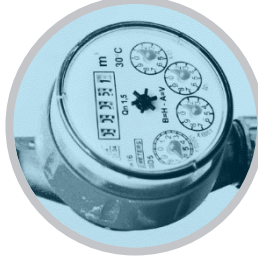
- Only Service Line Program Endorsed by the National League of Cities and the NC League of Cities
- Helps address the public policy issue of aging infrastructure
- No cost for the City to participate
- Optional Ongoing Revenue Stream for the City
- Educates homeowners about their lateral line responsibilities
- Free Public Awareness Campaign
- Peace of Mind - with one toll-free call a reputable plumber is dispatched
- All repairs performed to code by local licensed contractors
- Contractors undergo rigorous vetting process to ensure quality service



# OUR SERVICE AND WHAT IT COVERS



SEWER/SEPTIC LATERAL  
COVERAGE



WATER LINE  
COVERAGE

Homeowner repair protection for leaking, clogged or broken lines from the meter to the home exterior for water line/external wall to the main for sewer line

## Coverage includes:

- Educating homeowners about their service line responsibilities
- Up to \$8,500 coverage per repair incident
- Includes coverage for well lines, septic lines and the thawing of frozen external water lines
- No annual or lifetime limits, deductibles, service fees, forms, or paperwork
- 24/7/365 availability
- Repairs made only by licensed, local contractors
- Affordable rates and multiple payment methods



## INTERIOR PLUMBING AND DRAINAGE

Homeowner repair protection for in-home water supply lines and in-home sewer lines and all drain lines connected to the main sewer stack that are broken or leaking inside the home after the point of entry

### Coverage includes:

- Up to \$3,000 coverage per repair incident.
- Repair of clogged toilets
- Includes coverage for broken or leaking water, sewer, or drain lines under the slab or basement floor
- No annual or lifetime limits, deductibles, service fees, forms, or paperwork
- 24/7/365 availability
- Repairs made only by licensed, local contractors
- Affordable rates and multiple payment methods

## MARKETING APPROACH

- No Public Funds are used in marketing, distribution, or administration of the program.
- Only market by direct mail, no telemarketing
- Would never mail without your review and approval of marketing material before each and every campaign
- Usually 3 mailing campaigns per year
- Consumer friendly marketing
- Always voluntary for the homeowner



- Consumers can enroll one of three ways:
  - Calling into our toll free number that is provided on the mailing;
  - Returning the bottom of the letter to us in the self addressed stamped envelope provided
  - Visiting our consumer website [www.slwofa.com](http://www.slwofa.com) at any time

## Low Homeowner Cost – High Protection Sample Pricing

NLC Program Pricing	Monthly		Annual	
	<u>With \$0.50 Royalty</u>	<u>With No Royalty</u>	<u>With \$0.50 Royalty</u>	<u>With No Royalty</u>
Water	\$5.75	\$5.25	\$64.00	\$58.00
Sewer	\$7.75	\$7.25	\$88.00	\$82.00
Interior Plumbing	\$9.99	\$9.49	\$114.99	\$108.99

- Educational – Educates homeowners on their responsibilities
- “Optional” – Homeowner decides if coverage is needed
- Homeowners can cancel at any time

# North Carolina Partners

City of Charlotte

City of Sanford

City of Albemarle

City of Whiteville

City of Creedmoor

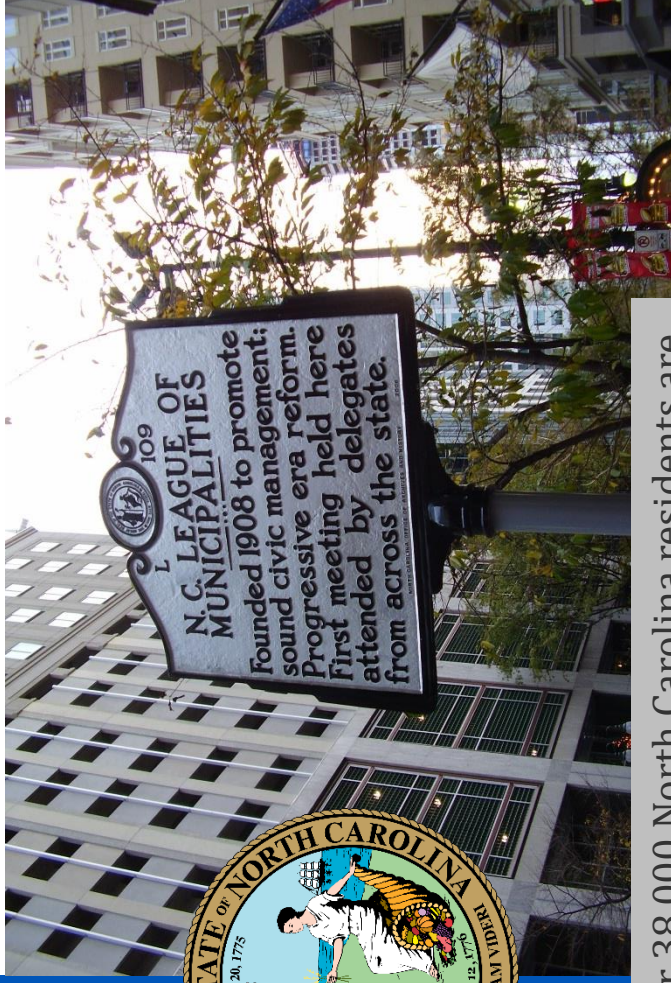
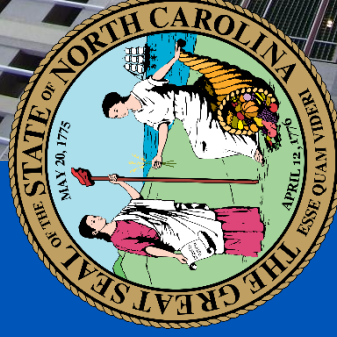
City of Hendersonville

City of Eden

City of Creedmoor

Town of Fletcher

Town of Hassell



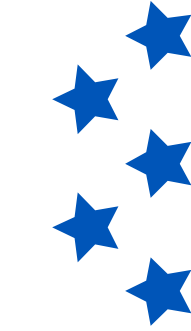
- Over 38,000 North Carolina residents are currently enrolled in the program
- Over 5,000 water, sewer and in-home plumbing repair jobs have been completed over the last three years, saving North Carolina homeowners more than \$2.8M



# WHY CHOOSE UTILITY SERVICE PARTNERS?



EXPERIENCE



REPUTATION



PARTNERSHIP



**BBB Torch Award for  
Marketplace Ethics**

Trust • Performance • Integrity

2013 Winner  
Western Pennsylvania Better Business Bureau®

*“This award underscores one of the primary reasons the National League of Cities selected USP as a partner. The organization’s exemplary record of customer service and transparency is what has driven the success of this partnership over the years.”*



Clarence Anthony  
Executive Director  
National League of Cities

## COMMENTS FROM CITY OFFICIALS



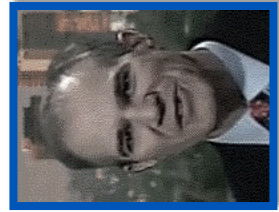
Felicia Moore  
City Councilwoman  
Atlanta, GA

*“The program has already paid out over \$1 million in repairs and replacements for our homeowners’ lateral service lines. My constituents are happy that we have provided this option for city homeowners. We use the revenue associated with the program to assist lower income homeowners with repairs to their service lines. I am sure your City will be pleased with the NLC Service Line Program.”*



James C. Hunt  
past NLC President  
former Council Member  
Clarksburg, WV

*“This program has been available to Clarksburg’s residents for nearly two years, and it’s a real winner. Resident satisfaction is high and it’s a lot easier to tell citizens about this great service rather than explain why they are on the hook for costly repairs.”*



Jon Brodsky  
Public Information Officer  
Phoenix, AZ

*“The Service Line Protection Program helps Phoenix residents and the city government. Revenue from the program goes to core city services like police, fire, parks, libraries and senior centers. The warranties give residents an affordable option for repairs to their sewer and water lines.”*

## HOMEOWNER TESTIMONIALS

*“Glad the city made this recommendation and that I purchased it. Fantastic contractor!”*  
Julie M., Mooresville, NC

*After my recent home fire, it was very comforting to contact SLW and be told that my line would be immediately repaired. The fast service was truly appreciated, and I highly recommend your service - I have already recommended SLW to all my family and friends.”*  
James H., Charleston, WV

*“Having water and sewer line coverage is a Godsend. When I bought my home and turned on the water, there was a leak in the alley that the city said I was responsible for and the repair cost a small fortune. Thank you for this protection. It really eases my mind!”*  
Patricia G., Abilene, TX

*“I recently had a huge problem with my sewer line and I cannot begin to express how helpful it was to have this coverage. It gets increasingly difficult to keep up with repairs. Having the warranty made it easy.”*  
Marsha B., New Brighton, PA

## CONTACT INFORMATION

Jenna Hazelet  
423-326-7634

[Jenna.Hazelet@homeserveusa.com](mailto:Jenna.Hazelet@homeserveusa.com)



## MARKETING AGREEMENT

This MARKETING AGREEMENT (“**Agreement**”) is entered into by and between the City of Shelby, North Carolina (“**City**”), and Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America (“**Company**”), herein collectively referred to singularly as “**Party**” and collectively as the “**Parties**”. This Agreement shall be effective on the last signature date set forth below (“**Effective Date**”).

### RECITALS:

**WHEREAS**, sewer and water line laterals between the mainlines and the connection on residential private property are owned by individual residential property owners residing in the City (“**Property Owner**”); and

**WHEREAS**, City desires to offer Property Owners the opportunity, but not the obligation, to purchase a service plan and other similar products set forth in Exhibit A or as otherwise agreed in writing from time-to-time by the Parties (each, a “**Product**” and collectively, the “**Products**”); and

**WHEREAS**, Company, a subsidiary of HomeServe USA Corp., is the administrator of the National League of Cities Service Line Warranty Program and has agreed to make the Products available to Property Owners subject to the terms and conditions contained herein; and

**NOW, THEREFORE**, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and with the intent to be legally bound hereby, the Parties agree as follows:

1. **Purpose.** City hereby grants to Company the right to offer and market the Products to Property Owners subject to the terms and conditions herein.

2. **City Obligations.**

A. Grant of License. City hereby grants to Company a non-exclusive license (“**License**”) to use City's branding (“**Marks**”), on marketing materials in accordance with Exhibit A to be sent to Property Owners from time to time, and to be used in advertising (including on the Company's website), all at Company's sole cost and expense and subject to City's prior review and approval, which will not be unreasonably conditioned, delayed, or withheld. Company's use of the Marks in accordance with this Agreement will not infringe any other party's rights. In the event that City extends a similar license to a competitor of Company during the Term and any Renewal Term of this Agreement, the City shall provide thirty (30) days' notice prior to such grant of license and Company may immediately terminate this Agreement.

B. **Property Owner Data.** If City elects to do so, City may provide Company with Property Owner Data for use by Company in furtherance of the advertisement, marketing, and sale of the Products. Any name, service address, postal address, and any other appropriate or necessary data for Property Owners in City is defined as “**Property Owner Data**”. Property Owners Data shall be and remain City’s property. For any Property Owner Data provided by City to Company, City warrants that Property Owner Data has been and will be collected in compliance with all laws, statutes, treaties, rules, codes, ordinances, regulations, permits, official guidelines, judgments, orders and interpretations (“**Applicable Laws**”); and City is permitted by Applicable Laws and by any applicable privacy policy to provide Property Owner Data to Company and to permit Company to use Property Owner Data for the purposes of this Agreement. A Property Owner who has purchased a Product is a member (“**Member**”) and, following such purchase, all data in Company’s control or possession relating to Members is Company’s property.

3. **Term.** The term of this Agreement (“**Initial Term**”) shall be for three (3) years from the Effective Date. The Agreement will automatically renew for additional one (1) year terms (each a “**Renewal Term**”, and collectively with the Initial Term, the “**Term**”) unless one of the Parties gives the other written notice at least ninety (90) days prior to end of the Initial Term or of a Renewal Term that the Party does not intend to renew this Agreement. In the event that Company is in material breach of this Agreement, the City may terminate this Agreement thirty (30) days after giving written notice to Company of such breach, if said breach is not cured during said thirty (30) day period. Company will be permitted to complete any marketing initiative initiated prior to termination of this Agreement after which time, neither Party will have any further obligations to the other and this Agreement will terminate.

4. **Confidentiality.** Each party will treat all non-public, confidential and trade secret information received from the other party as confidential, and such party shall not disclose or use such information in a manner contrary to the purposes of this Agreement. Notwithstanding the foregoing, the City shall not be liable for any disclosure of confidential information that is required to be disclosed under any applicable public records act or under court order. City shall provide notice to Company prior to any such disclosure.

5. **Code Change.** The Parties understand that the pricing of the Products and compensation provided for in this Agreement are based upon the currently applicable City, municipal or similar codes. In the event Company discovers a code change, Company shall have the ability to reassess the pricing of this Agreement.

6. **Indemnification.** Each Party (the “**Indemnifying Party**”) hereby agrees to protect, indemnify, and hold the other Party, its officers, employees, contractors, subcontractors, and agents (collectively or individually, “**Indemnitee**”) harmless from and against any and all third party claims, damages, losses, expenses, suits, actions, decrees, judgments, awards, reasonable attorneys' fees and court costs (individually or collectively, “**Claim**”), which an Indemnitee may suffer or which may be sought against or are recovered or obtainable from an Indemnitee, as a result of or arising out of any breach of this Agreement by the Indemnifying Party, or any negligent or fraudulent act or omission of the Indemnifying Party or its officers, employees, contractors, subcontractors, or agents in the performance of this Agreement; provided that the

applicable Indemnitee notifies the Indemnifying Party of any such Claim within a time that does not prejudice the ability of the Indemnifying Party to defend against such Claim. Any Indemnitee hereunder may participate in its, his, or her own defense, but will be responsible for all costs incurred, including reasonable attorneys' fees, in connection with such participation in such defense.

7. **Notice.** Any notice required to be given hereunder shall be deemed to have been given when notice is (i) received by the Party to whom it is directed by personal service, (ii) sent by electronic mail (provided confirmation of receipt is provided by the receiving Party), or (iii) deposited as registered or certified mail, return receipt requested, with the United States Postal Service, addressed as follows:

**To:** City:  
ATTN: Justin Merritt  
City of Shelby  
PO Box 207  
Shelby, NC 28151-0207  
Email: justin.merritt@cityofshelby.com  
Phone: (704) 484-6834

**To:** Company:  
ATTN: Chief Sales Officer  
Utility Service Partners Private Label, Inc.  
4000 Town Center Boulevard, Suite 400  
Canonsburg, PA 15317  
Phone: (866) 974-4801

8. **Modifications or Amendments/Entire Agreement.** Except for the list of available Products under the Agreement, which may be amended from time to time by the Parties in writing and without signature, any and all of the representations and obligations of the Parties are contained herein, and no modification, waiver or amendment of this Agreement or of any of its conditions or provisions shall be binding upon a Party unless in writing signed by that Party.

9. **Assignment.** Neither Party may assign its rights or delegate its duties under this Agreement without the prior written consent of the other Party unless such assignment or delegation is to an affiliate or to an acquirer of all or substantially all of the assets of the transferor.

10. **Counterparts/Electronic Delivery; No Third Party Beneficiary.** This Agreement may be executed in counterparts, all such counterparts will constitute the same contract and the signature of any Party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by email and upon receipt will be deemed originals and binding upon the Parties hereto, regardless of whether originals are delivered thereafter. Nothing expressed or implied in this Agreement is intended, or should be construed, to confer upon or give any person or entity not a party to this agreement any third-party beneficiary rights, interests, or remedies under or by reason of any term, provision, condition, undertaking, warranty, representation, or agreement contained in this Agreement.

11. **Choice of Law/Attorney Fees.** The Parties shall maintain compliance with all Applicable Laws with respect to its obligations under this Agreement. The governing law shall be the laws of the State of North Carolina, without regard to the choice of law principles of the forum state. THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHT THAT MAY EXIST TO HAVE A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED UPON OR ARISING OUT OF, UNDER, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT.

12. **Incorporation of Recitals and Exhibits.** The above Recitals and Exhibit A attached hereto are incorporated by this reference and expressly made part of this Agreement.

[Signature Page Follows]



**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement on the day and year first written above.

**CITY OF SHELBY**

---

Name:

Title:

Date:

**UTILITY SERVICE PARTNERS PRIVATE LABEL, INC.**

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Name: Michael Backus

Title: Chief Sales Officer

Date:

**Exhibit A**  
NLC Service Line Warranty Program  
City of Shelby  
Term Sheet  
February 16, 2021

- I. Initial Term. Three Years.
- II. License Conditions. Use of City logo and name on letterhead, advertising, signature line, billing, and marketing materials.
- III. Products. In exchange for the license conditions above, Company will offer the following discounted rates to Property Owners:
  - A. External water service line plan (initially, \$5.25 per month)
  - B. External sewer/septic line plan (initially, \$7.25 per month)
  - C. Interior plumbing and drainage plan (initially, \$9.49 per month)Pricing does not include taxes. Company may adjust the foregoing Product fees; provided, that any such monthly fee adjustment shall not exceed \$0.50 in any 12-month period. If such adjustment shall exceed \$0.50, both Parties must agree in writing.
- IV. Scope of Coverage.
  - A. External water service line plan:
    - i. Covers Property Owner responsibility: From the meter and/or curb box to the external wall of the home.
    - ii. Covers thawing of frozen external water lines.
    - iii. Covers well service lines if applicable.
  - B. External sewer/septic line plan:
    - i. Covers Property Owner responsibility: From the external wall of the home to the main.
    - ii. Covers septic lines if applicable.
  - C. Interior plumbing and drainage plan:
    - i. Covers water supply pipes and drainage pipes within the interior of the home.
- V. Marketing Campaigns. Company shall have the right to conduct up to three campaigns per year (each campaign consists of two mailings) and such other channels as may be mutually agreed. Initially, Company anticipates offering the Interior plumbing and drainage plan Product via in-bound phone or web only.

RESOLUTION NO. 20-2021

A RESOLUTION APPROVING A MARKETING AGREEMENT FOR NATIONAL LEAGUE OF CITIES SERVICE LINE WARRANTY PROGRAM BETWEEN THE CITY OF SHELBY AND UTILITY SERVICE PARTNERS PRIVATE LABEL, INC.

WHEREAS, the City of Shelby acknowledges that water and sewer laterals between mainlines and the residential connection on private property are owned by individual property owners; and

WHEREAS, the City of Shelby has received a proposal from Utility Service Partners Private Label, Inc. for their National League of Cities Service Line Warranty Program; and

WHEREAS, the staff of the City of Shelby have determined that a Service Line Warranty Program may be beneficial for some City residents; and

WHEREAS, there is no cost to the City of Shelby for this program.

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, in consultation with the City Attorney, to enter into negotiations and a contract with Utility Service Partners Private Label, Inc. for the above referenced project.

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

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

Adopted and approved this the 15th day of March 2021.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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

City of Shelby  
Agenda Item Summary  
March 15, 2021  
Electronic Meeting

Agenda Item F-2

- 2) Consideration of an ordinance establishing a capital project ordinance and budgets for the City of Shelby's General Obligation Bond Referendum Project:  
Ordinance No. 11-2021

**New Business Agenda Item: (Rick Howell, City Manager and Justin Merritt, Assistant City Manager)**

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- Memorandum dated March 8, 2021 from Justin S. Merritt, Assistant City Manager to Rick Howell, City Manager
- Letter dated January 26, 2021 from Womble Bond Dickson to Justin Merritt
- Financial Advisory Services Agreement with First Tryon Securities, LLC
- Marketing Agreement
- Ordinance No. 11-2021

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City Manager's Recommendation / Comments

Ordinance No. 11-2021 is presented for Council consideration at this time. If approved this ordinance would establish a capital project budget for the provision of bond counsel and financial services consulting at various times during the process of the City Council considering the placement of a bond referendum for transportation improvements on the November 2021 ballot.

This will ultimately be a decision of City Council and adoption of the ordinance does not obligate that the City move forward with the referendum. It merely positions the City to expend funds to prepare. I will be bringing forth an agenda item for Council consideration this spring that would set forth the amount and purpose of the potential transportation bond.

**It is recommended that Ordinance No. 11-2021 be adopted and approved by Council.**



To: Rick Howell, City Manager  
From: Justin S. Merritt, Assistant City Manager  
Date: March 8, 2021  
Subject: General Obligation Bond Project Budget Ordinance

Background:

The City is considering a General Obligation Bond Referendum on the November 2021 election ballot. In order to move this project forward, the City will need to engage bond counsel and financial services consultants at various times during the process. This ordinance will establish initial funding for these services and will allow the City to proceed with preparing the referendum.

Recommendation:

Seek Council approval of the Project Budget Amendment.

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VIA E-MAIL

Justin Merritt  
Assistant City Manager  
City of Shelby  
300 S. Washington Street  
Shelby, North Carolina 28150

Re: City of Shelby, North Carolina 2021 General Obligation Street and Sidewalk Bonds

Dear Justin:

Thank you for the opportunity to again serve as bond counsel to the City of Shelby, North Carolina (the “City”) in connection with the authorization, sale and issuance of general obligation bonds to finance various street and sidewalk projects (the “Bonds”). The purpose of this letter is to set forth our understanding of the terms of this engagement for which we have been retained by the City.

ROLE OF BOND COUNSEL

Bond counsel is engaged as a recognized independent legal expert whose primary responsibility is to render an objective legal opinion with respect to the authorization, issuance and validity of bonds and other obligations of municipal entities such as the City. We will provide all services customarily rendered by bond counsel in connection with the respective financings, including (a) preparation of the various City Council proceedings, notices, certificates and other legal and tax documentation required for the authorization, sale and issuance of the Bonds, (b) rendering legal advice as to the tax consequences of the transaction and advising the City as to compliance with the federal tax laws applicable to the Bonds, (c) assisting the City and the Local Government Commission in preparing the offering

documentation to be used in connection with the sale of the Bonds and (d) rendering our approving legal opinion.

### LEGAL OPINION

Subject to our satisfactory review of all proceedings relating to the issuance of the Bonds, at closing, we will render our approving legal opinion with respect to the validity and tax-exempt status of the Bonds.

Upon delivery of our approving legal opinion, our responsibilities as bond counsel will be concluded with respect to that particular Bond issue; specifically, but without implied limitation, we do not undertake (unless separately engaged) to provide continuing advice to the City or any other party concerning any actions necessary to assure that interest paid on the Bonds will continue to be excluded from gross income for federal income tax purposes.

In rendering the opinion, we will rely upon the certified proceedings and other certification of public officials and other persons furnished to us without undertaking to verify the same by independent investigations.

In performing our services as bond counsel, our client will be the City, and we will represent the City's interests. We assume that other parties to the transactions will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. Our representation of the City does not alter our responsibility to render an objective opinion as bond counsel.

### SALE OF BONDS

We anticipate that the Bonds will be sold to one or more successful bidders who purchase them in a competitive sale to be held by the Local Government Commission. The successful bidders may include one or more financial institutions that we may represent from time to time. We will not be representing such institutions in connection with the issuance of the Bonds or their purchase thereof.

### COMPENSATION

Absent unusual circumstances that may hereafter arise, for services rendered as bond counsel in connection with this financing, we would propose a fixed fee of \$45,000. This will include all of our work in connection with the authorization of the bonds and the sale and issuance of one series of Bonds. If all the Bonds are not sold at one time and additional series of bonds are necessary, or if it is necessary to issue bond anticipation notes, additional fees will be charged as mutually agreed upon by us and the City. If the bond referendum fails, we would propose to charge a fee of not to exceed \$15,000 to cover the fees incurred in connection with the bond authorization process. We also will bill the City for out-of-pocket expenses incurred in connection with the engagement, such as express delivery charges, bulk photocopying charges, travel expenses and expenses relating to the preparation of closing transcripts.

## COMPLETION OF SERVICES

At the conclusion of our work for you on this matter, we will return to you, upon request, any materials it has furnished us in connection with this representation. Thereupon, we will store files respecting this matter for a minimum of six years following the conclusion of our representation of you in this matter, and we will provide you with access to those files upon request. After six years from the conclusion for our representation in this matter, we will review the stored files with respect to whether they should be retained or destroyed. We disclaim any obligation to provide further notice to you before destroying the files concerning this matter at any time after six years from the conclusion of our representation of you in this matter.

## INTERNAL ADVICE AND PRIVILEGE

Womble Bond Dickinson (US) LLP is a multi-jurisdictional law firm representing many clients and handling a large number of complex matters each year. As a result, conflict of interest issues may arise and, from time to time, may even include disputes between the firm and our own clients over the handling of a matter. Under such circumstances, we need the ability to seek expert analysis of our obligations from our firm personnel assigned to such matters (General Counsel's office) or outside counsel without waiving any attorney client privilege. We believe that seeking expert advice is in our clients' interest as well as our own. Accordingly, in accepting the terms of our engagement, you consent to our seeking advice from our General Counsel's office or outside counsel of our choosing on legal ethics or related issues that may arise during our representation of the City and that our representation of the City shall not, thereby, waive any attorney-client privilege that Womble Bond Dickinson (US) LLP may have to protect the confidentiality of our communications with counsel.

## LEGAL SUPPORT SERVICE PROVIDERS

In an effort to continue delivering cost effective services, our firm uses legal support service providers located both inside and outside the United States to assist with help desk and technology issues, word processing, time entry, photocopying and other administrative tasks. In order for these service providers to complete these tasks, we must share certain client information. We have made reasonable efforts to ensure that these services are performed in a manner that is consistent with our firm's obligations under the relevant Rules of Professional Conduct with regards to maintaining client confidentiality and supervision of non-lawyer assistants, and the firm bears responsibility for the resulting work product. As part of the engagement with the firm, we ask that the City agree and consent to the use of the services of these providers in the manner stated above.



If you have any concerns about our representation of the City on the terms described in this letter, please give me a call to discuss the same. Otherwise, please indicate your acceptance by executing this letter in the space provided below and return a copy to me. Please note that if you do not sign and return this letter, your instructing this firm or continuing to instruct this firm in connection with this matter will constitute your full acceptance of the terms and conditions set forth herein and attached.

We wish to express our sincere appreciation to the City for entrusting this matter to us, and we look forward to working with the City on this matter.

Sincerely,

WOMBLE BOND DICKINSON (US) LLP



Paul H. Billow

Agreed to and accepted:

CITY OF SHELBY, NORTH CAROLINA

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

## FINANCIAL ADVISORY SERVICES AGREEMENT

This Agreement (this “**Agreement**”) is made by and between the City of Shelby, North Carolina (the “**Client**”) and First Tryon Securities, LLC, d/b/a First Tryon Advisors (“**First Tryon**”), as of the date acknowledged and accepted by the Client below (the “**Effective Date**”).

In consideration of the mutual covenants contained in this Agreement, the parties hereby agree with respect to financial advisory services to be provided by First Tryon to the Client as follows:

### **SERVICES**

First Tryon, as an independent contractor and not as an employee, shall provide financial advisory services to the Client as specified from time to time in the work order or work orders in the form attached to this Agreement as Exhibit A (collectively, if more than one, the “**Work Order**”), perform all work and deliver all requisite work product (the “**Deliverables**”) in connection therewith (collectively, together with the Deliverables, the “**Services**”). First Tryon agrees to perform the Services in accordance with the highest professional standards applicable to the performance of like services. As part of such Services, Client may periodically request reasonable written reports concerning First Tryon’s progress, project status and other matters pertaining to the Services, and First Tryon shall promptly provide such reports to Client at no additional charge. In addition, First Tryon shall be available to meet with Client for review of all aspects of this Agreement pertaining to the performance of Services.

Client may, from time to time, request that First Tryon perform additional Services (“**Additional Services**”). If First Tryon accepts such assignments, the parties shall agree to the parameters of the Additional Services to be undertaken by executing a new or revised Work Order in the form of Exhibit A. The Additional Services shall be considered “**Services**” under this Agreement and shall be performed in accordance with, and subject to the terms and conditions of, this Agreement and the Work Order specifying the Services to be performed.

Nothing contained in this Agreement shall constitute making or appointing First Tryon an agent of the Client. First Tryon shall not (a) hold itself out contrary to the terms of this Agreement; (b) enter into any agreement on behalf of the Client or bind the Client in any way; or (c) make any representation, agreement, act or commission contrary to the terms of this Agreement.

The parties agree that Affiliates (as defined below) of First Tryon and Affiliates of Client may execute Work Orders in accordance with the provisions of this Agreement. In such event, the applicable Affiliate of such party executing any Work Order shall, for purposes of such Work Order, be considered “**First Tryon**” and the “**Client**” as those terms are used in this Agreement, insofar as it relates to any such Work Order, shall be deemed to be a two-party agreement between First Tryon or its applicable Affiliate on the one hand and Client or its applicable Affiliate on the other hand. As used in this Agreement, an “**Affiliate**” of an entity is another person or entity which controls, is controlled by or is under common control with such entity, and the term “**control**” of an entity shall mean the power to unilaterally direct the policies and management of such entity, whether through the ownership of voting securities or otherwise.

### **CLIENT MATTERS**

With respect to any matter described in this Agreement, nothing in this Agreement shall limit the Client’s unqualified right, in the Client’s discretion, (a) to reject in whole or in part any advice, suggestion, counsel or proposal made by First Tryon; or (b) to make any decision the Client deems to be in the best interests of the Client.

The Client represents that (a) has taken all necessary action to authorize the Client’s execution, delivery and performance of this Agreement and (b) has obtained all consents, approvals and authorizations of any governmental or regulatory authority necessary for the Client’s execution and delivery of this Agreement and the performance of its obligations under this Agreement.

## **TERM**

This Agreement shall commence on the Effective Date and thereafter shall remain in effect unless terminated in accordance with the provisions under the “**TERMINATION**” heading below. First Tryon shall render Services to Client for the period (the “**Term**”) set forth in the applicable Work Order.

## **PERSONNEL**

First Tryon’s Services under this Agreement shall be rendered solely by (a) its individual employees or (b) individuals or entities that are not employees of First Tryon that have been engaged by First Tryon to perform Services under this Agreement on First Tryon’s behalf (collectively, the “**Third Parties**”), in each case as specified in the Work Order (collectively, the “**Personnel**”). First Tryon represents all such Personnel are qualified to perform the Services and have been assigned by First Tryon to work with the Client pursuant to this Agreement. First Tryon certifies that after hiring an employee to work in the United States, First Tryon shall verify the work authorization of the employee through E-Verify (or any replacement procedure).

## **FEES**

Upon the performance by First Tryon of all of its obligations under this Agreement and in an applicable Work Order, and as full compensation for Services performed by First Tryon to Client, Client agrees to pay to First Tryon, and First Tryon agrees to accept, a fee for Services as rendered on the basis set forth in the Work Order. In no event shall Client be obligated to pay any fees accrued in excess of the estimated cost set forth in the Work Order, or accrued in respect of services not described in the Work Order, without the written consent of Client.

In establishing fees, First Tryon takes into account multiple factors, including the efficiency with which the work was done, the result achieved, the complexity of the matter and any special experience or expertise applied to it, any extraordinary scheduling or preemptive attention devoted to the project, and the degree of professional responsibility or liability undertaken by the firm.

Unless specifically provided otherwise in the applicable Work Order, First Tryon shall invoice Client upon completion of the Services performed under the applicable Work Order. Invoices will be paid within 30 days of Client’s receipt and acceptance of a proper invoice in accordance with the applicable Work Order.

If First Tryon is requested by the Client or required by subpoena or similar legal process to produce First Tryon’s materials or Personnel with respect to Services for the Client, provided that First Tryon is not a party to the proceeding, then the Client will reimburse First Tryon for its professional time and reasonable out-of-pocket expenses, including the reasonable fees and out-of-pocket expenses of First Tryon’s outside counsel incurred as a result of such request.

## **TERMINATION**

Client shall have the right to terminate any or all of the Services, any or all Work Orders or this Agreement without cause and in its sole discretion upon 30 days’ prior written notice to First Tryon.

In the event of any termination of any Services, Work Order or this Agreement as set forth above, the Client shall pay First Tryon only for those Services performed, and reimbursable expenses incurred, before the effective date of termination; provided, however, that the Client shall have no liability for any further charges in respect of Services performed or expenses incurred after such termination date. Upon termination of this Agreement, First Tryon and the Client shall be relieved of any further obligations under this Agreement.

## **MISCELLANEOUS**

The provisions of this Agreement constitute the entire agreement of the parties as to the matters addressed in this Agreement and supersede any prior understanding not specifically incorporated in this Agreement. No changes to this Agreement or waiver of any of the terms of this Agreement shall be made except in writing signed by the Client and First Tryon. In addition, no Work Order applicable to this Agreement shall be binding on the Client unless executed by the Client and First Tryon. In the event of any inconsistency between a Work Order and the terms set forth in this Agreement, the terms of the applicable Work Order shall prevail.

## **GOVERNING LAW**

This agreement shall be governed by and construed in accordance with the laws of the State of North Carolina applicable to agreements made and to be fully performed therein.

## **NOTICES**

All notices, requests, demands or other communications in connection with this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person, by a nationally recognized overnight courier service or by United States mail, postage prepaid, certified or registered, with return receipt requested, or otherwise actually delivered:

If to First Tryon, at:

First Tryon Securities, LLC dba First Tryon Advisors  
1355 Greenwood Cliff, Suite 400  
Charlotte, NC 28204

If to the Client at:

City of Shelby  
PO Box 2017  
300 South Washington Street  
Shelby, NC 28151

## **LIMITATION ON LIABILITY**

NEITHER PARTY, ITS AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS SHALL BE LIABLE FOR ANY CAUSE RELATED TO OR ARISING OUT OF THIS AGREEMENT, WHETHER IN CONTRACT, NEGLIGENCE OR TORT, IN EXCESS OF THE TOTAL FEES AND CHARGES PAID BY THE CLIENT FOR SERVICES RENDERED DURING THE TERM.

## **HEADINGS**

The paragraph headings in this Agreement are solely for convenience of reference and shall not affect the interpretation of this Agreement.

## **ASSIGNMENT**

Each provision of this Agreement and all Work Orders shall inure to, and shall be legally binding on, the successors and assigns of the parties to this Agreement.

## **COMPLIANCE WITH LAW**

First Tryon will comply with all statutes, ordinances, and regulations of all federal, state, county and municipal or local governments, and of any and all the departments and bureaus thereof, applicable to the carrying on of its business and performance of the Services and its obligations under this Agreement.

## **SEVERABILITY**

If any term of this Agreement shall be held invalid, illegal or unenforceable in whole or in part, then neither the validity of the remaining part of such term nor the validity of any other term of this Agreement shall be in any way affected.

## **MUNICIPAL ADVISORY CLIENT EDUCATION AND PROTECTION**

First Tryon is registered with the U.S. Securities and Exchange Commission (“SEC”) and the Municipal Securities Rulemaking Board (“MSRB”). The MSRB provides certain protections for municipal entities and obligated persons that are clients of a municipal advisor. For complete regulatory and educational information, visit the MSRB’s website at [www.msrb.org](http://www.msrb.org). A municipal advisory client brochure is available on the MSRB website’s (currently available at <http://www.msrb.org/~media/Files/Resources/MSRB-MA-Clients-Brochure.ashx>). The client brochure describes client protections that may be provided under MSRB rules, including how to file a complaint with an appropriate regulatory authority.

## **MUNICIPAL ADVISOR REGULATORY DUTIES**


MSRB Rule G-42 requires that municipal advisors provide disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. Such disclosures are provided in First Tryon’s Municipal Advisor’s Disclosure Statement, which First Tryon has delivered to the Client in connection with the execution and delivery of this Agreement.

IN WITNESS WHEREOF, the Client and First Tryon have duly executed this Agreement, and the Client has acknowledged and accepted the terms of this Agreement, as of the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**CITY OF SHELBY, NORTH CAROLINA**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**FIRST TRYON SECURITIES, LLC,  
D/B/A FIRST TRYON ADVISORS**

By:  \_\_\_\_\_  
Amy Vitner  
Managing Director

By:  \_\_\_\_\_  
J. Walter Goldsmith  
Managing Director

**EXHIBIT A**  
**WORK ORDER NUMBER \_\_\_**

**WORK ORDER** to the Agreement dated \_\_\_\_\_, by and between the City of Shelby, North Carolina (the "Client") and First Tryon Securities, LLC, d/b/a First Tryon Advisors ("First Tryon").

**SERVICES**

First Tryon will provide the following Services under this Work Order:

*[Describe in detail, including all applicable roles and responsibilities]*

**TERM**

From \_\_\_\_\_ until \_\_\_\_\_, unless terminated earlier in accordance with the Agreement.

**COMPENSATION**

In establishing fees, First Tryon takes into account multiple factors, including the efficiency with which the work was done, the result achieved, the complexity of the matter and any special experience or expertise applied to it, any extraordinary scheduling or preemptive attention devoted to the project, and the degree of professional responsibility or liability undertaken by the firm.

For services to be performed in connection with this Work Order, First Tryon's estimated fees are \$\_\_\_\_\_. Such fees may vary if (1) the contemplated financing structure or assignment changes materially during the course of the Term or (2) unusual or unforeseen circumstances arise which require a significant increase in the type or scope of First Tryon's responsibilities. First Tryon will consult with the Client if at any time First Tryon believes that circumstances require an adjustment to its fees beyond the estimate set forth above.

In addition to the compensation outlined above, the Client will reimburse First Tryon for out-of-pocket expenses incurred in connection with the Services. Customary out-of-pocket expenses include, without limitation, costs of travel, meals, lodging, printing/copying, etc. First Tryon will bill the Client for such expenses at cost, with no mark-up. First Tryon will not bill the Client for indirect costs such as telephone, fax, and conference call services; instead, the Client will pay First Tryon an administrative expense fee equal to 4% of any invoiced fee for Services as reimbursement for costs not reasonably allocable on a client-by-client basis.

*[Revise compensation section as agreed upon for each Work Order.]*

**AGREED AND ACCEPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 200\_:

**FIRST TRYON SECURITIES, LLC,  
D/B/A FIRST TRYON ADVISORS**

By:           No Signature Required on Exhibit            
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CITY OF SHELBY, NORTH CAROLINA**

By:           No Signature Required on Exhibit            
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ORDINANCE NO. 11-2021

AN ORDINANCE ESTABLISHING A CAPITAL PROJECT ORDINANCE AND BUDGETS FOR THE CITY OF SHELBY’S GENERAL OBLIGATION BOND REFERENDUM 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 General Obligation Bond Referendum 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 funding and construction of a capital asset such as street and sidewalk 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 establish a project budget ordinance for the general obligation bond referendum project costs. 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	11001000-39900	\$80,000
Transfer to General Capital Projects	110495-49111	\$80,000

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

Revenues:		
Transferred from General Fund	11101000-39110-GOB22	\$80,000
Appropriation:		
Professional Services	111412-42000-GOB22	\$80,000

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 15th day of March 2021.

\_\_\_\_\_  
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  
March 15, 2021  
Electronic Meeting

Agenda Item: F-3

- 3) Adoption of an ordinance creating the City of Shelby's Public Art Advisory Board:  
Ordinance No. 9-2021

**Consent Agenda Item: (Rick Howell, City Manager and Shelby Holmes, Lead for North Carolina Fellow)**

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- Ordinance No. 9-2021

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City Manager's Recommendation / Comments

Ordinance No. 9-2021 is presented for Council consideration at this time. If approved this ordinance would create a Public Art Advisory Board for the City. The Board would consist of no more than 7 members and be appointed by City Council in the same manner as other appointed boards. This board would oversee the implementation of the public art plan making recommendations to City Council from time to time.

**It is recommended that Ordinance No. 9-2021 be adopted and approved via the Consent Agenda.**





To: Rick Howell, City Manager

From: Shelby Holmes, Lead for North Carolina Fellow

Date: March 1, 2021

Subject: Creation of the Public Art Advisory Board and Adoption of the City Public Art Plan

Background:

Recognizing the value of public art to community development and resident engagement, the City of Shelby began discussing a public art plan in 2018. The City has been involved in various public art projects but has yet to adopt a formal approach to a public art program. To ensure that the public art process in Shelby is fair, intentional, and community-driven, City staff have prepared the 2021 City of Shelby Public Art Plan. The plan details processes for the commission, accession, maintenance, and delivery of public artworks and arts programming. According to the proposed plan, The City's public art program is to be administered by a citizen advisory board ("Public Art Advisory Board") with City staff support. The Public Art Advisory Board will make recommendations to City Council and Council will have the final decision-making authority on any project.

Recommendation:

The recommendation from staff is to adopt the attached ordinance and resolution, which will create the Public Art Advisory Board and adopt the Public Art Plan as a flexible blueprint for the City's public art program.

**ORDINANCE NO. 9-2021**

**AN ORDINANCE CREATING THE CITY OF SHELBY'S  
PUBLIC ART ADVISORY BOARD**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHELBY THAT THE  
CODE OF ORDINANCES, CITY OF SHELBY, BE AMENDED BY ADDING ARTICLE  
XX. PUBLIC ART ADVISORY BOARD:**

**ARTICLE XX – SHELBY PUBLIC ART ADVISORY BOARD**

Sec. X-X. - Created.

There is created and established a public art advisory board in and for the city.

Sec. X-X. – Members.

- (a) The public art advisory board shall be comprised of seven (7) members, including at least one (1) representative from the Cleveland County Arts Council, one (1) representative from the Keep Shelby Beautiful Board, and one (1) youth representative. At least two (2) members should be arts professionals. All members will be appointed by the city council.
- (b) Members may serve for up to two (2) renewable, consecutive three-year terms, followed by a minimum of one (1) year off-service. Vacancies in the advisory board shall be filled for the unexpired term by the city council.
- (c) Members shall serve without compensation and must sign a conflict-of-interest statement.
- (d) The board shall adopt by-laws to govern its procedures under the guidance of the City of Shelby Public Art Plan adopted by resolution on March 15th, 2021.

Sec. X-X. - Powers and duties.

The public art advisory board shall serve the city manager and the city council solely in an advisory capacity. The board may suggest and recommend actions pertaining to the acquisition, loan, placement, maintenance, display, and disposal of the City of Shelby's public artworks and related arts programming. The board shall consult with and advise city staff and city council in matters affecting public art policies, programming, resources, and acquisitions related to the total city public arts program.

Sec. X-X. – Meetings

The public art advisory board shall meet at least once every two months for the transaction of its business and shall deliver to the city manager a copy of minutes for each meeting.

This Ordinance shall be in full force and effect from and after the date of adoption.

Adopted this the 15th day of March 2021.

Ordinance No. 9-2021  
March 15, 2021  
Page 2

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O. Stanhope Anthony III  
Mayor

ATTEST:

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

APPROVED AS TO FORM:

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Andrea Leslie-Fite  
City Attorney

City of Shelby  
Agenda Item Summary  
March 15, 2021  
Electronic Meeting

Agenda Item: F-4

- 4) Approval of a resolution adopting the 2021 City of Shelby Public Art Plan:  
Resolution No. 18-2021

**Consent Agenda Item: (Rick Howell, City Manager and Shelby Holmes, Lead for North Carolina Fellow)**

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- Resolution No. 18-2021

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City Manager's Recommendation / Comments

Resolution No. 18-2021 is presented for Council consideration at this time. If approved this resolution would adopt the presented public art plan which like other adopted city plans will serve as a flexible framework to encourage the creation and placement of public art throughout the City. Adoption of the plan does not commit the City to funding anything at this point. City funding, if any, would be considered through either the annual budget process or project specific funding authorizations approved by City Council.

Shelby Holmes has done an outstanding job putting this plan together with assistance and feedback from Assistant City Manager Justin Merritt.

**It is recommended that Resolution No. 18-2021 be adopted and approved by Council.**



To: Rick Howell, City Manager

From: Shelby Holmes, Lead for North Carolina Fellow

Date: March 1, 2021

Subject: Creation of the Public Art Advisory Board and Adoption of the City Public Art Plan

Background:

Recognizing the value of public art to community development and resident engagement, the City of Shelby began discussing a public art plan in 2018. The City has been involved in various public art projects but has yet to adopt a formal approach to a public art program. To ensure that the public art process in Shelby is fair, intentional, and community-driven, City staff have prepared the 2021 City of Shelby Public Art Plan. The plan details processes for the commission, accession, maintenance, and delivery of public artworks and arts programming. According to the proposed plan, The City's public art program is to be administered by a citizen advisory board ("Public Art Advisory Board") with City staff support. The Public Art Advisory Board will make recommendations to City Council and Council will have the final decision-making authority on any project.

Recommendation:

The recommendation from staff is to adopt the attached ordinance and resolution, which will create the Public Art Advisory Board and adopt the Public Art Plan as a flexible blueprint for the City's public art program.

RESOLUTION NO. 18-2021

A RESOLUTION ADOPTING THE 2021 CITY OF SHELBY PUBLIC ART PLAN

**WHEREAS**, the Shelby City Council recognizes the need and desire for a plan and policy that will address current and future public art interests; and,

**WHEREAS**, the Shelby Center City Master Plan, originally adopted in 2007 by Resolution No. 54-2007 and most recently adopted in 2016 by Resolution No.39-2016, recommends leveraging public art opportunities for development purposes; and,

**WHEREAS**, the City of Shelby Public Art Plan will serve as a flexible blueprint, addressing existing and future public art needs for programming for all residents; and,

**WHEREAS**, this plan affords the residents of Shelby with tremendous opportunities for public art, arts programming, and community engagement; and,

**WHEREAS**, the City appreciates the quality of life benefits that public art provides to the community; and

**WHEREAS**, the City recognizes the importance of public art for all of its residents.

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

Section 1. The Mayor and City Council of the City of Shelby hereby adopt the proposed 2021 City of Shelby Public Art Plan, attached hereto as Attachment A.

Section 2. The City Manager and Public Art Advisory Board are specifically directed to develop a strategy for funding and implementation of said plan to be presented to City Council for review and consideration.

Section 3. That this resolution be spread upon the permanent minutes of the City Council.

Adopted this the 15th day of March 2021 in Shelby, North Carolina.

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O. Stanhope Anthony III  
Mayor

ATTEST:

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

City of Shelby  
Agenda Item Summary  
March 15, 2021  
Electronic Meeting

Agenda Item: G

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 necessarily require action by Council.

Agenda Item: H

Council Announcements and Remarks

I. 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